Stock Code：6796

Medimaging Integrated Solution Inc.

ANNUAL REPORT 2025

Annual report is available at：https://mops.twse.com.tw

Company Website：https://www.miis.com.tw

Printed on：May 25, 2026

1. The Spokesperson & Acting Spokesperson

Spokesperson		Acting Spokesperson	
Name	CHENG, CHU-MING	Name	CHEN, YUNG-CHEN
Title	President	Title	Senior Director
Tel	+886-3-579-8860	Tel	+886-3-579-8860
E-mail	ir@miis.com.tw	E-mail	ir@miis.com.tw

2. The Company's Headquarters & Factories

Company's Headquarters:

Add: 6F No. 11, Yuanqu 2nd Rd., East Dist., Hsinchu City 300091, Taiwan (R.O.C.)

Tel: +886-3-579-8860

Factory IE4：

Add: 3F., No. 24-2, Gongye E. 4th Rd., East Dist., Hsinchu City 300093, Taiwan (R.O.C.)

Tel: +886-3-579-8860

Aitronics (Plant 2): 2nd Floor, No. 11, Yuanqu 2nd Road, East District, Hsinchu Science Park, Hsinchu City

Tel: (03) 579-8860

Lian Chan Precision (Taichung Plant): No. 539-37, Zhongshan Road, Xianan Village, Qingshui District, Taichung City

Tel: (04) 2622-7933

Medimaging Integrted Solution (Dongguan Plant): Room 501, Building 5, Dongguan-Taiwan Biotechnology Cooperation Incubation Center, No. 1, Taoyuan Road, Songshan Lake High-tech Industrial Development Zone, Dongguan City

Tel: 0769 2224-4677

3. The Agency Handling Shares Transfer

Company: KGI Securities Co., Ltd.

Website: https://www.kgi.com.tw

Address: 5F., No. 2, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei 100502, Taiwan (R.O.C.)

Tel: +886-2-2389-2999

4. Auditors

Company: PwC Taiwan

Auditors: Chiang, Tsai-Yen and Liu, Chien-Yu

Address: 27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 11012, Taiwan (R.O.C.)

Website: https://www.pwc.tw

Tel: +886-2-2729-6666

5. **Overseas Securities Trade & Exchange Information:** None

6. **Company Website:** https://www.miis.com.tw

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Ⅰ. LETTER TO SHAREHOLDERS

Medimaging Integrated Solution Inc.

2025 Business Report

1. 2025 Business Results

(1) Financial results

Unit：NT$ thousands

	2025	2024	Increases (decreases)	Change %
Operating revenue	661,389	538,920	122,469	22.72%
Gross profit	279,813	234,319	45,494	19.42%
Net Operating Income	17,918	(3,783)	21,701	-
Net profit before tax	14,648	12,216	2,432	19.91%
Net profit after tax	7,725	5,610	2,115	37.70%

(2) Budget implementation: The Company did not disclose its financial forecasts of the year of 2025, so it is not necessary to publicly disclose the implementation of the budget.

(3) Financial profitability

Item		2025	2024
Financial structure	Liability to asset ratio (%)	52.58%	45.25%
	Long-term asset to real estate, plant and equipment ratio (%)	260.38%	273.80%
Debt-paying capability	Current ratio (%)	225.79%	368.98%
	Quick ratio (%)	166.58%	266.55%
Profitability	Return on assets (%)	1.15%	0.93%
	Return on equity (%)	1.04%	0.73%
	Net income ratio (%)	1.17%	1.04%
	Basic earnings per share (NTD)	0.20	0.16

(4) Overview of R&D

Our company continues to deepen its expertise in digital medical imaging technology and has achieved significant breakthroughs in disposable endoscopes and smart healthcare:

Ophthalmoscopes and Ophthalmic Equipment: We continue to collaborate with leading international manufacturers to develop new fundus cameras and fundus computed tomography scanners.

Disposable Endoscopes: Cystoscopes have officially entered mass production and are being shipped to Boston Scientific, a major US medical device manufacturer; bronchoscopes have secured exclusive US licensing agreements with the largest emergency care distributor in the

US; and arthroscopy has obtained FDA 510(k) clearance.

Our subsidiary, Jinsheng Intelligent Sensing, has partnered with Taiya Group to research and develop "high-precision non-invasive continuous glucose monitoring wearable device technology," which has entered the clinical data optimization stage; Lianzan Precision continues to expand its medical consumables manufacturing scope, strengthening its medical-grade plastic injection molding and airtight canister products.

We expect to maintain R&D investment at over 20% of annual revenue in the future, continuously developing innovative digital medical devices to ensure our market leadership.

2. 2026 Business Outlook

(1) Operating guideline

The company's core strategies remain focused on "technological innovation," "global expansion," and "vertical integration," with the following advanced strategies implemented:

1. Dual-track system of CDMO and proprietary brand: Accelerating global market penetration through collaborations with major manufacturers.
2. Vertical integration benefits: Enhancing autonomy in the packaging and testing of miniature camera modules as automated equipment is deployed, ensuring stable profitability.
3. Comprehensive solutions: Shifting product strategy from single endoscopes to comprehensive solutions integrating peripheral surgical instruments.

(2) Sales Forecast

The Company will consider past experiences, current operational status, product sales plans, and factors such as future business environment and market conditions in setting internal operational goals.

(3) Significant Production and Sales Policies

Comprehensive International Certifications: Obtaining EU MDR certification and passing MDSAP quality system audits strengthens market entry barriers in Europe and the US.

Optimized Market Structure: The US remains the largest market; continued expansion into other markets diversifies risks.

3. Future Development Strategies

(1) Deepen Endoscopic and Surgical Instrument Solutions: Continuously develop flexible and rigid endoscopes and combine them with peripheral surgical instruments to provide comprehensive solutions.

(2) Expand the Smart Healthcare Ecosystem: Integrate artificial intelligence and big data analytics to extend image diagnostics to home settings, public places, and the emergency market, expanding the scope of services.

(3) Strengthen the Group's Profit Structure: Boost the operating scale and profitability of subsidiaries, consolidating the foundation for the Group's development.

4. External Competition, Regulatory Environment, and Overall Business Environment Impact

The global development trends of telemedicine, digital healthcare, and minimally invasive diagnosis and treatment are clear. Supportive regulations and insurance coverage in various countries are gradually shaping the market mechanism. However, the following challenges remain:

(1) Competitive Environment: The disposable endoscope market is becoming increasingly competitive, with major global medical brands actively expanding their presence. The company needs to continuously enhance its technological advantages and improve its market competitiveness through brand collaborations.
(2) Regulatory Environment: Medical device regulations in various countries are becoming increasingly stringent, and compliance costs are continuously rising. The company needs to continuously invest resources in compliance certification to ensure that its products meet market regulatory standards.
(3) Overall Operating Environment: Global medical market demand continues to grow, but supply chain challenges, exchange rate fluctuations, tariff changes, and raw material price volatility may affect the company's operations and profitability. The company will address these challenges through upstream and downstream management and cost control.

Despite the global uncertainties around the world, the company will remain its entrepreneurship, continuing to focus on developing advanced smart medical equipment and solutions to enhance the company's R & D capabilities. We will collaborate with customers and suppliers to create more market opportunities, to generate higher shareholder value as a reward of shareholders.

CHENG, CHU-MING	CHENG, CHU-MING	FAN, CHING-I
Chairman	President	Chief Accounting Officer

II. CORPORATE GOVERNANCE REPORT

1. Information on Board Members, president, Vice presidents, and the supervisors of all divisions and branch units, as follows:

1.1 Information on Board Members:

1.1.1 Board Members

2026/4/30

Title	Name	Gender & age	Nationality or Place of Registration	Date first elected	Date Effective	Term	Shares held when elected		Shares currently held		Shares currently held by their spouses and minor children		Shares held in the name of others		Major experience and academic background	Concurrent positions in the Company and other companies	Managers who are Spouses or Within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	CHENG, CHU-MING	Male 51-60	R.O.C	2010.07.20	2023.06.15	3	5,569,659	16.76%	7,470,273	18.57%	354,587	0.88%	0	0%	Ph.D in Department of Photonics, National Chiao Tung University Chairman, Medimaging Integrated Solution Inc.(Dongguan) Senior Director, Young Optics Inc.	President, MiiS Chairman, Aitronics Chairman, TUP Legal representative, Medview Investments Limited Director, Medimaging Integrated Solution Inc.(Dongguan)	-	-	-	1
Director	CHEN, CHIN-YI	Female 41-50	R.O.C	2023.06.15	2023.06.15	3	212,630	0.64%	252,033	0.63%	0	0%	0	0%	Master Degree in National Taiwan University International Business Administration (EMBA) Sales Manager, Young Optics Inc. Director, Medimaging Integrated Solution Inc.(Dongguan)	EVP, MiiS President, Aitronics	-	-	-	
Directo	LEE, YU-TSUNG	Male 41-50	R.O.C	2016.06.15	2023.06.15	3	476,640	1.43%	546,231	1.36%	28,470	0.07%	0	0%	Master's degree in Physics from Sun Yat-sen University Director, Medimaging Integrated Solution R&D Manager, Young Optics Inc.	EVP, MiiS	-	-	-	2
Director	ROAN, YUNG-CHIH	Male 51-60	R.O.C	2011.05.01	2023.06.15	3	468,483	1.41%	442,029	1.10%	265,856	0.66%	0	0%	Master Degree in Physics, FU Jen Catholic University Oerlikin Optics Product Line manager Materion Optics Asia Sales manager	Partner, OMS Tech	-	-	-	3
Independent Director	CHANG, MING-JYE	Male 61-70	R.O.C	2020.12.10	2023.06.15	3	0	0%	0	0%	0	0%	0	0%	MBA, Rutgers, The State University of New Jersey Independent Director, MIIS GM,Mega Securities	-	-	-	-	

Independent Director	WANG, PAO-CHANG	Male 51-60	R.O.C	2020.12.10	2023.06.15	3	0	0%	0	0%	0	0%	0	0%	MBA, National Taiwan University Independent Director, MIIS VP, KPMG CFO, Amazing Microelectronic Corp.	-	-	-	-	
Independent Director	CHIU, CHIN-TAIN	Male 71-80	R.O.C	2021.07.02	2023.06.15	3	0	0%	0	0%	0	0%	0	0%	Ph.D in Bussiness Administration,National Chengchi University. MBA, Sloan School of Management,MIT Independent Director, MIIS Supervisor, Sino-Indonesia Cultural and Economic Association HSBC Senior Vice President/Head of Corporate Banking Division/Head of Taipei Branch	Independent Director, 3D GLOBAL BIOTECH INC. Independent Director, PROSPERITY DIELECTRICS CO., LTD. Independent Director, UNIFOSA CORP. Director, Sino-Indonesia Cultural and Economic Association Director, Chiu Shi-De Enterprise Co., Ltd.	-	-	-	
Independent Director	CHIANG, HUI-HUA	Male 61-70	R.O.C	2023.12.20	2023.12.20	3	0	0%	0	0%	0	0%	0	0%	Ph.D. in Electrical Engineering Georgia Institute of Technology U.S.A. Director, Biomedical Engineering Research and Development Center, NYCU Distinguished Research Fellow, Bio-IT Technology Division, ITRI Executive Secretary, Bord of Science and Technology, Executive Yuan Convener, Department of Medical Engineering, Convener of the Medical Engineering Department of the Engineering Office of the National Science Council	Lifetime Distinguished Prof., Biomedical Engineering, NYCU Supervisor, Taiwanese Society of Biomedical Engineering				

Note1: The company is a small to medium-sized enterprise, where the Chairman also serves as the General Manager. This arrangement allows for smooth decision-making processes and enhances operational efficiency. However, there may be concerns regarding the lack of checks and balances in corporate governance. To address this, our company has established 4 independent directors, with over half of the directors not concurrently holding positions as company employees or managers. Additionally, we have set up an Audit Committee and a Compensation Committee in accordance with the law to enhance the functions of the board of directors and strengthen oversight capabilities.

2. Major shareholders of the Company’ s major institutional shareholders: None.

3 Major shareholders of Institutional Shareholders: None.

4 Professional qualifications and independence analysis of directors
(1) Diversity and Professionalism

Terms / Name	Professional Qualifications and Experience	Independence Status	Number of Other Taiwanese Public Companies Concurrently Serving as an Independent Director
CHENG, CHU-MING	Main experience (educationalbackground) Ph.D in Department of Photonics, National Chiao Tung University Senior Director, Young Optics Inc. Chairman, Medimaging Integrated Solution Inc.(Dongguan) Current positions: President, MiiS Director, Medimaging Integrated Solution Inc.(Dongguan) Legal representative, Medview Investments Limited Chairman, Aitrnics Chairman, TUP Expertise: Board leadership experience Experience in the electronics, telecommunications, information technology, biotechnology and healthcare, and business management industries. Note： The various situations specified in Article 30 of the Company Law are not applicable.	He also serves as the company's general manager, and is therefore a manager. He also serves as the chairman of a related company (a wholly-owned subsidiary) of the company. He is one of the top ten natural person shareholders of the company. The rest have been verified in accordance with the independence requirements listed in the "Regulations on the Establishment of Independent Directors of Publicly Offering Companies and Matters to be Observed" and still meet the relevant independence requirements.	-
CHEN, CHIN-YI	Main experience (educationalbackground) Master Degree in National Taiwan University International Business Administration (EMBA) Sales Manager, Young Optics Inc. Current positions: Executive Vice President, MiiS President, Aitrnics Expertise: Experience in the electronics, telecommunications, information technology, biotechnology and healthcare, and business management industries. Note： The various situations specified in Article 30 of the Company Law are not applicable.	She also serves as the company's executive vice president, and is a manager. She also serves as the general manager of a related company (a wholly-owned subsidiary) of the company. The rest have been verified in accordance with the independence requirements listed in the "Regulations on the Establishment of Independent Directors of Publicly Offering	-

		Companies and Matters to be Observed" and still meet the relevant independence requirements.	
LEE, YU-TSUNG	Main experience (educationalbackground) Master's degree in Physics from Sun Yat-sen University R&D Manager, Young Optics Inc. Current positions: Executive Vice President, MiiS Expertise: Director, MiiS R&D Manager, Young Optics Inc. Expertise: Experience in the electronics, telecommunications, information technology, biotechnology and business management industries. Note： The various situations specified in Article 30 of the Company Law are not applicable.	He also serves as the company's executive vice president, and is a manager. He is one of the top ten natural person shareholders of the company. The rest have been verified in accordance with the independence requirements listed in the "Regulations on the Establishment of Independent Directors of Publicly Offering Companies and Matters to be Observed" and still meet the relevant independence requirements.	-
ROAN, YUNG-CHIH	Main experience (educationalbackground) Master Degree in Physics, FU Jen Catholic University Oerlikin Optics Product Line manager Materion Optics Asia Sales manager Current positions: Partner, OMS Tech Expertise: Experience in the electronics, telecommunications, and information technology industries. 。 Note： The various situations specified in Article 30 of the Company Law are not applicable.	He is one of the top ten natural person shareholders of the company. The rest have been verified in accordance with the independence requirements listed in the "Regulations on the Establishment of Independent Directors of Publicly Offering Companies and Matters to be Observed" and still meet the relevant independence requirements.	-
CHANG, MING-JYE	Main experience (educationalbackground) MBA, Rutgers, The State University of New Jersey GM, Mega Securities Current positions: None Expertise: Experience in the finance, securities, and business management industries. Note： The various situations specified in Article 30 of the Company Law are not applicable.	In accordance with the provisions of the Company's Articles of Association and the "Code of Corporate Governance Practice", directors are selected through a candidate nomination system. The Company has obtained written statements, work experience and other information from each	-

<table>
<tr>
<td>WANG, PAO-CHANG</td>
<td>Main experience (educationalbackground)
MBA, National Taiwan University
VP, KPMG
CFO, Amazing Microelectronic Corp.
Current positions:
None
Expertise:
Experience in the finance, accounting, electronics, telecommunications, information technology, and business management industries. ◦
Note：
The various situations specified in Article 30 of the Company Law are not applicable.</td>
<td rowspan="2">director during the nomination and selection of board members. To verify and confirm the independence of yourself, your spouse and relatives within the third degree from the company.
The company has also verified that the following four independent directors complied with financial supervision in the two years before their election and during their tenure.
The "Regulations on the Establishment and Matters to be Observed of Independent Directors of Publicly Offering Companies" promulgated by the Management Committee and the qualification requirements stipulated in Article 14-2 of the Securities and Exchange Act, and all independent directors have been fully empowered in accordance with Article 14-3 of the Securities and Exchange Act. The right to participate in decision-making and express opinions, and to independently execute relevant powers.</td>
<td>-</td>
</tr>
<tr>
<td>CHIU, CHIN-TAIN</td>
<td>Main experience (educationalbackground)
Ph.D in Bussiness Administration,National Chengchi University.
MBA, Sloan School of Management,MIT
HSBC Senior Vice President/Head of Corporate Banking Division/Head of Taipei Branch Current positions:
Independent Director,MiiS
Independent Director, 3D GLOBAL BIOTECH INC.
Independent Director, PROSPERITY DIELECTRICS CO., LTD.
Independent Director, UNIFOSA CORP.
Supervisor,Sino-Indonesia Cultural and Economic Association
Director,Chiu Shi-De Enterprise Co., Ltd.Expertise:
Expertise:
Experience in the banking, electronics, telecommunications, information technology, biotechnology and healthcare, and business management industries.
Note：
The various situations specified in Article 30 of the Company Law are not applicable.</td>
<td>3</td>
</tr>
</table>

CHIANG, HUI-HUA	Main experience (educationalbackground) Ph.D. in Electrical Engineering Georgia Institute of Technology U.S.A. Director, Biomedical Engineering Research and Development Center, NYCU Distinguished Research Fellow, Bio-IT Technology Division, ITRI Executive Secretary, Bord of Science and Technology, Executive Yuan Convener, Department of Medical Engineering, Convener of the Medical Engineering Department of the Engineering Office of the National Science Council Current positions: Lifetime Distinguished Prof., Biomedical Engineering, NYCU Supervisor, Taiwanese Society of Biomedical Engineering Expertise: Experience in electronics, information communications, information technology, and biotechnology and medical care. Note： The various situations specified in Article 30 of the Company Law are not applicable.		-

(2) Diversity and independence of the board of directors

A Diversification of the board of directors

To strengthen corporate governance and promote the sound development of the board of directors, the company has established the "Corporate Governance Practices Guidelines." Article 20 of these guidelines stipulates that the composition of the board of directors should take into account diversification. Except for directors concurrently serving as company executives, their representation on the board should not exceed one-third of the total number of directors. The company should also formulate appropriate diversification policies based on its operations, business model, and development needs. These policies should include, but are not limited to, the following two major aspects:

(1) Basic criteria and values: gender, age, nationality, and culture, among others.
(2) Professional knowledge and skills: professional background (such as law, accounting, industry-specific expertise, finance, marketing, or technology), professional skills, and industry experience.

Board members should generally possess the knowledge, skills, and qualities necessary to fulfill their duties. To achieve the ideal goals of corporate governance, the board as a whole should possess the following capabilities:

(1) Operational Judgment
(2) Accounting and financial analysis ability
(3) Business management ability
(4) Crisis management ability
(5) Knowledge of the industry
(6) International market perspective
(7) Leadership

(8) Ability to make policy decisions

The current directors of the company are composed of 8 directors, including 4 independent directors. Among the 4 independent directors, independent director CHANG, MING-JYE was the general manager of Mega Securities and has rich experience in securities-related industries. Independent director CHIU, CHIN-TAIN was once the general manager of HSBC Bank. Senior Vice President, with rich experience in finance and economics. Independent Director WANG, PAO-CHANG has served as chief financial officer in the industry and deputy general manager of KPMG. He has rich experience in accounting and finance. Independent Director CHIANG, HUI-HUA is currently the Department of Medical Engineering of NYCU. A tenured distinguished professor with extensive practical experience in medical engineering academics and industry-university cooperation, and the other four directors all hold important management positions or cooperation experience in listed companies. The overall board members have experience in finance, securities, business, accounting, technology, with rich experience and expertise in biotechnology and management fields, the basic composition of the board of directors is as follows. In addition, the company also pays attention to gender equality in the composition of the board of directors. Currently, there are 8 directors, including 1 female director, with a ratio of 12.5%.

Reason and Measures for Not Reaching One-Third Representation of Either Gender on the Board of Directors

Reason: The Company currently has eight (8) directors, elected at the 2023 Annual Shareholders' Meeting and Extraordinary Shareholders' Meeting. Among them, there is only one (1) female director. While this composition complied with the applicable laws and regulations in effect at the time of election, it does not meet the one-third gender representation threshold. The shortfall is primarily attributable to the characteristics of the industry, where sourcing suitable candidates within a limited timeframe presents challenges.

Measures: Prior to the re-election of the Board of Directors upon expiry of the current term, the Company will actively engage multiple recruitment channels to identify and attract qualified professional candidates, with the objective of enhancing gender diversity and inclusiveness, and thereby implementing the Company's board diversity policy.

The relevant implementation status of the specific management objectives of the board member diversity policy is as follows:

Management objectives	Achieve situation
Directors who are also managers of the company should not exceed one third of the number of directors.	Not achieve yet
At least one female director	Achieve
The consecutive term of independent directors of the board of directors shall not exceed nine years.	Achieve
The number of independent director seats reaches more than half	Achieve

Basic composition of the board of directors:

Diversity Core / Name of Director	Basic Composition										Industrial Experience				Professional Competence			
	Nationality	Gender	Equipped with Employee Identity	Age				Length of service of the Independent Director			Bank	Security	Medical	IOT	Accounting	Law	Information Technology	Business Management
				41~50	51~60	61~70	71~80	≦ 3 years	3~9 years	≧ 9years								
CHENG, CHU-MING	R.O.C	Male	✓		✓								✓	✓			✓	✓
CHEN, CHIN-YI	R.O.C	Female	✓	✓									✓	✓			✓	✓
LEE, YU-TSUNG	R.O.C	Male	✓	✓									✓	✓			✓	✓
ROAN, YUNG-CHIH	R.O.C	Male			✓								✓	✓			✓	✓
CHANG, MING-JYE	R.O.C	Male				✓			✓			✓			✓			✓
WANG, PAO-CHANG	R.O.C	Male			✓				✓					✓	✓		✓	✓
CHIU, CHIN-TAIN	R.O.C	Male					✓		✓		✓		✓	✓			✓	✓
CHIANG, HUI-HUA	R.O.C	Male				✓		✓					✓	✓			✓	

B Independence of the Board of Directors

a. The current board of directors of the company consists of 8 members, including 4 independent directors, accounting for 50% of the total. There are no circumstances among the members of the Board of Directors that fall under Article 26-3, Paragraph 3 of the Securities and Exchange Act (i.e., more than half of the board seats must not be held by individuals who are spouses or relatives within the second degree of kinship), nor under Paragraph 4 (i.e., at least one supervisor, or one between the supervisors and the directors, must not have a spousal or second-degree kinship relationship). Furthermore, none of the board members are subject to any of the situations specified in Article 30 of the Company Act.

b. All independent directors fully comply with the regulations set by the Financial Supervisory Commission regarding independent directors. Their independence status is as follows:

Name	Whether the individual, their spouse, or relatives within the second degree of kinship serve as a director, supervisor, or employee of the company or any of its affiliated enterprises.	The number and percentage of company shares held by the individual, their spouse, or relatives within the second degree of kinship (including shares held under the name of another person).	Whether the individual serves as a director, supervisor, or employee of a company that has a specific relationship with the company.	The amount of compensation received in the past two years for providing business, legal, financial, accounting, or other services to the company or its affiliated enterprises.
CHANG, MING-JYE	No	None	No	None
WANG, PAO-CHANG	No	None	No	None
CHIU, CHIN-TAIN	No	None	No	None
CHIANG, HUI-HUA	No	None	No	None

1.2. Information on president, Vice president, and the supervisors of all divisions and branch units

2026/4/30

Title	Name	Gender	Nationality or Place of Registration	Date Effective	Current Shareholding		Shares currently held by their spouses and minor children		Shares held in the name of others		Main working (education) experience	Concurrent positions in other companies	Managers who are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman & President	CHENG, CHU-MING	Male	R.O.C	2010.08.05	7,470,273	18.57%	354,587	0.88%	0	0%	Ph.D in Department of Photonics, National Chiao Tung Chairman, Medimaging Integrated Solution Inc.(Guandong) UniversitySenior Director, Young Optics Inc.	Chairman, Aitronics Chairman, TUP Legal representative, Medview Investments Limited Director, Medimaging Integrated Solution Inc.(Guandong)	-	-	-	-
Executive Vice President	CHEN, CHIN-YI	Female	R.O.C	2012.04.10	252,033	0.63%	0	0%	0	0%	Master Degree in National Taiwan University International Business Administration (EMBA) Director, Medimaging Integrated Solution Inc.(Guandong) Sales Manager, Young Optics Inc.	President, Aitronics	-	-	-	
Executive Vice President	LEE, YU-TSUNG	Male	R.O.C	2011.03.23	546,231	1.36%	28,470	0.07%	0	0%	Master's degree in Physics from Sun Yat-sen University Director, MiiS R&D Manager, Young Optics Inc.	-	-	-	-	

Vice President	HSU, CHIH LU	Male	R.O.C	2011.01.01	315,428	0.78%	114,566	0.28%	0	0%	Master Degree in Physics, National Tsinghua University Product Development Manager, Director, MiiS Young Optics Inc. Senior Product Program Manager, Young Optics Inc.	-	-	-	-	
Vice President	KO, HUI-YU (Note)	Female	R.O.C	2012.11.19	185,411	0.46%	0	0%	0	0%	Master's degree in Business Law, National Taiwan University Master's degree in Business Administration, National Taiwan University of Science and Technology Deputy Finance Manager, URE	Director, Medimaging Integrated Solution Inc.(Guandong)	-	-	-	
Senior Director and Financial Manager	CHEN YUNG-CHEN (Note)	Male	R.O.C	2026.03.16	0	0%	0	0%	0	0%	Department of Accounting, Tunghai University Senior Project Manager, Auditing Department, MiiS Deputy Auditing Manager, Candmark Optoelectronics Senior Financial Manager, Unimicron Technology Corp.					
Accounting Supervisor Deputy Director	FAN, CHING-I	Female	R.O.C	2025.06.19	7,799	0.02.%	0	0%	0	0%	Master's degree in Finance, National Yangming National Chiao Tung University	-	-	-	-	

											Accounting Manager, Win Win Precision Technology Co., Ltd Senior Accounting Manager, MiiS Deputy Accounting Manager, United Biopharmaceutical					

Note: Former Deputy General Manager and Chief Financial Officer KO, HUI-YU resigned on 2026/3/31, and new Senior Director and Chief Financial Officer CHEN YUNG-CHEN took office on 2026/3/16.

1.3 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

Our company is a small to medium-sized enterprise where the Chairman also serves as the General Manager. This dual role helps streamline the decision-making process and improve operational efficiency. However, there may be concerns about the lack of checks and balances in corporate governance. To address this, the company has appointed 4 independent directors, and the majority of the directors do not hold any employee or managerial positions within the company. Additionally, in accordance with the law, the company has established an Audit Committee and a Remuneration Committee to enhance the functions of the board of directors and strengthen its oversight capabilities.

2. Remuneration paid during the most recent fiscal year to directors, the president, and vice presidents

2.1 Remuneration of Directors

Unit: NT$ thousands；%

Title	Name	Director's remuneration								Sum of A+B+C+D & ratio of net income after tax		Remuneration from concurrent position as employee								Sum of A+B+C+D+E+F+G & ratio of net income after tax		Compensation Received from Non-consolidated Affiliates
		Cash compensation (A)		Pension (B)		Remuneration from profit distribution (C)		Business expenses (D)				Salaries, bonuses and special expenses(E)		Pension (F)		Profit distribution for employee compensation (Note) (G)						
																MiiS		From All Consolidated Entities				
		MiiS	From All Consolidated Entities	MiiS	From All Consolidated Entities	MiiS	From All Consolidated Entities	MiiS	From All Consolidated Entities	MiiS	From All Consolidated Entities	MiiS	From All Consolidated Entities	MiiS	From All Consolidated Entities	Cash amount	Stock amount	Cash amount	Stock amount	MiiS	From All Consolidated Entities	
Chairman	CHENG, CHU-MING	-	-	-	-	36	36	18	18	54 0.96%	54 0.96%	3,556	3,556	-	-	295	-	295	-	3,905 50.55%	3,905 50.55%	
Director	CHEN, CHIN-YI	-	-	-	-	24	24	18	18	42 0.74%	42 0.74%	3,050	3,050	-	-	273	-	273	-	3,365 43.56%	3,365 43.56%	
Director	LEE, YU-TSUNG	-	-	-	-	17	17	16	16	33 0.59%	33 0.59%	2,991	2,991	-	-	250	-	250	-	3,274 42.38%	3,274 42.38%	
Director	ROAN, YUNG-CHIH	-	-	-	-	12	12	16	16	28 0.50%	28 0.50%	-	-	-	-	-	-	-	-	28 0.36%	28 0.36%	
Independent Director	CHANG, MING-JYE	600	600	-	-	-	-	2	2	602 10.73%	602 10.73%	-	-	-	-	-	-	-	-	602 7.79%	602 7.79%	

Independent Director	WANG, PAO-CHANG	600	600	-	-	-	-	-	-	600 10.70%	600 10.70%	-	-	-	-	-	-	-	-	602 7.77%	602 7.77%	
Independent Director	CHIU, CHIN-TAIN	600	600	-	-	-	-	2	2	602 10.73%	602 10.73%	-	-	-	-	-	-	-	-	602 7.79%	602 7.79%	
Independent Director	CHIANG, HUI-HUA	600	600	-	-	-	-	2	2	602 10.73%	602 10.73%	-	-	-	-	-	-	-	-	602 7.79%	602 7.79%	

1. Please explain the policy, system, standards, and structure for the remuneration of independent directors, and describe the correlation between the remuneration amount and factors such as their responsibilities, risks, and time commitment:
   The remuneration of independent directors in our company is administered in accordance with the Directors and Executive Compensation Policy.
2. In addition to the disclosure provided in the above table, the remuneration received by the directors of the company during the most recent year for services rendered (such as serving as a consultant for the parent company, all subsidiaries listed in the financial reports, or non-employee advisors for investment ventures) is as follows: None.
3. Note: The employee compensation amount has not yet been submitted to the board of directors for approval. An estimate is made based on the proportion of last year's actual distribution amount.

2.2 Remuneration of Supervisors: None. The company established the audit committee to substitute for supervisors function.

2.3 Remuneration of president and vice president

Unit: NT$ thousands；%

Title	Name	Salaries (A)		Pension (B)		Bonuses and special expenses (C)		Profit distribution for employee compensation (D) (Note)				Sum of A+B+C+D & ratio of net income after tax		Compensation Received from Non-consolidated Affiliates
		MiiS	From All Consolidated Entities	MiiS	From All Consolidated Entities	MiiS	From All Consolidated Entities	MiiS		From All Consolidated Entities		MiiS	From All Consolidated Entities	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	CHENG, CHU-MING	12,975	12,975	0	0	2,156	2,156	818	0	818	0	15,949 206.5%	15,949 206.5%	None
Executive VP	CHEN, CHIN-YI													
Executive VP	LEE, YU-TSUNG													
VP	HSU, CHIH LU													
VP	KO, HUI-YU(Note)													

Note：VP KO, HUI-YU resigned on 2026/3/31.

Note：The employee compensation amount has not yet been submitted to the board of directors for approval. An estimate is made based on the proportion of last year's actual distribution amount.

Range of Remuneration

Range	Name of President, Vice president	
	MiiS	From All Consolidated Entities
Under NT$1,000,000	-	-
NT$1,000,000 元～NT$2,000,000	-	-
NT$2,000,000～NT$3,500,000	CHEN, CHIN-YI / LEE, YU-TSUNG / HSU, CHIH LU / KO, HUI-YU	CHEN, CHIN-YI / LEE, YU-TSUNG / HSU, CHIH LU / KO, HUI-YU
NT$3,500,000～NT$5,000,000	CHENG, CHU-MING	CHENG, CHU-MING
NT$5,000,000～NT$10,000,000	-	-
NT$10,000,000～NT$15,000,000	-	-
NT$15,000,000～NT$30,000,000	-	-
NT$30,000,000～NT$50,000,000	-	-
NT$50,000,000～NT$100,000,000	-	-
Above NT$100,000,000	-	-
Total	5	5

2.4 Disclose the individual remuneration paid to each of its top five management personnel:

Unit: NT$ thousands；%

Title	Name	Salaries (A)		Pension (B)		Bonuses and special expenses (C)		Profit distribution for employee compensation (D) (Note)				Sum of A+B+C+D & ratio of net income after tax		Compensation Received from Non-consolidated Affiliates
		MiiS	From All Consolidated Entities	MiiS	From All Consolidated Entities	MiiS	From All Consolidated Entities	MiiS		From All Consolidated Entities		MiiS	From All Consolidated Entities	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	CHENG, CHU-MING	3,056	3,056	0	0	500	500	295	0	295	0	3,852 49.9%	3,852 49.9%	None
Executive VP	CHEN, CHIN-YI	2,617	2,617	0	0	433	433	273	0	273	0	3,323 43.0%	3,323 43.0%	None
Executive VP	LEE, YU-TSUNG	2,562	2,562	0	0	429	429	250	0	250	0	3,241 52.7%	3,241 52.7%	None
VP	HSU, CHIH LU	2,397	2,397	0	0	400	400	0	0	0	0	2,797 36.2%	2,797 36.2%	None
VP	KO, HUI-YU(Note)	2,342	2,342	0	0	395	395	0	0	0	0	2,737 35.4%	2,737 35.4%	None

Note：The employee compensation amount has not yet been submitted to the board of directors for approval. An estimate is made based on the proportion of last year’s actual distribution amount. VP KO, HUI-YU resigned on 2026/3/31.

2.5 Employees' Compensation of the Management Team

Unit: NT$ thousands

	Title	Name	Employees' Compensation- in Stock	Employees' Compensati on- in Cash	Total	Ratio of Total Amount to Net Income (%)
Manager	President	CHENG, CHU-MING	0	818	818	10.59%
	Executive VP	CHEN, CHIN-YI				
	Executive VP	LEE, YU-TSUNG				
	VP	HSU, CHIH-LU				
	VP(Note)	KO, HUI-YU				
	Deputy Director of Accounting	FAN, CHING-I				

Note：VP KO, HUI-YU resigned on March 31, 2026.

2.6 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

2.6.1The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, president, and vice president

Title	2025		2024	
	MiiS	From All Consolidated Entities	MiiS	From All Consolidated Entities
Directors	33.2%	33.2%	45.1%	45.1%
Supervisors(Note)	-	-	-	-
President and Vice President	206.5%	206.5%	275.6%	275.6%

Note：We established the audit committee to substitute for supervisors function.

2.6.2Analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure

(1) The remuneration policy of directors and supervisors

The remuneration policy for directors of the company is implemented in accordance with the provisions of the company's bylaws. In the event of annual profits, a provision of up to three percent may be allocated for director remuneration, subject to approval by the Board of Directors and reporting to the shareholders' meeting. The remuneration for all directors is authorized by the Board of Directors based on their level of involvement and contribution to the company's operations, taking into account industry norms.

As for the remuneration policy for independent directors, it follows the regulations outlined in the Directors and Managerial Personnel Remuneration Act, and a fixed salary is provided on a monthly basis.

(2) The remuneration policy of president and vice presidents
The salary structure for the General Manager and Deputy General Manager of the company includes salary, bonuses, and employee dividends. It is determined based on their contributions, qualifications, operational performance, and the responsibilities they assume, while taking into consideration industry standards.

(3) Analyze the remuneration linkage to operating performance and future risk exposure
The policy for the remuneration of directors, supervisors, general managers, and deputy general managers of the company, as well as the procedures for determining remuneration, are positively correlated with operational performance. Simultaneously, future business development and operational risks of the company are also taken into account, and the actual operating conditions and relevant legal regulations are timely reviewed and disclosed for the payment amounts.

3. Corporate Governance

3.1 Information on implementation of Board of Directors

A total of 11 (A) meetings of the Board of Directors were held during the most recent fiscal year.

The attendance of director and supervisor were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)(B/A)	Remarks
Chairman	CHENG, CHU-MING	11	-	100%	Note1
Director	CHEN, CHIN-YI	11	-	100%	Note1
Director	LEE, YU-TSUNG	9	-	81.8%	Note1
Director	ROAN, YUNG-CHIH	11	-	100%	Note1
Independent director	CHANG, MING-JYE	11	-	100%	Note1
Independent director	WANG, PAO-CHANG	11	-	100%	Note1
Independent director	CHIU, CHIN-TAIN	11	-	100%	Note1
Independent director	CHIANG, HUI-HUA	11	-	100%	Note2

Note1：Elected on June 15, 2023.
Note2：Elected on December 20, 2023.

Other mentionable items:

1.If any of the following circumstances happens in the operation of the Board of Directors, it shall describe the date, term, agenda, opinions of independent directors and the Company’s treatment of these opinions

(1)The provision of the Securities and Exchange Act, Article 14-3

Date of Board Meeting	Subjects	Matters specified in Articles 14-3 of the Securities and Exchange Act	Dissenting or qualified opinions of independent directors
2025.3.12	1.Distribution of Employee and Director Remuneration for the Fiscal Year 2023 of the Company 2.Appointment and Remuneration of the Auditor for the Fiscal Year 2023 of the Company 3.Endorsement and guarantee for the subsidiary, Lian Chan Precision Co., Ltd.	Yes	None

	4. The proposal for the adjustment of managerial compensation for the Company.		
2025.04.17	1. The proposal for the first repurchase of the Company's shares.	Yes	None
2025.05.13	1. Endorsement and guarantee for the subsidiary, Lian Chan Precision Co., Ltd. 2. The proposal for establishing the Company's internal control system for "Treasury Stock Repurchase Management."	Yes	None
2025.06.19	1. Appointment of the company's accounting supervisor.	Yes	None
2025.07.09	1. The resolution passed by the Board of Directors on May 13, 2025, to rescind the "Renewal of the Endorsement Guarantee for the Subsidiary LIAN CHAN PRECISION CO., LTD."	Yes	None
2025.08.11	1. For accounts receivable that are significantly overdue for more than three months beyond the normal credit period, the Company intends to submit a resolution to the Board of Directors to determine whether the matter constitutes a loan. 2. The Company's procedures for implementing treasury share buybacks will be reviewed and amended, and submitted for discussion. 3. The capital increase plan for the subsidiary, Aitronics Inc.	Yes	None
2025.09.24	1. The company plans to handle the case of cash capital increase and common stock issuance and the second domestic unsecured conversion of corporate bonds. 2. Endorsement and guarantee renewal case for subsidiary LIAN CHAN PRECISION CO., LTD. 3. Amend the company's treasury stock execution operating procedures.	Yes	None
2025.11.11	1. Establish the company's internal control system for "defining the scope of frontline employees and conducting regular assessments." 2. The company's management compensation distribution plan for fiscal year 2024. 3. Submit the employee share subscription standards and list for the company's cash capital increase and issuance of new shares in 2025.	Yes	None
2026.03.16	1. Employee and Director Remuneration Distribution for 2025. 2. Disposal of a Batch of Machinery and Equipment to Related Party, Aitronics Inc. 3. Appointment and Remuneration of the Company's Certified Public Accountant for 2026. 4. Appointment of the Company's Internal Audit Director. 5. Appointment of the Company's Chief Financial Officer, Chief Corporate Governance Officer, and Managers.	Yes	None
2026.04.30	1. Salary adjustment proposal for the company's managers.	Yes	None

(2)In addition to the previous provisions, other resolutions of the Board meeting against which independent directors make objections or reserve opinions or submit written statements: None.

2.If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting shall be specified

Date of Board Meeting	Name	Subjects	Reason of avoidance	Participation in voting
2025.03.12	CHENG, CHU-MING CHEN, CHIN-YI LEE, YU-TSUNG ROAN, YUNG-CHIH	Proposal for Employee and Director Remuneration Distribution for the Year 2024	Due to concurrent position as a director	Except for the directors who are required to abstain from participating in the discussion and voting in accordance with the law, the acting chairman, Wang Pao-chang, has consulted with the remaining attending directors, and there were no objections to the proposal. Therefore, the proposal is approved.
2025.03.12	CHENG, CHU-MING CHEN, CHIN-YI LEE, YU-TSUNG	Salary adjustment proposal for our company's managers.	Because they serve as managers of the company.	Except for the director who are required to abstain from participating in the discussion and voting in accordance with the law, the Chairman has consulted with the remaining attending directors, and there were no objections to the proposal. Therefore, the proposal is approved.
2025.04.11	CHENG, CHU-MING CHEN, CHIN-YI LEE, YU-TSUNG	The Company’s Managerial Compensation Distribution Plan for 2024.	Due to concurrent position as a director	Except for the directors who are required to abstain from participating in the discussion and voting in accordance with the law, the acting chairman, Wang Pao-chang, has consulted with the remaining attending directors, and there were no objections to the proposal. Therefore, the proposal is approved.
2025.04.11	CHENG, CHU-MING CHEN, CHIN-YI LEE, YU-TSUNG	The company hereby submits the employee share subscription criteria and list of subscribers for its 2014 cash capital increase and issuance of new shares.	Because they are all company managers, this involves the list of managers and employees who have subscribed to shares.	Except for the directors who are required to abstain from participating in the discussion and voting in accordance with the law, the acting chairman, Wang Pao-chang, has consulted with the remaining attending directors, and there were no objections to the proposal. Therefore, the proposal is approved.
2026.04.30	CHENG, CHU-MING CHEN, CHIN-YI LEE, YU-TSUNG	Salary adjustment proposal for our company's managers.	Because they serve as managers of the company.	Except for the director who are required to abstain from participating in the discussion and voting in accordance with the law, the Chairman has consulted with the remaining attending directors, and there were no objections to the proposal. Therefore, the proposal is approved.

3. The company should disclose information about the evaluation cycle, period, scope, methods, and content of the self-assessment (or peer assessment) of the board of directors. They should also fill out Appendix 2, detailing the implementation status of the board evaluation.

(1) Basis: According to the "Board of Directors Performance Evaluation Measures" of the company.

(2) Explanation: In order to implement corporate governance and enhance the functions of the board of directors and functional committees, performance goals are established to strengthen the operational efficiency of the board of directors. The performance evaluation of the board of directors and functional committees shall be conducted in accordance with the "Board of Directors Performance Evaluation Measures" of the company.

(3) Evaluation Period: From January 1, 2025 to December 31, 2025.

(4) valuation Method: Conducted through self-assessment questionnaires.

a. The "Board Performance Self-Assessment Questionnaire" is self-assessed by all board members and includes evaluation aspects such as: participation in company operations, enhancing the quality of board decisions, board composition and structure, director selection and continuous education, internal controls, and other five major aspects, totaling 45 items.

b. The "Board Member Performance Self-Assessment Questionnaire" is self-assessed by all board members and includes evaluation aspects such as: understanding of company goals and missions, awareness of director responsibilities, participation in company operations, internal relationship management and communication, director professionalism and continuous education, internal controls, and other six major aspects, totaling 23 items.

c. The "Functional Committee Performance Self-Assessment Questionnaire" is self-assessed by members of each functional committee and includes evaluation aspects such as: participation in company operations, awareness of functional committee responsibilities, enhancing the quality of functional committee decisions, functional committee composition and member selection, internal controls, and other five major aspects, with the audit committee comprising 22 items and the compensation committee comprising 19 items.

(5) The evaluation results are presented as simple arithmetic averages for each item (out of 5 points): Below 1: Very poor (Strongly Disagree); 1 to 2: Poor (Disagree); 2 to 3: Average (Neutral); 3 to 4: Good (Agree); 4 to 5: Excellent (Strongly Agree).

(6) Please refer to the following table for the execution status of the board evaluation.

(7) Conclusion: Overall, the operations of the board and various functional committees are satisfactory. The company will continue to enhance the functions of the board and various functional committees based on the results of this performance evaluation to improve

corporate governance effectiveness.

4. Evaluation of the goals to strengthen the functions of the board of directors in the current and recent fiscal years (such as establishing an audit committee, enhancing information transparency, etc.) and the execution status.

(1) Establishment of Audit Committee

The company established an Audit Committee on December 10, 2020, replacing the authority of supervisors. The second Audit Committee was also reappointed by the Board of Directors on June 15, 2023. The Audit Committee consists of all independent directors. Since its establishment, the Audit Committee has convened meetings at least once every quarter, and its operation has been smooth.

(2) Establishment of Remuneration Committee

To improve the remuneration system for directors and executives of the company, the Remuneration Committee was established on December 29, 2020. It assists the Board of Directors in fulfilling its supervisory duties. The second Remuneration Committee was reappointed by the Board of Directors on June 15, 2023. As of the deadline for the annual report of 2023, the committee has held 5 meetings, and its operation has been smooth.

(3) Establish a Sustainable Development Committee

To achieve the company's sustainable development goals and strengthen sustainable governance, the company established a Sustainable Development Committee on November 11, 2025, and formulated organizational procedures for compliance, which have been operating smoothly.

(4) Increase the number of independent directors

To strengthen the structure and operation of the board of directors, the number of independent directors now accounts for half of the total number of directors.

(5) Director Education

To encourage directors to pursue further education, the company arranges periodic director education programs to continuously enrich their knowledge. Please refer to details on director education activities for this year.

Evaluation of the performance of the Board of Directors

<table>
<tr><th>Cycle of Evaluation</th><th>Period of Evaluation</th><th>Scope of Evaluation</th><th>Method of Evaluation</th><th>Content of Evaluation</th></tr>
<tr><td rowspan="4">Performed annually</td><td rowspan="4">2024/01/01
~
2024/12/31</td><td>Board of Directors</td><td>Board of Directors

Self-Assessment by Members</td><td>
<table>
<tr><th>index</th><th>Factors</th><th>Scores</th></tr>
<tr><td>1.Level of involvement</td><td>12</td><td>4.95</td></tr>
<tr><td>2.Improve decision-making quality</td><td>12</td><td>5</td></tr>
<tr><td>3.Composition and Structure</td><td>7</td><td>4.96</td></tr>
<tr><td>4.Election and Continuing Education of</td><td>7</td><td>4.95</td></tr>
<tr><td>5.Internal Control</td><td>7</td><td>4.95</td></tr>
<tr><td>Total</td><td>45</td><td>4.96</td></tr>
<tr><td>Suggestion</td><td colspan="2">None</td></tr>
</table>
</td></tr>
<tr><td>Individual board members</td><td>Individual Director Self-Assessment</td><td>
<table>
<tr><th>index</th><th>Factors</th><th>Scores</th></tr>
<tr><td>1.Understanding Company Goals and Tasks</td><td>3</td><td>5</td></tr>
<tr><td>2.Understanding of Responsibilities</td><td>3</td><td>5</td></tr>
<tr><td>3.Level of involvement in company</td><td>8</td><td>4.9</td></tr>
<tr><td>4.Internal Relationship Management and</td><td>3</td><td>5</td></tr>
<tr><td>5.Professionalism and continuing education</td><td>3</td><td>4.9</td></tr>
<tr><td>6.Internal Control</td><td>3</td><td>4.9</td></tr>
<tr><td>Total</td><td>23</td><td>4.9</td></tr>
<tr><td>Suggestion</td><td colspan="2">None</td></tr>
</table>
</td></tr>
<tr><td>Audit Committee</td><td>Audit Committee Member Self-Assessment</td><td>
<table>
<tr><th>index</th><th>Factors</th><th>Scores</th></tr>
<tr><td>1.Level of involvement</td><td>4</td><td>4.94</td></tr>
<tr><td>2.Understanding of responsibilities</td><td>5</td><td>4.95</td></tr>
<tr><td>3.Improve decision-making quality</td><td>7</td><td>4.96</td></tr>
<tr><td>4.Composition and selection</td><td>3</td><td>5</td></tr>
<tr><td>5.Internal Control</td><td>3</td><td>4.92</td></tr>
<tr><td>Total</td><td>22</td><td>4.95</td></tr>
<tr><td>Suggestion</td><td colspan="2">None</td></tr>
</table>
</td></tr>
<tr><td>Remuneration Committee</td><td>Remuneration Committee Member Self-Assessment</td><td>
<table>
<tr><th>index</th><th>Factors</th><th>Scores</th></tr>
<tr><td>1.Level of involvement</td><td>4</td><td>4.94</td></tr>
<tr><td>2.Understanding of the responsibilities</td><td>5</td><td>4.95</td></tr>
<tr><td>3.Improve decision-making</td><td>7</td><td>5</td></tr>
<tr><td>4.Composition and selection</td><td>3</td><td>4.92</td></tr>
<tr><td>Total</td><td>19</td><td>4.95</td></tr>
<tr><td>Suggestion</td><td colspan="2">None</td></tr>
</table>
</td></tr>
</table>

Conclusion: Overall, the Board of Directors and various functional committees are operating well. Based on the results of this performance evaluation, the company will continue to enhance the functions of the Board of Directors and various functional committees to improve corporate governance effectiveness.

3.2 The operation of the Audit Committee or Supervisor

3.2.1.The operation of the Audit Committee

The Company has established an Audit Committee in accordance with the Securities and Exchange Act, composed of all independent directors, with a minimum of three members, one of whom serves as the convener, and at least one member possessing expertise in accounting or finance.

The Company has established an Audit Committee in accordance with the Securities and Exchange Act and has appointed four independent directors in accordance with the law.

The number of Audit Committee meetings and the attendance of independent directors for the most recent fiscal year (2025) and up to the date of publication of this prospectus are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Member	CHIU, CHIN-TAIN	10	0	100%	Chairman
Member	CHANG, MING-JYE	10	0	100%	-
Member	WANG, PAO-CHANG	10	0	100%	-
Member	CHIANG, HUI-HUA	10	0	100%	Appointed on December 20, 2023

Other mentionable items

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)The provision of the Securities and Exchange Act, Article 14-5

Date	Subjects	Dissenting, qualified opinions or major recommendation content of independent directors	Resolution result of the Audit Committee	Response of the Company to the opinions of the Auditing Committee
2025.03.12	1. The Company's 2024 Business Report and Financial Statements. 2. The Company's Capital Reserve Transfer to New Share Issuance. 3. The Company's 2025 Appointment and Remuneration of Auditors. 4. The Company's 2024 "Statement of Internal Control System".	None	All attending members approved the proposal.	Not applicable
2025.04.17	1. The proposal for the first repurchase of the Company’s shares.	None	All attending members approved the proposal.	Not applicable
2025.05.13	1. The company’s consolidated financial report for the first quarter of 2024. 2. Endorsement and guarantee renewal case for subsidiary Lian Chan Precision Co., Ltd. 3. Formulate the internal control system plan for the company's "Management of Buyback of Treasury Shares".	None	All attending members approved the proposal.	Not applicable
2025.06.19	1. Appointment of the company's accounting supervisor.	None	All attending members approved the proposal.	Not applicable
2025.07.09	1. The resolution passed by the Board of Directors on May 13, 2015, to rescind the "Renewal of the Endorsement Guarantee for the Subsidiary Lian Chan Precision Co., Ltd."	None	All attending members approved the proposal.	Not applicable
2025.08.11	1. Consolidated Financial Statements for the Second Quarter of 2025. 2. A proposal to the Board of Directors to resolve that accounts receivable exceeding the normal credit period by three months and involving significant amounts are not considered loans. 3. Review and amendment of the Company's procedures for implementing treasury stock buybacks. 4. Capital increase for the subsidiary,Aitronics Inc.	None	All attending members approved the proposal.	Not applicable
2025.09.24	1. The Company plans to issue ordinary shares as	None	All	Not

	part of a cash capital increase and the second domestic unsecured convertible corporate bond issuance. 2. The Company plans to renew its guarantee for its subsidiary, Lian Chan Precision Co., Ltd. 3. The Company plans to amend its treasury share repurchase execution procedures.		attending members approved the proposal.	applicable
2025.11.11	1. Consolidated Financial Statements for the Third Quarter of 2025. 2. Establishment of the Internal Control System for "Definition of the Scope of Frontline Employees and Periodic Assessment".	None	All attending members approved the proposal.	Not applicable
2026.03.16	1. Our company's 2025 Business Report and Financial Statements. 2. Our company's 2025 Internal Control System Statement. 3. Our company's disposal of a batch of machinery and equipment to a related party, Aitronics Inc. 4. Our company's 2026 Appointment and Remuneration of Certified Public Accountants. 5. Our company's Appointment of Internal Auditor. 6. Our company's Appointment of Chief Financial Officer, Chief Corporate Governance Officer, and Managers.	None	All attending members approved the proposal.	Not applicable
2026.05.08	1. Consolidated financial report of the Company for the first quarter of 2026.	None	All attending members approved the proposal.	Not applicable

(2) Except for the aforementioned matter, other motions not approved by the Audit Commit-tee but had the consent of more than two-thirds of all directors: None.

A For the execution status of recusal of independent directors due to conflicts of interest, the name of independent directors, proposal content, reasons of recusal and participation in voting shall be described: None.

B Communication between independent directors and internal audit officer/CPAs (e.g. discus-sions concerning the Company’s financial and business affairs, the method of communication used, and the outcome)

Communication Principles between Independent Directors and Internal Audit Supervisor and Accountants

(I) A separate meeting will be held annually at the end of each year for the accountant and audit supervisor to discuss the completed internal audit report and the external accountant's audit opinions, and to communicate regarding any audit deficiencies for the year.

(II) The internal audit supervisor will report the audit results of the previous month to the independent directors monthly.

(III) The accountant will communicate with the independent directors quarterly regarding financial statement review matters.

(IV) The audit supervisor and accountant may contact the independent directors as needed to discuss important matters.

a The internal audit officer regularly reports the execution status of the audit operations to the independent directors at the Audit Committee meetings. The summarized records of past communication are as follows: ：

Date	Communication matters	Communication outcome
2025.03.12	1. Report on the implementation of the company's audit operations. 2. The company's "Internal Control System Statement" for 2024.	1.Noted 2.Submitted to the Board of Directors after review
2025.05.13	1. Report on the implementation of the company's audit operations. 2. Draft of the company's internal control system for the "Management of Repurchased Treasury Shares".	1.Noted 2.Submitted to the Board of Directors after review
2025.06.19	1. Report on the implementation of the company's audit operations.	1.Noted
2025.08.11	1. Report on the implementation of the company's audit operations.	1.Noted
2025.09.24	1. Report on the implementation of the company's audit work. 2. Amendment to the company's procedures for implementing treasury stock holdings.	1.Noted 2.Submitted to the Board of Directors after review
2025.11.11	1. Report on the implementation of the company's audit operations. 2. The company's audit plan for 2026. 3. The company's internal control system for "defining the scope of frontline employees and conducting periodic assessments".	1.Noted 2.Submitted to the Board of Directors after review 3.Submitted to the Board of Directors after review
2026.03.16	1. Report on the implementation of the company's audit operations. 2. The company's "Internal Control System Statement" for 2025.	1.Noted 2.Submitted to the Board of Directors after review
2026.05.08	1. Report on the implementation of the company's audit operations.	1.Noted

b Communication between the CPA, independent directors and audit officer is as follows: :

Date/Topic	Attendees	Communication matters	Communication outcome
2025.11.11 Year-end meeting for CPA, independent directors and audit officer	Independent directors: CHIU, CHIN-TAIN WANG, PAO-CHANG CHANG, MING-JYE CHIANG, HUI-HUA CPA: CAI XIN, YI	The competent authority responded with the results of its internal control audit and the progress of any improvements.	Noted and Understood.

3.3 Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed companies”

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
1. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies”?	V		The company has established appropriate corporate governance practices in accordance with the Guidelines for Corporate Governance Practices for Listed and OTC Companies. These practices have been disclosed on the Public Information Observation System (MOPS) and the company’s website (https://www.miis.com.tw).	There have been no differences
2. Shareholding structure & shareholders’ rights (1) Does the Company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		1. The company has appointed a spokesperson and a deputy spokesperson in accordance with the "Guidelines for Corporate Governance Practices." Their contact information is disclosed on the Public Information Observation System (MOPS) and in the annual report. They are responsible for handling shareholder suggestions or disputes.	1. There have been no differences
(2) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		2. The company entrusts the day-to-day shareholder affairs to a share transfer agent, who is able to fully grasp the list of major shareholders and the ultimate controllers of these major shareholders. This information is detailed and disclosed in the annual report.	2. There have been no differences
(3)Does the Company establish and execute the risk management and firewall system within its conglomerate structure?	V		3. Business transactions between our company and related companies are conducted in accordance with the "Operational Guidelines for Financial Transactions between Related Parties," and risk control mechanisms and firewalls have been established.	3. There have been no differences
(4) Does the Company establish internal rules against insiders trading with undisclosed information?	V		4. The company has established an internal control system called "Internal Material Information Processing and Insider Trading Prevention Procedures," which prohibits company insiders from	4. There have been no differences

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			using non-public information in the market to buy or sell securities, and also prohibits them from using any non-public information they know to engage in insider trading. On December 12, 2025, our company conducted insider trading prevention training for 41 supervisory-level personnel. The training included insider trading prevention training videos, training manuals, and introductions to insider trading regulations.	
3. Composition and Responsibilities of the Board of Directors (1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	V		1. The Company has established a Code of Corporate Governance Practices and disclosed it on the Company website and the Public Information Observation Station. The Company strives for a diverse background among its Board of Directors members, who currently come from industry and academia and possess various qualities such as industry knowledge, accounting skills, and management knowledge to fulfill their duties as directors. For relevant information, please refer to the "Disclosure of Information on the Professional Qualifications of Directors and the Independence of Independent Directors" section of this Annual Report.	1. There have been no differences
(2) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	V		2. In addition to the Audit Committee and the Compensation and Remuneration Committee, the Company has also established a Sustainability Committee as resolved by the Board of Directors on November 11, 2025. If there is a need to establish other functional committees, they will be established as needed for the Company's operations.	2. There have been no differences
(3)Does the Company establish a standard to measure the performance of the Board, and implement it annually, and report the results of performance evaluation to the board of directors, and apply to individual directors' remuneration and nomination renewal reference?	V		3. The Company's Board of Directors has resolved to establish a performance evaluation method for the Board of Directors, and will complete the performance evaluation process before the first quarter of 2026. The evaluation results will be submitted to the Board of Directors on March 16, 2026, and will be used as a reference for the	3. There have been no differences

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
(4)Does the Company regularly evaluate the independence of CPAs?	V		remuneration of individual directors and the nomination of reappointment. 4. Our company's finance department assessed the independence and competence of the certified public accountants by referring to the Audit Quality Indicators (AQIs) reports of certified public accountants and Appendix 6-3 of the Reference Guidelines for Independent Directors and Audit Committees of the Chinese Corporate Governance Association. The assessment results were then submitted to the Audit Committee and the Board of Directors for resolution. The assessment results all met our company's competence and independence assessment standards, and the accountants were deemed fully qualified to serve as our certified public accountants. The assessment was approved by the Audit Committee and the Board of Directors on March 16, 2026. Please see Appendix 1 for the relevant assessment report.	4. There have been no differences

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
4. Does the Company designate a full-time (part-time) unit or personnel to take charge of the Company's governance businesses (including but not limited to providing required data to the directors and supervisors, performing related events of the Board and the shareholder meetings by law, conduct the Company's registration and the amendment of the registration)?	V		On March 17, 2013, the Board of Directors resolved to appoint a Chief Corporate Governance Officer, and on March 16, 2016, the Audit Committee and the Board of Directors jointly appointed the new Chief Corporate Governance Officer. His/her main responsibilities are to supervise and implement the operation of corporate governance, including the following: 1.Handling matters related to board of directors and shareholders' meetings in accordance with the law. 2.Preparing minutes of board of directors and shareholders' meetings. 3.Assisting directors and supervisors in their appointment and continuous professional development. 4.Providing necessary information to support the execution of duties by directors and supervisors. 5.Assisting directors and supervisors in compliance with relevant laws and regulations. 6.Reporting to the board of directors on the examination results of the eligibility of independent directors during nomination, appointment, and their term of office, in accordance with applicable laws and regulations. 7.Managing matters related to changes in the board of directors. 8.Other matters as specified in the company's articles of incorporation or contracts. Our company's corporate governance manager performed the relevant duties in 2025 and completed 12 hours of training in 2025. See Note 2 for details of the training.	There have been no differences
5. Does the Company setup communication channels between the stakeholders (including but not limited to the shareholders, employees and suppliers), establish the Stakeholder Area on the Company's website and respond to the issues of corporate social	V		The company values communication with stakeholders. Based on materiality and sustainability key issues, the company identifies six major stakeholders: employees, investors, customers, suppliers, community, and government. We identify the issues of concern to each	There have been no differences

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
responsibilities concerned by the investors?			stakeholder and communicate with them. The status of our communication with each stakeholder in 2025 was reported to the Board of Directors on November 11, 2025, and was also disclosed on the company website (https://www.miis.com.tw).	
6. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	V		Our company's shareholder meeting affairs are handled by the Shareholder Services Department of KGI Securities.	There have been no differences
7. Information Disclosure (1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance? (2) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)? (3) Is the company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?	 V V 	 V	 1. The company's website has already disclosed relevant information regarding finance, operations, and corporate governance. 2. The company has designated dedicated personnel responsible for collecting and disclosing company information. We have also appointed a spokesperson and a deputy spokesperson in accordance with the regulations. 3. The company currently complies with laws and regulations by publishing and submitting financial reports and monthly operating information on schedule. In the future, we will publish and submit quarterly financial reports and monthly operating information earlier depending on the operating situation.	 1. There have been no differences 2. There have been no differences 3.As abstract explanation.

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
8. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	V		1. Employee Benefits and Employee Welfare: Our company places great importance on labor-management relations and treats employees with integrity. We safeguard employees' rights in accordance with the Labor Standards Act and regularly hold labor-management meetings to provide smooth communication channels for employees. Through a well-established education and training system, we empower employees to contribute their skills and abilities in their respective positions. Additionally, we have set up an Employee Welfare Committee in compliance with the law to manage various employee welfare programs. 2. Investor Relations: In order to facilitate investors' understanding of our company's operations, we have established a spokesperson system. Additionally, we comply with relevant regulations to promptly disclose significant information such as financials, business updates, and insider shareholding changes through the "Public Information Observation System" . We also provide regular disclosures of financial, business, and corporate governance information to ensure transparency and keep investors well-informed about our company. 3. Supplier Relations: Our company has always maintained a strong and mutually beneficial relationship with our suppliers. We prioritize effective communication and strive to foster a collaborative environment that promotes win-win outcomes for both parties. We believe in open and transparent communication with our suppliers, working together to achieve shared goals and mutual success. 4. Rights of Stakeholders: Our company provides multiple channels for stakeholders to communicate and provide feedback. We value the input and perspectives of stakeholders and believe in maintaining a constructive dialogue to safeguard the legitimate rights and interests	There have been no differences

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			of both parties. Stakeholders are encouraged to engage with us through various communication channels, allowing for effective collaboration and mutual understanding. 5. Training of Directors: All directors of the company possess relevant professional knowledge and undergo continuous training in securities regulations and other related courses as required by relevant laws and regulations to meet the stipulated training hours. For details on the directors' training, please refer to Note 3. 6. The company adheres to the principles outlined in our internal control system design for risk management. Each department conducts regular internal self-assessments to evaluate the risks involved. Subsequently, these assessments are reviewed and analyzed by our auditing personnel, who identify areas for improvement. This process allows us to proactively mitigate operational risks and continuously enhance our risk management practices. 7. The company maintains stable and strong relationships with our customers, and we uphold a customer-oriented policy to prioritize their needs. By placing our customers at the forefront, we aim to create value for both our customers and the company. We strive to meet their expectations, deliver high-quality products or services, and ensure customer satisfaction, which in turn contributes to the profitability and success of our business. 8. Purchase of liability insurance for directors: The company has purchased liability insurance for directors and key personnel. Regular reports on the purchase of liability insurance for directors and key personnel are made to the board of directors to enhance the protection of shareholders' rights. The most recent report to the board of directors was on March 12, 2026.	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
9. The Company shall describe the improvements with reference to the corporate governance evaluation results issued by the CG Center of Taiwan Stock Exchange Corporation, and shall make available the prioritized enhanced measures for the matters that have not been improved: Although the Company's score in the 12th (2025) Corporate Governance Assessment was higher than the previous assessment, the result was still ranked between 66% and 80% (sixth tier). Regarding the areas that have been improved in the previous assessment and the areas that did not receive a score in this assessment, the Company has formulated the following improvement plan: 1. Areas improved in the previous 11th assessment: A Sustainable Development Special Committee has been established. 2. Improvement plan for the 12th assessment: Enhanced disclosure of quarterly English financial statements.				

Note 1: Criteria for Assessing the Independence and Competence of the Certifying CPA

Assessment of Independence	Compliance	
Items	Yes	No
1. Neither the CPA nor any members of the audit team, as well as their family members (including spouses, cohabitants, and minor children), have any direct or material indirect financial interest in the Company.	✓	
2. Neither the CPA firm nor its affiliated entities have any direct or material indirect financial interest in the Company.	✓	
3. The CPA, along with their firm and affiliated entities, have not provided the Company with any non-audit services that could potentially impair their independence.	✓	
4. Neither the CPA nor any members of the audit team currently hold, nor have held in the past two years, any positions as directors, managers, or roles with significant influence over the Company's audit engagements.	✓	
5. Neither the CPA nor any members of the audit team have promoted or acted as intermediaries for the Company's issued stocks or other securities.	✓	
6. Except for services permitted by law and regulations, neither the CPA nor any members of the audit team have represented the Company in legal cases or other disputes.	✓	
7. Neither the CPA nor any members of the audit team have spouses, direct blood relatives, direct in-laws, or collateral relatives within the second degree of kinship with any of the Company's directors, managers, or personnel holding positions with significant influence over the audit engagement.	✓	
8. he joint-practice CPA who has resigned within the past year has not served as a director, manager, or held any position with significant influence over the Company's audit engagements.	✓	
9. Neither the CPA nor any members of the audit team have accepted gifts, gratuities, or special favors of significant value from the Company, its directors, managers, or major shareholders.	✓	

10. For listed companies: The CPA has not provided audit services to the Company continuously for seven consecutive years.	✓	
11. When the CPA provides audit, review, re-examination, or special project examination services on financial reports and issues an opinion, is substantive independence maintained?	✓	
12. Do the audit team members, other joint-practice CPAs, partners of the accounting firm, the accounting firm itself, its affiliated entities, and allied firms also maintain independence with respect to the Company?	✓	
13. Does the CPA maintain an impartial and objective stance while performing professional services, avoiding bias, conflicts of interest, or relationships that could impair professional judgment?	✓	
Assessment of Competence	Yes	No
1. Does the accounting firm have a clear quality control procedure? Does it include key audit procedures, approaches to handling audit issues and judgments, quality control of independence, and risk management?	✓	
2. Does the accounting firm have sufficient scale and resources to provide audit services to the Company?	✓	
3. Can the accounting firm promptly notify the Board of Directors (Audit Committee) of any significant deficiencies related to the Company's risk management, corporate governance, or financial accounting systems?	✓	
4. Has the CPA had any disciplinary records from the CPA Disciplinary Committee in the past two years?		✓
5. Has the accounting firm been involved in any civil or criminal litigation cases in the past two years?		✓
6. Does the CPA understand the industry in which the Company operates and the related risks?	✓	
7. Have the CPA or audit team members conducted audits for companies with similar industries, scale, and risk profiles?	✓	
8. Can the CPA clearly explain the audit scope and methods for the Company's subsidiaries and affiliated enterprises?	✓	
9. Can the CPA explain their mechanism for monitoring audit quality?	✓	
Conclusion: Having reviewed the Audit Quality Indicators (AQIs) report and independence statement issued by the accountants, and made the above assessments, there are no abnormalities regarding the independence and competence of the certified public accountants. Please refer to the attached Audit Quality Indicators (AQIs) report. Both accountants have been assessed as meeting the Company's standards of independence and competence, and there have been no violations of these standards. Therefore, it is proposed to submit the appointment of the certified public accountants for fiscal year 2016 to the Audit Committee and the Board of Directors for discussion and approval.		

Note 2: Corporate Governance Officer’s Continuing Education Situation:

Name	Date	Sponsoring Organization	Course	Hours
Ko, Hui-Yu	2025.05.02	SFI	114th Annual Insider Trading Prevention Promotion Meeting	3.0
Ko, Hui-Yu	2025.10.31	SFI	114th Annual Insider Equity Transaction Legal Compliance Briefing	3.0
Ko, Hui-Yu	2025.12.05	SFI	New Thinking on Corporate Hedging: Addressing Exchange Rate Challenges and Asset Management Trends	3.0
Ko, Hui-Yu	2025.12.15	TWIOD	Towards 2026: Steering Asia and Creating a Forward-Looking Corporate Blueprint	3.0
Total				12.0

Note 3: Directors’ Continuing Education Situation:

Title	Name	Elected Date	Initial Elected Date	Study period		Sponsoring Organization	Course	Hours	Total
				Start Date	End Date				
Director	CHENG, CHU-MING	2023/06/15	2022/06/01	2025/05/02	2025/05/02	SFI	114th Annual Insider Trading Prevention Promotion Meeting	3.0	6.0
				2025/04/11	2025/04/11	TWIOD	Upgrading Corporate Governance: Creating a New Landscape for Talent Competitiveness	3.0	
Director	CHEN, CHIN-YI	2023/06/15	2023/06/15	2025/05/02	2025/05/02	SFI	114th Annual Insider Trading Prevention Promotion Meeting	3.0	6.0
				2025/04/11	2025/04/11	TWIOD	Upgrading Corporate Governance: Creating a New Landscape for Talent Competitiveness	3.0	
Director	LEE, YU-TSUNG	2023/06/15	2023/06/15	2025/10/31	2025/10/31	SFI	114th Annual Insider Equity Transaction Legal Compliance Briefing	3.0	6.0
				2025/05/02	2025/05/02	SFI	114th Annual Insider Trading Prevention Promotion Meeting	3.0	
Director		2023/06/15	2022/06/01	2025/10/31	2025/10/31	SFI	114th Annual Insider Equity Transaction Legal Compliance Briefing	3.0	6.0

	ROAN, YUNG-CHIH			2025/10/03	2025/10/03	SFI	114th Annual Insider Trading Prevention Promotion Meeting	3.0	
Independent director	WANG, PAO-CHANG	2023/06/15	2022/06/01	2025/12/15	2025/12/15	TWIOD	Towards 2026: Steering Asia and Creating a Forward-Looking Corporate Blueprint	3.0	9.0
				2025/09/26	2025/09/26	SFI	114th Annual Insider Trading Prevention Promotion Meeting	3.0	
				2025/04/11	2025/04/11	TWIOD	Upgrading Corporate Governance: Creating a New Landscape for Talent Competitiveness	3.0	
Independent director	CHIU, CHIN-TAIN	2023/06/15	2022/06/01	2025/06/24	2025/06/24	TABF	Corporate Governance Forum	3.0	6.0
				2025/04/11	2025/04/11	TWIOD	Upgrading Corporate Governance: Creating a New Landscape for Talent Competitiveness	3.0	
Independent director	CHANG, MING-JYE	2023/06/15	2022/06/01	2025/09/26	2025/09/26	SFI	114th Annual Insider Trading Prevention Promotion Meeting	3.0	6.0
				2025/04/11	2025/04/11	TWIOD	Upgrading Corporate Governance: Creating a New Landscape for Talent Competitiveness	3.0	
Independent director	CHIANG, HUI-HUA	2023/12/20	2023/12/20	2025/05/16	2025/05/16	SFI	Global Trends and Best Practices in Corporate Integrity and Senior Executive Accountability	3.0	6.0
				2025/04/11	2025/04/11	TWIOD	114th Annual Insider Trading Prevention Promotion Meeting	3.0	

3.4Organization, responsibilities and operation status of the Remuneration Committee or Nomination committee

3.4.1. Information on members of the Remuneration Committee

<table>
<tr><th colspan="2">Title & Name</th><th>Professional Qualifications</th><th>Independence Analysis</th><th>Concurrent member of Remuneration Committee position in other publicly traded companies</th></tr>
<tr><td>Independent director (Convenor)</td><td>WANG, PAO-CHANG</td><td><u>Main experience (educationalbackground)</u>
MBA, National Taiwan University
VP, KPMG
CFO, Amazing Microelectronic Corp.
<u>Current positions:</u>
Independent Director, MiiS
<u>Expertise:</u>
Experience in the finance, accounting, electronics, telecommunications, information technology, and business management industries. 。
<u>Note：</u>
<u>The various situations specified in Article 30 of the Company Law are not applicable.</u></td><td rowspan="3">The remuneration committee of our company has not violated any provisions regarding independence in the "Regulations on the Establishment and Exercise of Functions of the Remuneration Committee for Companies Listed on the Stock Exchange or Engaging in Securities Business" in relation to the trading of company stock in the business premises of securities firms.</td><td>-</td></tr>
<tr><td>Independent director</td><td>CHANG, MING-JYE</td><td><u>Main experience (educationalbackground)</u>
MBA, Rutgers University
President, Mega Securities Co., Ltd.
<u>Current positions:</u>
Independent Director, MiiS
<u>Expertise:</u>
Experience in the finance, securities, and business management industries.
<u>Note：</u>
The various situations specified in Article 30 of the Company Law are not applicable.</td><td>-</td></tr>
<tr><td>Independent director</td><td>CHIU, CHIN-TAIN</td><td><u>Main experience (educationalbackground)</u>
Ph.D in Bussiness Administration,National Chengchi University.
MBA, Sloan School of Management,MIT
HSBC Senior Vice President/Head of Corporate Banking Division/Head of Taipei Branch
<u>Current positions:</u>
Independent Director, MiiS
Independent Director, 3D GLOBAL BIOTECH INC.
Independent Director, PROSPERITY DIELECTRICS CO., LTD.
Independent Director, UNIFOSA CORP.
Director, Sino-Indonesia Cultural and</td><td>3</td></tr>
</table>

		Economic Association Director, Chiu Shi-De Enterprise Co., Ltd. Independent Director, MiiS Expertise: Experience in the banking, electronics, telecommunications, information technology, biotechnology and healthcare, and business management industries. Note： The various situations specified in Article 30 of the Company Law are not applicable.		
Independent director	CHIANG, HUI-HUA	Main experience (educationalbackground) Ph.D in EE, Georgia Institute of Technology Distinguished Professor/Professor/ Associate Professor, National Yang-Ming University Executive Secretary of the Office of the Science and Technology Advisory Board of the Executive Yuan The convener of the Medical Engineering Discipline of the Engineering Division of the National Science Council Current positions: Distinguished Professor, Department of Biomedical Engineering, National Yang Ming Chiao Tung University Director of the Medical Engineering Research and Development Center, National Yang Ming Chiao Tung University Specialized researchers, ITRI Supervisor, the Biomedical Engineering Society of the Republic of China Expertise: Experience in the electronics, telecommunications, information technology, and biotechnology and healthcare industries. Note： The various situations specified in Article 30 of the Company Law are not applicable.		-

Note: Please refer to Section (IV) "Board of Directors and Supervisors Information" for the tenure and related information of independent directors.

The responsibilities of the Remuneration Committee

(1) Periodically review this regulation and propose amendments.

(2) Establish and regularly review the company's directors, supervisors and managers' performance evaluation standards, annual and long-term performance goals, and salary policies, systems, standards and structures, and disclose the content of the performance evaluation standards in the annual report.

(3) Regularly evaluate the achievement of the performance goals of the company's directors, supervisors and managers, and determine the content and amount of individual remuneration based on the evaluation results obtained from the performance evaluation standards. The annual report shall disclose the individual performance evaluation results of directors, supervisors, and managers, and the relevance and rationality of the content and amount of individual salaries and

remuneration to the performance evaluation results, and shall be reported at the shareholders' meeting.

3.4.2 Operation status of the Remuneration Committee

(1) The company's Remuneration Committee has 4 members. All members are appointed by the Board.
(2) The tenure for 2nd session Remuneration Committee is from June 15, 2023 to June 14, 2026. As of the date of printing anuual report, the Remuneration Committee held 5 meetings. The attendance record of the committee members is as follows

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Member	WANG, PAO-CHANG	5	0	100%	Chairman
Member	CHANG, MING-JYE	5	0	100%	-
Member	CHIU, CHIN-TAIN	5	0	100%	-
Member	CHIANG, HUI-HUA	5	0	100%	Appointed on December 20, 2023
Other matters to be recorded: 1. If the board of directors does not adopt or amend the suggestion of the Remuneration committee, it shall state the date, period, content of the proposal, the result of the resolution of the board of directors, and the company's handling of the opinions of the Remuneration committee (such as the salary approved by the board of directors is better than that of the Remuneration committee). Suggestions should describe the differences and reasons): No such case. 2. For the resolutions of the Remuneration committee, if members have objections or reservations and there are records or written statements, the date, period, content of the proposal, all members’ opinions and the handling of members’ opinions should be stated: No such case.					

3.5 The state of the company's promotion of sustainable development, any variance from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reason for any such variance

Evaluation Item	Implementation Status			Deviations from "The Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
1. Whether the Company has established a governance framework for promoting sustainable development, set up a dedicated (or concurrent) unit to drive sustainable development, authorized senior management to handle related matters under the authorization of the Board of Directors, and disclosed the status of Board oversight?	V		On November 11, 2025, pursuant to a resolution approved by the Board of Directors, the Company established the Sustainable Development Committee and its organic rules. Director Chu-Ming Cheng, Vice President Hui-Yu Ko, and Manager Ching-Yung Hu were appointed as members of the current committee, which then elected Chairman Chu-Ming Cheng as the Convener. The Committee is tasked with promoting sustainable development activities and reporting the implementation status to the Board as required. Due to the establishment being close to the end of 2025, no reporting to the Board occurred within the year.	There have been no differences
2. Whether the Company, based on the principle of materiality, conducts risk assessments on environmental, social, and corporate governance (ESG) issues relevant to its operations, and formulates related risk management policies or strategies.?	V		The Company conducts a materiality assessment process on an annual basis. Grounded in the principle of evaluating materiality through the lens of "impact severity," the Company assesses both the positive and negative impacts of various topics, their scope, and the likelihood of occurrence. Ultimately, our annual Sustainability Report discloses how the Company identifies, prevents, mitigates, and addresses its actual and potential negative impacts on the economy, the environment, and people (including human rights). For detailed information, please refer to our Sustainability Report available on the Company's website or the ESG Digital Platform.	There have been no differences

Evaluation Item	Implementation Status			Deviations from "The Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
3. Environmental issues				
(1) Whether the Company has established an appropriate environmental management system based on its industry characteristics?	V		1. As a medical device manufacturer, the Company undergoes and successfully passes ad-hoc inspections by regulatory authorities in various countries, including QMS, ISO 13485, and other relevant certifications.	There have been no differences
(2) Whether the Company is committed to improving energy efficiency and utilizing recycled materials with low environmental impact?	V		2. The Company promotes the reuse of wastepaper, resource recycling, and waste segregation to ensure the most efficient utilization of all resources.	There have been no differences
(3) Whether the Company assesses the potential climate-related risks and opportunities for its current and future operations, and has implemented response measures for climate-related issues?	V		3. The Company closely monitors global sustainability issues and industrial development trends. Our climate change actions include conducting greenhouse gas (GHG) inventories. In alignment with the core framework of the Task Force on Climate-related Financial Disclosures (TCFD)—spanning Governance, Strategy, Risk Management, and Metrics and Targets—we disclose climate-related information, publicly clarifying the financial impacts of climate change and our future response strategies. For further details, please refer to the Company's Sustainability Report.	There have been no differences
(4) Whether the Company tracks its greenhouse gas (GHG) emissions, water consumption, and total weight of waste over the past two years, and has formulated policies for energy conservation, GHG reduction, water reduction, or other waste management initiatives?	V		4. In accordance with the "Sustainable Development Roadmap for TWSE/TPEx Listed Companies," the Company has formulated a timeline for GHG inventory and verification, which has been approved by the Board of Directors and will be publicly disclosed within the legally mandated timeframe. Furthermore, in response to energy conservation and carbon reduction strategies, the Company has implemented appropriate recycling methods for all	There have been no differences

Evaluation Item	Implementation Status			Deviations from "The Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	

recyclable materials. We regularly conduct awareness campaigns and audits regarding electricity saving, water conservation, the reuse of recyclables, and zoned control for air conditioning and lighting, aiming to optimize resource utilization and contribute to environmental protection. Regarding waste management, the Company applies for permits and periodically reports relevant data in strict compliance with the regulations of the Hsinchu Science Park.

The tracking and management data for the Company's water consumption and waste over the past two years are as follows：

(1) Greenhouse Gas (GHG) Emissions Over the Past Two Years (Taiwan Parent Company Information)：

Year	Scope 1	Scope 2	Scope 3
2024	30.05	639.05	NA
2023	30.00	712.30	NA

Total greenhouse gas (GHG) emissions were 742.30 tCO_2e in 2024 and 669.10 tCO_2e in 2025. The primary source of emissions stemmed from refrigerant leakage from legacy chillers, accounting for approximately two-thirds of total emissions.To align with global emission reduction trends and accommodate future production capacity expansion along with the procurement of facility equipment, the Company has set a target to limit the annual increase in

<table>
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<tr><th>Yes</th><th>No</th><th>Abstract Explanation</th></tr>
<tr><td></td><td></td><td></td><td>GHG emissions to no more than 5% compared to the previous year over the next three years. This objective was successfully achieved in 2025.
(2) Water Consumption Over the Past Two Years (Taiwan Parent Company Information)
<table><tr><th>Year</th><th>Total (tons)</th><th>Density(tons/sales revenue in million of NT dollars)</th></tr><tr><td>2024</td><td>4,589</td><td>6.94</td></tr><tr><td>2023</td><td>4,691</td><td>8.70</td></tr></table>The Company’s core products primarily consist of medical scopes (otoscopes/ophthalmoscopes) and disposable endoscope assembly. Total water consumption is predominantly concentrated on domestic water use. Process wastewater accounts for a minimal proportion of total usage and is discharged into the Hsinchu Science Park’s wastewater drainage system in strict compliance with regulations. Given its negligible share, an assessment concluded that our process wastewater has no material impact on the environment. The increase in water consumption in recent years was primarily driven by the establishment of a new factory office for capacity planning. As the construction of this facility was largely completed in 2024, the Company has established an internal water conservation target to limit any annual increase</td><td></td></tr>
</table>

<table>
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<tr><th>Yes</th><th>No</th><th>Abstract Explanation</th></tr>
<tr><td></td><td></td><td></td><td>to no more than 5% compared to the previous year, fulfilling our commitment to corporate citizenship.
(3) Waste Generation Over the Past Two Years (Taiwan Parent Company Information)
<table>
<tr><th>Year</th><th>Hazardous (tons)</th><th>Non-hazardous (tons)</th><th>Total (tons)</th><th>Density(tons/sales revenue in million of NT dollars)</th></tr>
<tr><td>2024</td><td>0</td><td>0.88</td><td>0.88</td><td>0.00133</td></tr>
<tr><td>2023</td><td>0.09</td><td>0.006</td><td>0.096</td><td>0.00018</td></tr>
</table>The Company has established Waste Management Regulations, with the General Affairs, Industrial Safety, and Facility Departments sharing responsibilities for waste management, storage, and disposal planning.
In terms of total volume, the Company's maximum waste generation in recent years was only 1.524 metric tons per year. Non-hazardous waste consists primarily of domestic waste, while hazardous waste accounts for a negligible proportion. All waste is reported to the competent authorities in compliance with regulations and is entrusted to qualified professional vendors for disposal. Consequently, the environmental impact is assessed to be minimal.
However, as the Company introduces new production capacities and products, an internal waste reduction target has been set to limit any annual increase to no more than 10% compared to the previous year. This is to fulfill our</td><td></td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from "The Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			commitment to environmental protection. The primary reason for not achieving this target in 2025 was a one-time scrap disposal of obsolete raw materials.	
4. Social issues (1) Whether the Company has formulated relevant management policies and procedures in accordance with applicable laws and regulations and international human rights conventions?	V		1. The Company recognizes and voluntarily adheres to internationally recognized human rights standards, including the "Universal Declaration of Human Rights" and the "International Labour Conventions." We have established the following guiding principles to practice and respect the protections mandated by these human rights conventions: (1) Strictly adhere to all applicable labor laws and regulations. (2) Provide a safe and healthy working environment. (3) Prohibit the use of child labor. (4) Prohibit forced labor. (5) Eliminate unlawful infringement and discrimination, and ensure equal employment opportunities. (6) Provide diverse, open communication channels to enable suppliers, business partners, and other stakeholders to provide feedback to the Company (7) Periodically review and assess relevant systems and practices. On an annual basis, the Company monitors major social issues to review its own operations, value chain, new business activities (such as mergers, acquisitions, and joint ventures), and other related undertakings. This process	There have been no differences

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<tr><td></td><td></td><td></td><td>allows us to identify and assess vulnerable groups and potential human rights risks. Based on these insights, we formulate control plans for human rights issues and continuously monitor and improve the execution outcomes of these initiatives.
A summary of the Company’s human rights management policies and concrete mitigation plans is as follows:
<table><tr><th>Human rights management policy</th><th>Specific plans</th></tr><tr><td>Providing a Safe and Healthy Working Environment</td><td>For detailed information, please refer to the "Workplace Safety" section on the Company's website.
Convene labor-management meetings on a quarterly basis to discuss and vote</td></tr><tr><td>Assisting Employees in Maintaining Physical/Mental Health and Work-Life Balance</td><td>Implement a 30-minute flexible working hour window to ensure safe commutes for colleagues.
Organize an annual employee trip with partial subsidies from the Company to promote harmony between</td></tr></table></td><td></td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from “The Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	

	employees' work and family life.
Prohibiting Forced Labor and Strictly Adhering to Local Labor Laws	Enforce the leave-taking system and encourage colleagues to prioritize work-life balance. Send periodic email reminders to employees regarding their unused annual leave balances and encourage them to schedule their time off.
Prohibiting Child Labor	The Company strictly complies with labor laws and regulations; no child labor has ever been employed.
Eliminating Unlawful Infringement and Discrimination, and Ensuring Equal Employment Opportunities	Formulated and announced the "Plan for Preventing Unlawful Infringement During the Performance of Duties" on July 5, 2023. Conducted a 1.5-hour workplace unlawful infringement prevention and awareness seminar on December 10, 2025, with

Evaluation Item	Implementation Status			Deviations from "The Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			(continued) 11 attendees. Concurrently, a workplace unlawful infringement training session for management-level personnel was held with 16 participants, totaling 16 training hours.	
(2) Whether the Company has formulated and implemented reasonable employee welfare measures (including compensation, leave, and other benefits, etc.), and appropriately reflects its operating performance or achievements in employee compensation?	V		2. The Company implements all employee compensation and benefit measures in compliance with the Labor Standards Act and relevant regulations. In assessing market salary standards and macroeconomic indicators, we base our remuneration on employees' professional value and job contributions. Performance evaluations are integrated into decisions regarding starting salaries, salary adjustments, promotions, job assignments, and training development to achieve motivational effects. Regarding the distribution of annual surplus bonuses, the management team determines the payout amount for individual colleagues based on overall operating results, while taking into account each colleague's job responsibilities, level of contribution, and performance appraisal outcomes. Furthermore, the Company has legally established an Employee Welfare Committee, which provides holiday bonuses for the three major traditional festivals, subsidies for department gatherings, and organizes employee trips on an ad-hoc basis.	There have been no differences

Evaluation Item	Implementation Status			Deviations from “The Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(3) Whether the Company provides a safe and healthy working environment for employees, and implements safety and health education for employees on a regular basis?	V		3. Employees are the Company's most valuable asset. All operational activities within the Company are designed with employee safety and health as the starting point. MiiS (Medea International Inc. / Note: Please replace with your official English company name if preferred) complies with government laws and regulations, and instills awareness through employee training and internal communication channels to strengthen safety consciousness and cognition. The operational status of labor environmental, health, and safety (EHS) initiatives is detailed below: (1) Self-Inspections To protect the safety and health of the Company and all employees, and to ensure that all machinery, equipment, facilities, alarms, and fire-fighting installations maintain normal functions, the Company actively promotes self-inspections. This allows us to identify potential hazards and effectively prevent occupational accidents. The Company’s self-inspection scope includes high/low voltage electrical equipment, hazardous chemical management, protective gear, and checkups for various hazardous operations. The Company utilizes specialized checklists to perform these inspections on a regular basis. (2) Workplace Environment Monitoring To provide employees with a safe and hygienic operating environment, the Company conducts workplace environment measurements every six months for organic solvents, hazardous chemicals, carbon dioxide (CO_2),	There have been no differences

Evaluation Item	Implementation Status			Deviations from "The Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			lighting, and noise. To date, all monitoring result reports have been normal. (3) Education and Training The Company possesses a comprehensive education and training system. Various training courses are scheduled for both new hires and existing employees, aiming to elevate employee awareness of safety, health, and environmental protection, thereby reducing occupational disasters. Relevant courses include: New Employee Orientation: Occupational Safety and Health Training (3 hours/year). Hazard Communication Course: Introduces the characteristics and handling principles of the Company's hazardous substances (3 hours/year). Specialized Operator Training: Training for special/general operators, operations supervisors, etc. 。 Dedicated Personnel Training: Professional certification training for environmental protection personnel. Emergency Response Training: Includes training and drills (1 hour/year). Fire Safety Drills: Includes training and drills (3 hours/half-year). (4) Hazardous Substance Management The Company' s hazardous substance management focuses on four key pillars： Labeling: All on-site chemicals and storage areas are clearly labeled in both Chinese and English.	

Evaluation Item	Implementation Status			Deviations from "The Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			Safety Data Sheets (SDS): Suppliers are required to provide bilingual (Chinese and English) SDS. These are stored in explosion-proof cabinets and placed on-site for employees to consult at any time. nventory Establishment: The chemical inventory is updated annually or whenever a chemical changes. A plant-wide chemical inventory database has been established to facilitate hazardous substance management. Chemical Storage and Operational Safety: Safety regulations for storage and usage have been formulated. A plant-wide chemical census is conducted every six months, complemented by ad-hoc on-site spot checks. (5) Disaster Response Drills The Company conducts plant-wide fire and evacuation drills at least once every six months, aiming to enhance emergency response and handling capabilities through hands-on disaster prevention exercises. (6) Health Management Annual health examinations are conducted for all employees. By collecting data such as employee age, work-life schedules, workplace environmental characteristics, and physical checkup results, the Company analyzes the correlation between health risks and work duties. This helps identify high-risk groups to serve as a reference for proactive health management. For employees identified in high-risk categories, the Company provides on-site corporate health counseling services to mitigate the risk of	

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<table><tr><th>Year</th><th>Employee Health Examination Date</th></tr><tr><td>2025</td><td>October 9, 2025</td></tr></table>(7) Fire Risk Identification under Adverse Conditions and Key Feasible Mitigation Measures
Following an official assessment, the Company’s fire risk has been classified as a "minor risk." We have appointed a designated Fire Safety Manager and formulated a Factory Fire Safety and Disaster Prevention Plan, which has been duly filed with the competent authorities. Self-defense fire brigade drills are conducted semi-annually (completed in May and September 2025). Furthermore, each plant area is equipped with certified fire-extinguishing and smoke-extraction equipment. In strict compliance with regulations, annual inspections and maintenance reports are submitted to the authorities (completed in May 2025 for the Yuander 2nd Plant and November 2025 for the Gong 4th Plant).
(8) Access Control Management
The Company is equipped with comprehensive access control and surveillance systems, complemented by 24-hour security personnel services to rigorously manage personnel entry/exit and ensure overall plant safety.

2025 Occupational Safety and Health (OSH) Activity Outcomes and Statistics:
Historical OSH Performance and Goal Achievement Statu:</td><td></td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from "The Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	

2025 OSH Performance	Zero Occupational Accidents	Achieved 100%
	Zero Fire Incidents	Achieved 100%

2025 Occupational Safety Training Statistics:

Training Course / Category	Training Hours per Person	Total Participants
New Employee Safety and Health Training	20	60
New Migrant Worker Safety and Health Training	23	69
Self-Defense Fire Brigade Training	44	176
Civil Defense Corps Training	6	48
Professional Competency Training	20	45
Total Training Hours in 2025	113	398

2025 Employee Health Services Plan Execution Status：

The Company organized a total of 10 health promotion activities in 2025, achieving a 100% goal completion rate.

Service Type / Category	Total Participants (Headcount)

<table>
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<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Musculoskeletal Disorders Prevention & Management</td><td>49</td></tr>
<tr><td>Fitness-for-Duty Assessment for New Hires</td><td>35</td></tr>
<tr><td>Fitness-for-Duty & Health Management for Middle-Aged and Elderly Workers</td><td>22</td></tr>
<tr><td>Management of Medium-to-High Risk Groups from Annual Health Exams</td><td>12</td></tr>
<tr><td>Management of Medium-Risk Groups for Illnesses Triggered by Abnormal Workload</td><td>9</td></tr>
<tr><td>Maternal Health Protection and Management</td><td>3</td></tr>
<tr><td>Return-to-Work Health Assessment</td><td>3</td></tr>
<tr><td>High-Stress Group Counseling & Mental Health Management</td><td>2</td></tr>
<tr><td>Total</td><td>135</td></tr>
</table>
</td><td></td></tr>
<tr><td>(4) Whether the Company has established effective career competency development and training programs for its employees?</td><td>V</td><td></td><td>4. The Company implements training programs in accordance with legal requirements, departmental development plans, and individual employee needs to establish an effective pathway for career competency development and training.</td><td>There have been no differences</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from "The Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
(5) Regarding issues such as customer health and safety, customer privacy, marketing, and labeling of products and services, whether the Company complies with relevant laws, regulations, and international standards, and has formulated policies and grievance procedures to protect consumer or customer rights?	V		5. The Company has secured Product Liability Insurance. All matters regarding the protection of consumer and customer rights are handled in strict compliance with medical laws and regulations. Furthermore, our dedicated business windows maintain continuous and seamless communication channels with clients.	There have been no differences
(6) Whether the Company has formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor human rights, and the status of their implementation?	V		6. The assessment of all business suppliers is executed in accordance with the Company's "Supplier Evaluation Procedures." We require our suppliers to sign the "Purchasing Quality Agreement and Corporate Social Responsibility (CSR) Commitment Statement," under which they pledge to comply with codes of conduct concerning environmental protection, labor rights, health and occupational safety, and the prohibition of improper benefits in business transactions.	There have been no differences
5. Whether the Company compiles sustainability reports or other reports disclosing non-financial information by referencing internationally recognized reporting standards or guidelines? Whether the aforementioned reports have obtained assurance or verification opinions from a third-party assurance body?		V	The Company's Sustainability Report is compiled in accordance with the GRI Standards and SASB Standards. The 2024 Sustainability Report was approved by the Board of Directors in August 2025 and has been publicly disclosed on the Company's website. Regarding the third-party assurance or verification opinions, the Company will arrange for a third-party assurance body to conduct verification procedures in accordance with the legally mandated timeline.	Description on the left.
6. If the Company has established its own Sustainable Development Principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," please describe its operational status and any deviations from the stipulated principles: The Company has formulated its own Sustainable Development Best Practice Principles, and our operations generally align with the "Sustainable Development Best Practice Principles				

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<tr><td colspan="5">for TWSE/TPEx Listed Companies." Moving forward, the Company will actively assess and plan for the preparation of standalone sustainability reports or the establishment of relevant management frameworks based on operational scale and practical requirements.</td></tr>
<tr><td colspan="5">7. Other Material Information Helpful to Understanding the Status of Sustainable Development Implementation:
The Company provides equal employment opportunities to all employees, ensuring that everyone enjoys equal workplace rights regardless of race, gender, or age, while fostering an environment that offers opportunities for personal expression and professional developmen</td></tr>
</table>

1、Status of Climate-Related Information Disclosure and Implementation

Item	Status
1. Describe the oversight and governance by the board of directors and management regarding climate-related risks and opportunities.	1.The company's management has submitted a schedule for the group's greenhouse gas inventory and verification, which has been approved by the board of directors. The implementation status is reported at each board meeting.
2. Describe how the identified climate-related risks and opportunities affect the company's business, strategy, and financial planning in the short, medium, and long term.	2.The company is currently following the plan, progressively collecting and identifying relevant carbon emission data to determine the optimal direction for carbon reduction. At present, extreme weather events have not had a significant impact on the company's financials or operations. The company will comply with relevant regulations issued by the competent authorities and fulfill its corporate social responsibility in addressing environmental issues such as carbon reduction.
3. Describe the financial impacts of extreme weather events and transition activities.	3.Currently, extreme climate events have not had a significant financial or operational impact on the company group, and there is no immediate need for transition actions.
4. Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management framework.	4.The company group is executing its plan as scheduled, progressively collecting and identifying relevant carbon emission data to determine the optimal direction for carbon reduction.
5. If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analytical factors, and the main financial impacts used in the analysis.	5.Not applicable. The company does not currently use this type of assessment.
6. If there is a transition plan in place to manage climate-related risks, describe the content of the plan, as well as the metrics and targets used to identify and manage physical and transition risks.	6.Not applicable. The company has no current need for transition actions.
7. If internal carbon pricing is used as a planning tool, explain the basis	7.The company does not currently use this practice.

for determining the price.	
8. If climate-related targets have been set, provide information on the activities covered, the scopes of greenhouse gas emissions, the planning timeframe, and the annual progress toward achieving the targets. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve the targets, explain the source and quantity of the offsets or the number of RECs used.	8.The company has not yet set any climate-related targets. However, the management has submitted a schedule for the group's greenhouse gas inventory and verification, which has been approved by the board of directors, and reports on implementation progress to the board. The company has completed the calculation of greenhouse gas emissions for the year 2023, and the data for 2024 is nearing completion. Information on the current scope and volume of the company's greenhouse gas emissions will be disclosed in the 2024 Sustainability Report, expected to be published in July 2025, and will be available on the company's website.
9. Greenhouse gas inventory and assurance status, as well as reduction targets, strategies, and specific action plans.	9.As the company is a listed company with paid-in capital under NT$5 billion, it falls under the third phase of the regulatory timeline. Relevant targets, strategies, and specific action plans are currently under development.

2、Greenhouse Gas Inventory and Assurance Status for the Most Recent Two Years:

(1) Greenhouse Gas Inventory Information: The parent company is required to begin greenhouse gas inventory starting from 2026. Subsidiaries included in the consolidated financial statements are required to begin inventory starting from 2027.

(2) Greenhouse Gas Assurance Information: The parent company is required to begin assurance procedures starting from 2028. Subsidiaries included in the consolidated financial statements are required to begin assurance starting from 2029.

3、Greenhouse Gas Reduction Targets, Strategies, and Action Plans: The company has initiated the planning of relevant reduction targets, strategies, and specific action plans.

3.6 The Bank's ethical corporate management performance and its difference from the "Ethical Corporate Management Best-Practices Principles for TWSE/GTSM Listed Companies" and the root causes

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1.Establishment of ethical corporate management policies and programs				
(1) Has the company formulated an ethical corporate management policy that was approved by the board of directors, and clearly specified in the rules and external document the ethical corporate management policies and strategies and the commitment by the board of directors and senior management on rigorous and thorough implementation of the policies in internal management and in commercial activities?	V		1. The company has established a Code of Ethics, which has been approved by the Board of Directors. The principles of integrity and ethical conduct are integrated into the company's daily operations and business practices.	There have been no differences
(2) Has the company had established a risk assessment mechanism against unethical conduct, regularly analyzed and assessed business activities within the business scope which were at a higher risk of being involved in unethical conduct and established prevention programs accordingly that at least included the preventive measures against the conducts specified in Article 7, paragraph 2 of the "Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies?"	V		2. The company has established provisions in the Code of Ethics to prevent dishonest behaviors. It has also developed operating procedures and guidelines for ethical conduct, which are publicly available on the Public Information Observation System. Relevant personnel are required to adhere to the code and engage in ethical behavior according to the prescribed guidelines.	There have been no differences
(3) Does the Company establish appropriate precautions against high-potential unethical conducts or listed activities stated in Article 2, Paragraph 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies，and regularly	V		3. The company has established relevant provisions in the Code of Ethics to prevent dishonest behavior. It has also developed operating procedures and behavioral guidelines for ethical conduct.	There have been no differences

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
review and revise?				
2. Fulfill operations integrity policy (1) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts? (2) Does the company set up a special unit under the board of directors to promote corporate integrity management, and regularly (at least once a year) report to the board on its integrity management policies and plans to prevent dishonesty and supervision and implementation? (3) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V V V V		1. The company adheres to the principles of integrity in its operations. Company personnel are required to avoid engaging in business transactions with agents, suppliers, customers, or other business counterparts involved in dishonest practices. If any such dishonest behavior is discovered in business dealings or partnerships, immediate action should be taken to cease business transactions and designate them as prohibited parties, in accordance with the company's policy of conducting business with integrity. 2. The establishment and enforcement of the company's corporate integrity management system are spearheaded by the Audit Department. Additionally, during regular audits, the audit team examines relevant matters. In the event of any identified deficiencies or irregularities, a report will be submitted to the Board of Directors for further action. 3. The company has established a policy to prevent conflicts of interest in its operational procedures and code of conduct. Both the Board of Directors and internal employees operate in accordance with this policy. The company provides dedicated channels such as a designated email address or	There have been no differences There have been no differences There have been no differences

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(4) Whether the company has established an effective accounting system and internal control system for the implementation of integrity management, and the internal audit unit formulates the relevant audit plan based on the assessment results of the risk of dishonesty, and checks the compliance with the plan to prevent dishonesty, Or entrust an accountant to perform the audit? (5) Does the Company regularly hold internal and external educational trainings on operational integrity?	V V		contact form on its website for employees and stakeholders to lodge complaints or report concerns. 4. The company complies with relevant regulations such as the Company Act, Securities and Exchange Act, and Commercial Accounting Act, as well as other applicable laws governing business conduct. Based on these regulations, the company has established an effective accounting system and incorporates related control points into its internal control system. Audit personnel regularly review compliance with these systems and prepare reports to be submitted to the Board of Directors. 5. The company conducts ethics and integrity training for new employees, which is carried out by the Human Resources department. Senior executives, on the other hand, promote the principles of ethics and integrity through various meetings and gatherings.	There have been no differences There have been no differences
3. Operation of the integrity channel (1) Does the Company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up? (2) Does the Company establish standard operating procedures for confidential reporting on investigating accusation cases?	V V V		1. The company has established the "Code of Conduct and Ethics Operation Procedures" and implemented a whistleblowing mechanism to facilitate reporting. Appropriate units are assigned to handle reported cases, and measures are taken to protect employees who raise concerns or file reports. 2. The company has established standard operating procedures for handling whistleblower reports, which are publicly disclosed	There have been no differences

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(3) Does the Company provide proper whistleblower protection ?			on the company website. No whistleblower reports were received in 2024. 3. Whistleblower information submitted to the company will be handled with strict confidentiality to protect personal data, report content, and privacy. Such information will be reported directly to the company's chairman; if the matter involves a director or senior executive, it will be reported directly to the chair of the audit committee. No whistleblower reports were received in 2024.	
4. Strengthening information disclosure Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	V		The company has disclosed the Code of Conduct and other relevant corporate governance information on the Public Information Observation Platform.	There have been no differences
5.If the Company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies, please describe any discrepancy between the policies and their implementation: No significant differences have been identified.				
6. Other important information to facilitate a better understanding of the Company's ethical corporate management policies (e.g., review and amend its policies) Confidentiality Commitment: All employees of our company are required to sign an employment and confidentiality agreement upon joining the company. The agreement includes provisions such as compliance with company rules and policies, the obligation to maintain confidentiality, and adherence to regulations regarding patents and copyrights.				

3.7 Other Important Information Regarding Corporate Governance

Please refer to the company governance section on the Public Information Observation System website at https://mops.twse.com.tw/ for more information.

3.8 Status of Implementation of Internal Control System

3.8.1 Statement of internal control system：Please refer to the Market Observation Post System (MOPS) at [https://mops.twse.com.tw > Company > Corporate Governance > Company Regulations > Internal Control/Internal Control Statement Announcements]. Enter the year and company code to search for the Internal Control Statement announcements.

3.8.2 If the Company is requested by the SEC to retain CPA's service for examining internal control system, the Independent Auditor's Report must be disclosed: None.

3.9 Resolutions reached in the Shareholders' Meeting or by the board of directors in the most recent years and up to the date of the annual report printed

3.9.1 Resolutions reached in the Shareholders' Meeting

Nature	Date	Important Resolutions	Execution situation
General shareholders' meeting	2025.6.19	1. 2024 Business Report and Financial Statements 2. 2024 Profit Distribution Plan 3. Amendment to Certain Articles of the Company's Articles of Association 4. Capital Reserve Transfer to New Share Issuance Plan	1. Approved. 2. Approved, and cash dividends were distributed on September 19, 2025. 3. Resolution passed, and the change of registration was approved by the Hsinchu Science Park Administration on June 27, 2025 (Registration No. 1140020060). 4. Resolution passed, and the change of registration was approved by the Hsinchu Science Park Administration on September 3, 2025 (Registration No. 114002754).

3.9.2 Resolutions reached by the board of directors

The company held a total of 8 board meetings during the year 2025 and up to the date of the annual report. The following are selected excerpts of important resolutions made during these meetings

Date	Important Resolutions
2025.03.12	1. Employee and Director Remuneration Distribution Plan for 2024. 2. 2024 Business Report and Financial Statements of the Company. 3. 2024 Profit Distribution Plan of the Company. 4. Capital Reserve Transfer to New Share Issuance Plan. 5. 2025 Appointment and Remuneration of Auditors for the Company. 6. 2024 "Internal Control System Statement" of the Company. 7. Establishment of the Capital Increase Base Date for the Conversion of Employee Stock Option Certificates to New Shares. 8. Credit Application from Financial Institutions. 9. Salary Adjustment for Managers of the Company.

Date	Important Resolutions
	10. Amendment to Certain Articles of the Company's "Articles of Association". 11. Establishment of the Date, Location, Reasons for Convening, Period for Accepting Shareholder Proposals, and Venue for the 2025 Annual General Meeting of Shareholders.
2025.04.17	1. The first repurchase of the company's shares in 2025.
2025.05.13	1. Consolidated financial statements for the first quarter of 2025. 2. Renewal of the guarantee for the subsidiary, LIAN CHAN PRECISION CO., LTD. 3. Establishment of the internal control system for the "Management of Repurchased Treasury Shares". 4. Application for credit lines from financial institutions.
2025.06.19	1. The proposed base date for the 2025 capital reserve capitalization and rights issue. 2. The appointment of the Company's Chief Accountant. 3. The application for credit lines from financial institutions.
2025.07.09	1. The resolution passed by the Board of Directors on May 13, 2025, to rescind the "Renewal of the Endorsement Guarantee for the Subsidiary LIAN CHAN PRECISION CO., LTD."
2025.08.11	1. Consolidated Financial Statements for the Second Quarter of 2025. 2. 2024 Sustainable Development Report. 3. Amendments to Certain Articles of the Audit Committee Organization Regulations. 4. Proposed resolution to the Board of Directors that accounts receivable exceeding the normal credit period by three months and involving significant amounts are not considered loans. 5. Review and amendment of the Company's procedures for implementing treasury share buybacks. 6. Capital increase for subsidiary, Aitronics Inc.
2025.09.24	1. The Company plans to issue ordinary shares as part of a cash capital increase and the second domestic unsecured convertible corporate bond issuance. 2. The Company plans to renew its guarantee for its subsidiary, LIAN CHAN PRECISION CO., LTD. 3. The Company plans to amend its treasury share repurchase execution procedures.
2025.11.11	1. Consolidated Financial Statements for the Third Quarter of 2025. 2. Operating Plan for 2026. 3. Audit Plan for 2026. 4. Internal Control System for Defining and Regularly Evaluating Frontline Employees. 5. Definition and Scope of Frontline Employees. 6. Compensation Distribution for Managers in 2024. 7. Employee Stock Ownership Standards and List for the 2025 Cash Capital Increase and Issuance of New Shares. 8. Employee Stock Ownership Issuance and Subscription Regulations for the Subsidiary, Aitronics Inc., for 2025. 9. Establishment of a Sustainable Development Committee and Regulations.
2026.03.16	1. Employee and Director Remuneration Distribution for 2025.

Date	Important Resolutions
	2. Business Report and Financial Statements for 2025. 3. Profit Distribution for 2025. 4. Internal Control System Statement for 2025. 5. Disposal of a batch of machinery and equipment to a related party, Aitronics Inc. 6. Appointment and Remuneration of the Certified Public Accountant for 2026. 7. Appointment of the Internal Auditor. 8. Appointment of the Chief Financial Officer, Chief Corporate Governance Officer, and other managers. 9. Appointment of Members of the Sustainable Development Committee. 10. Adjustment of the Definition and Scope of Frontline Employees. 11. Credit Application from Financial Institutions. 12. Amendment to Certain Articles of the Company's Articles of Association. 13. Election of Eight Directors (including Four Independent Directors). 14. The Company hereby sets forth the date, place, purpose of convening, period for accepting shareholder proposals/nominations, and other relevant matters concerning the venue for its 115th Annual General Meeting.
2026.04.30	1.Salary adjustment proposal for our company's managers.
2026.05.08	1. The company's consolidated financial report for the first quarter of 2026. 2. Nomination of the company's director and independent director candidates and review of independence cases. 3. Lift the non-competition restrictions of new directors (including independent directors).

3.10 Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors: None

4. Disclosure of CPA's Remuneration

Unit: NT$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total
PwC	Chiang, Tsai-Yen Liu, Chien-Yu	2025/1/1~2025/12/31	2,030	520	2,550
Remark	Non-audit fees include tax services amounting to NT$220,000, and other non-assurance services totaling NT$300,000.				

4.1 In case the auditing fee paid in the year retaining service from another CPA Firm is less than the auditing fee paid in the year before, the amount of auditing fee before / after the change of CPA Firm and the reasons for the said change must be disclosed: None.

4.2 In case the auditing fee paid in the year retaining service from another CPA Firm is over 10% less than the auditing fee paid in the year before, the amount and ratio of auditing fee reduced and the reasons for the said change must be disclosed: None.

5. Alternation of CPA：None

6.The Company's Chairman, President, 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 CPA or at an Affiliated Enterprise: None.

7. Transfer and Pledge of Stock Equity by Directors, Supervisors, Managerial Officers and Holders of 10% or More of Company share

7.1 Any change in shareholding and net change in shares pledged by directors, supervisors, department heads and shareholders of 10% shareholding or more

Unit: Shares

Title	Name	2025		As of April 30, 2026	
		Shareholding Increase (Decrease)	Pledged shareholding Increase (Decrease)	Shareholding Increase (Decrease)	Pledged Shareholding Increase (Decrease)
Chairman & President	CHENG, CHU-MING	659,529	0	314,453	385,000
Director & EVP	CHEN, CHIN-YI	(2,045)	0	24,520	0
Director & EVP	LEE, YU-TSUNG	48,293	0	15,000	0
Director	ROAN, YUNG-CHIH	(8,998)	0	3,000	0
Independent director	CHANG, MING-JYE	0	0	0	0
Independent director	WANG, PAO-CHANG	0	0	0	0
Independent director	CHIU, CHIN-TAN	0	0	0	0
Independent director	CHIANG, HUI-HUA (Note1)	0	0	0	0
VP	HSU, CHIH-LU	(3,000)	0	18,428	0
Senior Director	CHEN, YUNG-CHEN(Note2)	-	-	0	0
VP	KO, HUI-YU(Note1)	0	0	0	0
Accounting manager	HUANG, SHIH TING(Note1)	-	-	-	-
Deputy Director	FAN, CHING-I(Note2)	-	-	6,072	0
Major shareholder	WELCH ALLYN INC.	497,790	0	0	0

Note 1:VP KO, HUI-YU resigned on March 31, 2026; Accounting manager HUANG, SHIH TING resigned on June 13, 2025.

Note 2: Finance Supervisor CHEN, YUNG-CHEN took office on March 16, 2026; Accounting manager FAN, CHING-I took office on June 19, 2025.

7.2 Information of shares transferred

Name	Reason	Trade date	Counter-party	The relationship between the transaction counterparty and the company, directors, supervisors, managers, and shareholders with more than 10% of the shares	Shares	Price
HSU, CHIH-LU	Grant	2025.10.31	Hsu, Jun-Ru	Child	33,000	-

7.3 Information of shares pledged:

Unit: Thousand shares

Name	Reason	Date	Counter party	The relationship between the transaction counterparty and the company, directors, supervisors, managers, and shareholders with more than 10% of the shares	Shares	Share-holding (%)	Pledge ratio (%)	Pledged amount
CHENG, CHU-MING	Pledge	2026.01.12	Taipei Fubon Commercial Bank Hsinchu Branch	No	385	18.57	5.15	-

8. Information on Relationships Among the Top Ten shareholders

As of April 25, 2026; Unit: Shares %

Name (註 1)	Current Shareholding		Shares held by spouse and minor child		Shareholding by Nominee Arrangement		Name and relationship between the company's top ten shareholders, or spouses or relatives within the second degree of kinship		Rem arks
	Shares	%	Shares	%	Share	%	Name	Relatio	

					s			n-ship	
CHENG, CHU-MING	7,470,273	18.57%	354,587	0.88%	0	0%	-	-	
Welch Allyn,Inc.	5,475,698	13.61%	0	0%	0	0%	-	-	
ADVANTECH CO., LTD.	1,702,881	4.23%	0	0%	0	0%	-	-	
HSU, KUNG-WEI	809,796	2.01%	0	0%	0	0%	-	-	
CHUANG, QIAN-HSIN	731,000	1.82%	0	0%	0	0%	CHUANG, AI-LING	Father-Daughter	
CONTROL OPTICS TAIWAN INC.	649,225	1.61%	0	0%	0	0%	-	-	
CHUANG, AI-LING	560,800	1.39%	0	0%	0	0%	CHUANG, QIAN-HSIN	Father-Daughter	
LEE, YU-TSUNG	546,231	1.36%	28,470	0.07%	0	0%	-	-	
Shengzhu Co., Ltd.	504,671	1.25%	0	0%	0	0%	-	-	
Guo Zherong	485,058	1.21%	0	0%	0	0%	-	-	

9. Investment from Directors, Supervisors, Managers, and directly or indirectly Controlled Business

As of March 31, 2025, Unit: Share; %

Ownership of Shares in Affiliated Enterprise	Ownership by MiiS		Direct/Indirect Ownership by Directors and Management		Total Ownership	
	Shares	%	Shares	%	Shares	%
Medview Investments Limited.	1,100,000	100%	-	-	1,100,000	100%
Medimaging Integrated Solution Inc.(Dongguan)	Note	100%	-	-	-	100%
Aitronics, Inc.	10,000,000	100%	-	-	10,000,000	100%
Lian Chan Precision Co., Ltd.	10,000,000	100%	-	-	10,000,000	100%

Note:It is in the form of a "limited company", so there are no shares.

III. CAPITAL OVERVIEW

1.Company Capital and Shares

1.1 Source of Capital

1.1.1 Issued Shares

Month/Year	Par Value (NT$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Other
2010.08	10	1,000,000	10,000,000	100,000	1,000,000	Establishment of Capital 1,000,000	None	Note1
2010.11	10	1,000,000	10,000,000	800,000	8,000,000	Cash Capital Increase 7,000,000	None	Note 2
2011.05	10	7,000,000	70,000,000	2,200,000	22,000,000	Cash Capital Increase 14,000,000	None	Note 3
2012.02	18	7,000,000	70,000,000	4,100,000	41,000,000	Cash Capital Increase 19,000,000	None	Note 4
2013.06	10	7,000,000	70,000,000	6,000,000	60,000,000	Cash Capital Increase 19,000,000	None	Note 5
2014.02	10	7,000,000	70,000,000	6,156,000	61,560,000	Stock Options 1,560,000	None	Note 6
2014.05	10	10,000,000	100,000,000	7,581,920	75,819,200	Retained Earnings to Increase Capital 14,259,200	None	Note 7
2014.07	10	10,000,000	100,000,000	8,581,920	85,819,200	Stock Options 10,000,000	None	Note 8
2014.08	18.83	20,000,000	200,000,000	10,732,920	107,329,200	Cash Capital Increase 21,510,000	None	Note 9
2015.05	10	20,000,000	200,000,000	10,975,420	109,754,200	Stock Options 2,425,000	None	Note 10
2015.06	10	20,000,000	200,000,000	14,048,537	140,485,370	Retained Earnings to Increase Capital 30,731,170	None	Note 11
2016.02	10	20,000,000	200,000,000	14,291,287	142,912,870	Stock Options 2,427,500	None	Note 12
2016.09	29	20,000,000	200,000,000	17,291,287	172,912,870	Cash Capital Increase 30,000,000	None	Note 13

2016.11	10	20,000,000	200,000,000	19,506,436	195,064,360	Retained Earnings to Increase Capital 22,151,490	None	Note 14
2017.01	10	50,000,000	500,000,000	20,025,686	200,256,860	Stock Options 5,192,500	None	Note 15
2017.09	10	50,000,000	500,000,000	20,168,186	201,681,860	Stock Options 1,425,000	None	Note 16
2018.05	10	50,000,000	500,000,000	20,424,186	204,241,860	Stock Options 960,000 Employee Compensation Capitalization 1,600,000	None	Note 17
2018.08	10	50,000,000	500,000,000	22,045,321	220,453,210	Retained Earnings to Increase Capital 16,211,350	None	Note 18
2019.01	10	50,000,000	500,000,000	22,232,821	222,328,210	Stock Options 1,875,000	None	Note 19
2019.04	10	50,000,000	500,000,000	22,352,821	223,528,210	Stock Options 1,200,000	None	Note 20
2020.05	10	50,000,000	500,000,000	22,453,821	224,538,210	Stock Options 1,010,000	None	Note 21
2021.01	10	50,000,000	500,000,000	22,512,821	225,128,210	Stock Options 590,000	None	Note 22
2021.08	10	50,000,000	500,000,000	24,764,103	247,641,030	Capital Surplus to Increase Capital 22,512,820	None	Note 23
2021.08	10	50,000,000	500,000,000	28,366,155	283,661,550	Retained Earnings to Increase Capital 36,020,520	None	Note 23
2021.08	10	50,000,000	500,000,000	28,386,155	283,861,550	Stock Options 200,000	None	Note 23
2021.09	40	50,000,000	500,000,000	30,006,155	300,061,550	Cash Capital Increase 16,200,000	None	Note 24
2022.06	46	50,000,000	500,000,000	33,106,155	331,061,550	Cash Capital Increase 31,000,000	None	Note 25

2022.08	20	50,000,000	500,000,000	33,227,655	332,276,550	Stock Options 1,215,000	None	Note 26
2023.03	20	50,000,000	500,000,000	33,233,655	332,336,550	Stock Options 60,000	None	Note 27
2023.06	20	50,000,000	500,000,000	33,290,655	332,906,550	Stock Options 570,000	None	Note 28
2023.08	20	50,000,000	500,000,000	33,334,155	333,341,550	Stock Options 435,000	None	Note 29
2023.09	85	50,000,000	500,000,000	34,584,155	345,841,550	Cash Capital Increase 12,500,000	None	Note 30
2024.08	20	50,000,000	500,000,000	34,750,155	347,501,550	Stock Options 1,660,000	None	Note 31
2025.03	20	50,000,000	500,000,000	34,758,155	347,581,550	Stock Options 80,000	None	Note 32
2025.09	10	50,000,000	500,000,000	38,233,970	382,339,700	Capital Surplus to Increase Capital 34,758,150	None	Note 33
2026.02	67.2	50,000,000	500,000,000	40,233,970	402,339,700	Cash Capital Increase 20,000,000	None	Note 34

Note1：2010.08.05 # 0990022708
Note2：2010.11.16 # 0990034045
Note3：2011.05.11 # 1000013243
Note4：2012.02.03 # 1010003339
Note5：2013.06.07 # 1020016449
Note6：2014.02.26 # 1030006088
Note7：2014.05.14 # 1030013481
Note8：2014.07.18 # 1030021052
Note9：2014.08.14 # 1030023623
Note10：2015.05.07 # 1040012251
Note11：2015.06.24 # 1040017761
Note12：2016.02.23 # 1050004468
Note13：2016.09.26 # 1050026645
Note14：2016.11.21 # 1050032235
Note15：2017.01.19 # 1060002098
Note16：2017.09.30 # 1060026610
Note17：2018.05.30 # 1070015818
Note18：2018.08.03 # 1070022582
Note19：2019.01.10 # 1080001322
Note20：2019.04.15 # 1080010155
Note21：2020.05.25 # 1090014156
Note22：2021.01.15 # 1100000724
Note23：2021.08.23 # 1100023407

Note24：2021.09.23 # 1100027586
Note25：2022.06.15 # 1110018744
Note26：2022.08.23 # 1110026893
Note27：2023.03.28 # 1120009336
Note28：2023.07.14 # 1120022990
Note29：2023.08.22 # 1120027854
Note30：2023.10.02 # 1120032337
Note31：2024.08.30 # 1130027481
Note32：2025.03.24 # 1140008722
Note33：2025.03.24 # 1140027547
Note34：2025.03.24 # 1150004327

1.1.2 Type of Stock

As of May 15, 2026；Unit: shares

Share Type	Authorized Capital			Remark
	Outstanding	Un-Issued	Total	
Common stock	40,233,970	9,766,030	50,000,000	Listed on TWSE

1.1.3 Shelf-registration system: None.

1.2 Major Shareholders

As of April 25, 2026 Unit: shares

Shareholder's Name	Shares	Percentage
CHENG, CHU-MING	7,470,273	18.57%
Welch Allyn,Inc.	5,475,698	13.61%
ADVANTECH CO., LTD.	1,702,881	4.23%
HSU, KUNG-WEI	809,796	2.01%
CHUANG, QIAN-HSIN	731,000	1.82%
CONTROL OPTICS TAIWAN INC.	649,225	1.61%
CHUANG, AI-LIN	560,800	1.39%
LEE, YU-TSUNG	546,231	1.36%
SHENGZHU CO., Ltd.	504,671	1.25%
GUO, JHE-RONG	485,058	1.21%

1.3 Dividend Policy and Status

1.3.1 Dividend Policy under the Articles of Incorporation
The Company's dividend policy, as stipulated in the Articles of Association, is based on current and future development plans, consideration of the investment environment, capital needs, domestic and international competition, and the interests of shareholders. Each year, no less than 10% of distributable profits will be allocated to shareholders as dividends. However, if accumulated distributable profits fall below 10% of paid-in capital, no dividend may be distributed. Dividends may be distributed in cash or stock, with cash dividends not less than 10% of total dividends. The Board of Directors will draft a profit distribution proposal, which will be submitted to the Shareholders' Meeting for resolution.

1.3.2 Proposal to Distribute 2023 Profits
The Company’s 2025 profit distribution was resolved by the Board of Directors on March 16, 2026. The total amount of cash dividends distributed to shareholders was NT$10,058,493 (NT$0.25 per share). Cash dividends were calculated to the nearest dollar according to the distribution ratio, and amounts less than one dollar were rounded down. Any odd amounts less than one dollar were included in the Company’s other income.

1.3.3 If a material change in dividend policy is expected, provide an explanation: None.

1.3.4 The Impact of the Proposed Stock Dividend Distribution at This Shareholders' Meeting on the Company's Operating Performance and Earnings Per Share.

<table>
<tr><td colspan="3">Year
Items</td><td>Year 2026
(Estimated)</td></tr>
<tr><td colspan="3">Paid-in Capital</td><td>NT$ 402,339,700</td></tr>
<tr><td rowspan="3">Dividend and Stock Distribution for the Current Year</td><td colspan="2">Cash dividend per share</td><td>NT$ 0.5 (Note 1)</td></tr>
<tr><td colspan="2">Number of Shares Allocated per Share from Earnings Capitalization</td><td>0 share</td></tr>
<tr><td colspan="2">Number of Shares Allocated per Share from Capital Reserve Capitalization</td><td>0 share</td></tr>
<tr><td rowspan="7">Changes in Operating Performance</td><td colspan="2">Operating Income</td><td rowspan="7">Not applicable
(Note 2)</td></tr>
<tr><td colspan="2">YOY (%) in Operating Income</td></tr>
<tr><td colspan="2">Net Income after tax</td></tr>
<tr><td colspan="2">YOY (%) in Net Income after tax</td></tr>
<tr><td colspan="2">EPS</td></tr>
<tr><td colspan="2">YOY (%) in EPS</td></tr>
<tr><td colspan="2">Average Annual Return on Investment (Inverse of Average P/E Ratio)</td></tr>
<tr><td rowspan="3">Pro Forma EPS and P/E Ratio</td><td rowspan="2">If the entire earnings capitalization is instead distributed as cash dividends</td><td>Pro Forma EPS</td><td rowspan="3">Not applicable
(Note 2)</td></tr>
<tr><td>Pro Forma Average Annual Return on Investment</td></tr>
<tr><td>If capital reserve</td><td>Pro Forma EPS</td></tr>
</table>

	capitalization is not executed	Pro Forma Average Annual Return on Investment	
	If neither capital reserve capitalization is executed nor earnings capitalization is executed and instead distributed as cash dividends	Pro Forma EPS	
		Pro Forma Average Annual Return on Investment	

Note 1: Awaiting approval at the 2026 Annual General Shareholders' Meeting
Note 2: The company has not disclosed its financial forecast for the year 2026; therefore, this is not applicable.

1.5 Employees'Compensation and Remuneration to Directors

1.5.1 Employees' Compensation and Remuneration to Directors as Stated in the Articles of Incorporation

If the Company is profitable in a given year, it shall allocate 10% to 25% as employee compensation and no more than 3% as compensation for directors and supervisors. However, if the Company has accumulated losses, a reserve shall be set aside to cover them.

Of the aforementioned employee compensation, no less than 5% shall be allocated to the compensation of junior staff.

Employee compensation may be paid in shares or cash, and may be distributed to employees of the controlling or subordinate companies who meet certain conditions.

The distribution of employee and director compensation shall be reported to the shareholders' meeting.

1.5.2 The basis for estimating the amount of employee and director compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

The estimated employee and director compensation for this period is based on the current year's profit, estimated at a certain percentage within the range stipulated in the articles of association. Any difference between the actual amount distributed and the estimated amount will be recorded in the profit or loss of the following year. Furthermore, there were no employee compensation distributions in stock during this period.

1.5.3 Information on any approval by the board of directors of distribution of compensation

(1) The amount of any employee compensation distributed in cash or stocks and compensation for directors and supervisors. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed

On March 16, 2026, the Board of Directors of the Company resolved to distribute employee compensation of NT$3,618,860 and directors' compensation of NT$88,264 in cash, which is no different from the estimated amount of the expense recognized in the year.

(2) The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation：

None.

1.5.4 The actual distribution of employee, director, and supervisor compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor compensation, additionally the discrepancy, cause, and how it is treated：

The remuneration of the Company's employees, directors and supervisors for fiscal year 2024 was reported at the shareholders' meeting on June 19, 2025. The actual cash remuneration distributed to employees was NT$1,592,198 and the remuneration of directors was NT$79,609, which is consistent with the proposed distribution approved by the Board of Directors.

1.6 Repurchase of Company Shares

1.6.1 Already Executed:: None.

1.6.2 Currently in Progress:None.

2. Status of Convertible Corporate Bond:

Bond type	1st Domestic unsecured convertible corporate bonds
Date of issuance	2023/08/25
Face value	NT$ 100,000
Place of issuance and trading	R.O.C
Price of issuance	Issued at 104.16% of face value
Total amount issued	NT$ 200,000,000
Interest rate	0.000%
Duration	3 years；Maturity date: 2026/08/25
Guarantor	N/A
Trustee	KGI BANK
Underwriter	Grand Fortune Securities Co., Ltd CTBC Securities Co., Ltd.
Certified Lawyer	N/A
CPA	N/A
Repayment terms	Unless the bondholder has converted the bonds into the common stock of the company in accordance with Article 10 of the regulations for the issuance and conversion of the first domestic unsecured convertible corporate bonds, or the company has redeemed the bonds in advance in accordance with Article 18 of the regulation, or the company has repurchased and canceled the convertible corporate bonds at the business offices of securities firms, the company shall repay the convertible corporate bonds in cash in one lump sum according to the face value of the bonds upon maturity. The payment will be

<table>
<tr><td colspan="2"></td><td>made in ten business days (including the tenth business day) after the date of maturity.</td></tr>
<tr><td colspan="2">Balance of outstanding bonds</td><td>NT$ 200,000,000</td></tr>
<tr><td colspan="2">Terms on Redemption or Prepayment</td><td>Please refer to the company's regulations on issuance and conversion of first domestic unsecured convertible corporate bond.</td></tr>
<tr><td colspan="2">Restrictions</td><td>None</td></tr>
<tr><td colspan="2">Credit rating agency, rating date, corporate bond rating results</td><td>N/A</td></tr>
<tr><td rowspan="2">Additional rights</td><td>Amount of ordinary shares, overseas depositary receipts or other marketable securities converted (exchanged or subscribed) up to the date of publication of the annual report</td><td>0</td></tr>
<tr><td>Regulations on issuance and conversion (exchange or subscription)</td><td>Please refer to the company's regulations on issuance and conversion of first domestic unsecured convertible corporate bond. (https://mops.twse.com.tw)。</td></tr>
<tr><td colspan="2">Regulations on issuance and conversion, exchange or subscription of shares, issuance conditions which may dilute the equity and impact on existing shareholders' equity</td><td>Based on the latest excise price, NT$ 106.3, as of the date of the annual report printed, the estimated number of convertible ordinary shares are 1,880 thousand shares and the estimated dilution of the share capital is about 4.67%. The impact to shareholers' equity is not significant.</td></tr>
<tr><td colspan="2">The custodian institution for the exchange subject</td><td>N/A</td></tr>
</table>

Bond type	2nd Domestic unsecured convertible corporate bonds
Date of issuance	2025/12/12
Face value	NT$ 100,000
Place of issuance and trading	R.O.C
Price of issuance	Issued at 100.5% of face value
Total amount issued	NT$ 200,000,000
Interest rate	0.000%
Duration	3 years；Maturity date: 2028/12/22
Guarantor	N/A
Trustee	KGI BANK

Underwriter	Fubon Securities
Certified Lawyer	N/A
CPA	N/A
Repayment terms	Except where bondholders convert the bonds into the Company's common stock in accordance with Article 10 of these Measures, or the Company exercises its early redemption right in accordance with Article 18 of these Measures or its sell-back right in accordance with Article 19 of these Measures, or the Company buys back and cancels the bonds through a securities firm's business office, the Company shall, within ten business days from the day following the maturity date of these convertible bonds, repay the bondholders' convertible bonds in cash at the face value of the bonds.
Balance of outstanding bonds	NT$ 200,000,000
Terms on Redemption or Prepayment	The Company's Redemption Right for These Convertible Bonds (I) From the day following three months after the issuance date of these convertible bonds (March 23, 2026) to forty days before the expiration date (November 12, 2028), if the closing price of the Company's common stock exceeds the then-current conversion price of these convertible bonds by 30% or more for thirty consecutive trading days, the Company may, within the following thirty trading days, send a registered mail to the bondholders (based on the list of bondholders on the fifth trading day prior to the mailing date). Subsequently, bondholders who acquire these convertible bonds through purchase, sale, or other reasons shall, by way of public announcement, issue a "Bond Redemption Notice" with a maturity date of thirty days (the aforementioned period shall be calculated from the date of dispatch by the Company, and the expiration date of the period shall be the redemption benchmark date for these convertible bonds (hereinafter referred to as the "Bond Redemption Benchmark Date"). The aforementioned period shall not be the suspension period for conversion as stipulated in Article 9. The Company shall also request the Taipei Exchange to issue a public announcement and, within five business days after the Bond Redemption Benchmark Date, redeem these convertible bonds from the

	bondholders in cash at face value. (II) From the day following the expiration of three months after the issuance of these convertible bonds (March 23, 2026) until forty days before the expiration date (November 12, 2028), if the outstanding balance of these convertible bonds is less than 10% of the original issuance amount, the Company may, at any time thereafter, send a 30-day "Bond Redemption Notice" by registered mail to bondholders (based on the list of bondholders on the fifth business day prior to the date of dispatch; for bondholders who subsequently acquire these convertible bonds through purchase, sale, or other reasons, the notice shall be issued by public announcement). The aforementioned period shall be calculated from the date of dispatch by the Company, and the expiration date of that period shall be the bond redemption benchmark date; the aforementioned period shall not be the suspension period for conversion as stipulated in Article 9. The Company shall also request the OTC Exchange to issue a public announcement and, within five business days after the bond redemption benchmark date, redeem the convertible bonds from the bondholders at face value in cash. (III) If the bondholder fails to provide a written reply to the Company's stockbroker before the bond redemption benchmark date stated in the "Bond Redemption Notice" (effective upon delivery, or postmark date for mailed orders), the Company will redeem the convertible bonds in cash at face value within five business days after the bond redemption benchmark date. (IV) If the Company executes the redemption request, the deadline for bondholders to request conversion is the second business day after the termination of over-the-counter trading of the convertible bonds. <u>Company's Right to Sell Back the Convertible Bonds</u> The redemption benchmark date for early redemption of the convertible bonds is the date two years after issuance (December 22, 2027). The Company shall, forty days prior to the repurchase benchmark date (November 12, 2027), send a "Notice of Exercise of the Repurchase Right" by registered mail to the creditors (based on the

<table>
<tr><td colspan="2"></td><td colspan="2">list of creditors on the fifth business day prior to the date of dispatch of the "Notice of Exercise of the Repurchase Right"; for creditors who subsequently acquired these convertible bonds through sale or other reasons, a public announcement shall be made). The Company shall also request the Taipei Exchange to announce the exercise of the repurchase right by the bondholders. Bondholders may, within forty days prior to the repurchase benchmark date, notify the Company's stock brokerage in writing (effective upon delivery; for postal items, the postmark shall be considered proof) requesting the Company to redeem their convertible bonds in cash at 100.500625% of the bond's face value (effective yield of 0.25%). Upon acceptance of the repurchase request, the Company shall redeem the convertible bonds in cash within five business days after the repurchase benchmark date. If the aforementioned date falls on a day when the Taipei Stock Exchange is closed, it will be postponed to the next business day.</td></tr>
<tr><td colspan="2">Restrictions</td><td colspan="2">None</td></tr>
<tr><td colspan="2">Credit rating agency, rating date, corporate bond rating results</td><td colspan="2">N/A</td></tr>
<tr><td rowspan="2">Additional rights</td><td colspan="2">Amount of ordinary shares, overseas depositary receipts or other marketable securities converted (exchanged or subscribed) up to the date of publication of the annual report</td><td>0</td></tr>
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<tr><td colspan="2">Regulations on issuance and conversion, exchange or subscription of shares, issuance conditions which may dilute the equity and impact on existing shareholders’ equity</td><td colspan="2">Based on the latest excise price, NT$ 100.0, as of the date of the annual report printed, the estimated number of convertible ordinary shares are 2,000 thousand shares and the estimated dilution of the share capital is about 4.97%. The impact to shareholers’ equity is not significant.</td></tr>
<tr><td colspan="2">The custodian institution for the</td><td colspan="2">N/A</td></tr>
</table>

exchange subject	

Information of Convertible Corporate Bond

Type		2023 1st Domestic unsecured convertible corporate bonds	
Item / Year		2025	As of 2026/4/25
Market Price	Highest	102.5	99.15
	Lowest	93.00	97.00
	Average	98.38	97.85
Excise Price		107.9	106.3
Date of Issuance and Initial Excise Price		2023/08/25；NTD 123.00	
Execution of Conversion		Issuing New Shares	

Type		2025 2nd Domestic unsecured convertible corporate bonds	
Item / Year		2025	As of 2026/4/25
Market Price	Highest	105.5	101.05
	Lowest	100.00	86.00
	Average	102.35	94.81
Excise Price		101.6	100.00
Date of Issuance and Initial Excise Price		2025/08/25；NTD 101.60	
Execution of Conversion		Issuing New Shares	

3. Status of Preferred Stocks：None.

4. Status of GDR/ADR：None.

5. Status of Employee Stock Option Plan : None.

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

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

8. Financing Plans and Implementation:

As of the quarter preceding the publication date of this annual report, the company had no outstanding issuances or private placements of marketable securities, nor any completed projects within the past three years whose benefits have not yet materialized; therefore, these are not applicable.

Information regarding the execution of the most recent annual capital utilization plan can be found in the Public Information Observation Station's Capital Increase Plan Execution Zone at https:// https://mopsov.twse.com.tw/mops/web/bfhtm_q2, Enter the company code to view relevant capital increase plans.

IV. OVERVIEW OF BUSINESS OPERATION

1. Principal activities

1.1 Operating Scope

1.1.1 Principal Business Activities

CF01011 Medical equipment manufacturing industry (limited to ROC industry standard classification 2760 radiation and electronic medical equipment manufacturing industry, 3321 glasses manufacturing industry and 3329 other medical equipment and supplies manufacturing industry)

CE01030 Optical instrument manufacturing industry (limited to the industry standard classification of the Republic of China 2729 Other communication equipment manufacturing industry, 2730 Audio-visual electronic product manufacturing industry, 2771 Camera manufacturing industry, 2779 Other optical instruments and equipment manufacturing industry and 3321 Glasses manufacturing industry)

IG01010 Biotechnology service industry (limited to ROC industry standard classification 7210 natural and engineering science research and development service industry)

I301010 Information software service industry (limited to 6201 computer software design industry, 6202 computer system integration service industry and 6209 other computer system design service industry in the industrial standard classification of the Republic of China)

F108031 Wholesale of medical equipment (limited to 4565 wholesale of watches and glasses, 4571 wholesale of medicines and medical supplies, and 4649 wholesale of other mechanical appliances)

CC01101 Telecommunications regulated radio frequency equipment manufacturing industry (limited to 2721 telephone and mobile phone manufacturing industry, 2729 other communication and communication equipment manufacturing industry, 2751 measurement, navigation and control equipment manufacturing industry and 2760 radiation and electronic medical equipment manufacturing industry in the industrial standard classification of the Republic of China)

F401021 Telecommunications control radio frequency equipment import business (limited to the industry standard classification of the Republic of China 4642 electronic equipment and its parts and components wholesale business)

CC01080 Manufacturing of electronic parts and components (limited to manufacturing of other electronic parts and components not classified under ROC Industrial Standard Classification 2699)

F119010 Wholesale of electronic materials (restricted to operate outside of the science park) (limited to the wholesale industry of electronic equipment and its parts and components under the Industrial Standard Classification of the Republic of China 4642)

F219010 Retailing of electronic materials (restricted to operate outside of the science park) (limited to 4831 computer and peripheral equipment, software retailing, 4832 communication equipment retailing and 4833 audio-visual equipment retailing under the industrial standard classification of the Republic of China)

Research, develop, design, manufacture and sell the following products:

1. All-in-one digital medical diagnostic Set:
   (1) Full-color handheld digital medical non-mydriatic eye fundus lens
   (2) Full-color handheld digital medical otoscope lens
   (3) Full-color handheld digital medical dermatoscope lens
2. Medical image aided recognition software
3. Digital imaging medical beauty skin automatic analyzer
4. Disposable endoscopes and related components
5. Optical Coherence Tomography

1.1.2 Business Weightage

Unit: NT$ thousands；%

Main products	2024		2025		2026Q1	
	Revenue	(%)	Revenue	(%)	Revenue	(%)
Digital medical imaging diagnostic equipment.	378,983	70.32	447,659	67.68	104,003	70.55
Technical service customer solutions.	65,041	12.07	63,427	9.59	11,707	7.94
Others	94,896	17.61	150,303	22.73	31,706	21.51
Total	538,920	100.00	661,389	100.00	147,416	100.00

1.1.3 The Group's Current Products and Services

(1) Digital Medical Imaging Diagnostic Device

Starting with fundus endoscopes, MiiS has now developed handheld digital ENT endoscopes that allow doctors to perform basic examinations of the eyes, ears, nose, mouth, and skin using only one device. These include, but are not limited to, digital handheld non-mydriatic fundus cameras, ocular surface examination endoscopes, anterior chamber endoscopes, oral observation instruments, otoscopes, dermatoscopes, and imaging aids. Images can be transmitted in real-time via communication networks, enabling telemedicine and seamless consultations, or uploaded to electronic medical record systems to create a complete record of the patient's treatment process, assisting doctors in making more accurate diagnoses and treatments.

In addition to the sales of hardware modules and products, the company is further extending its reach into the field of AI-powered intelligent medical services, becoming a bio-ICT innovative product, module, and service provider of AI-powered intelligent medical devices. This not only assists medical personnel in conducting first-line screenings but also makes subsequent tracking and recording more convenient and complete, implementing preventive medicine and tiered medical services, and ensuring the most effective use of medical resources.

(2)Micro camera modules and related image processing systems

The company is optimistic about the future business opportunities in precision medicine and minimally invasive surgery, and is committed to developing key components such as disposable endoscopes and miniature camera modules. Based on the group's product division, strengthening upstream and downstream integration capabilities, and strategic considerations, it has established an independent subsidiary, "Jinsheng Intelligent Sensing Co., Ltd.", which specializes in the manufacturing and sales of miniature camera modules and image processing systems. This is to improve the overall operating performance and competitiveness of the Jinhong Technology Group. Because the products are manufactured using automated semiconductor packaging methods, they have significant cost and quality advantages. In addition to providing the parent company, Jinhong Technology, with production capacity for its own brand of disposable endoscopes and mastering the technical capabilities of key components such as miniature camera modules, it can also provide customized miniature camera module and image processing system development and design services for other CDMOs or other brands of disposable endoscopes.

(3)Production of molds, injection parts and modules for precision plastic components related to high-end disposable medical devices
In order to fully combine and connect MiiS's existing channels and customer resources, immediately grasp the disposable plastic injection parts OEM opportunities of international medical equipment manufacturers, and make up for the weaknesses of MiiS's business expansion, the company has acquired expertise in precision plastics related to medical equipment, LIAN CHAN PRECISION CO., LTD., a manufacturer of molds, injection parts and modules for components, will be able to fully demonstrate the advantages of production capacity and manufacturing experience in the future, which will have a synergistic effect on MiiS's product integration investment strategy layout.

(4)Technical service customer solutions
The company's technical service revenue mainly comes from customized technical services related to digital medical imaging diagnostic devices.

(5)Other sources of revenue include after-sales maintenance services for digital medical imaging diagnostic devices and sales of miniature camera module.

1.1.4 Planned Developments for New Products and Services
The company is dedicated to the innovation and R&D of medical optoelectronic modules and systems. Leveraging its core technologies and practical experience in digital medical imaging optics, the company's mission is to develop advanced intelligent medical devices and provide innovative medical solutions. It aspires to become a world-class "innovative solution provider for digital real-time medical imaging diagnostic equipment" and "IP design company for medical imaging devices."
The company designs, develops, and manufactures digital medical imaging diagnostic devices. In the future, it will collaborate with internationally renowned brands through a CDMO model or sell products under its own brand, horus SCOPE, to medical channels, deeply cultivating forward-looking emerging markets such as telemedicine, digital healthcare, and minimally invasive treatments. It focuses on the application of core technologies, combining hardware modules and AI software to provide innovative integrated medical solutions.

2 Industrial Overview

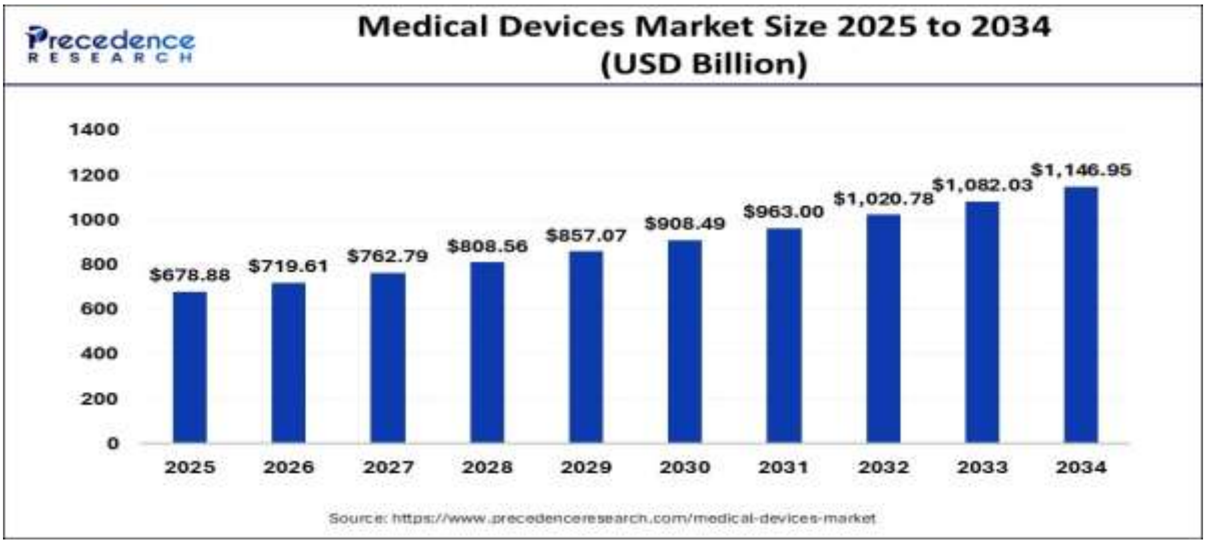
2.1 Current Industry Conditions

Our company primarily sells through partnerships with major medical device manufacturers (CDMOs) and distributors, with exports accounting for over 80% of our sales. The main market is the United States, the world's largest medical device market, while Asian markets such as China also represent a significant potential market for future growth. The following is an overview of the industries in which our company and its subsidiaries operate, as well as the main applications of our products in telemedicine, digital healthcare, and minimally invasive procedures:

(1) Medical Devices and Medical Imaging Industry

According to research by Precedence Research, the global medical device market size was US$640.45 billion in 2024 and is projected to grow from US$678.88 billion in 2025 to approximately US$1,146.95 billion in 2034, with a compound annual growth rate of 6% from 2025 to 2034. The main drivers are the return of medical activities to normalcy, the continued expansion of chronic diseases and the aging population, and national policies promoting the application of innovative medical technologies.

[Global Medical Device Market Growth]

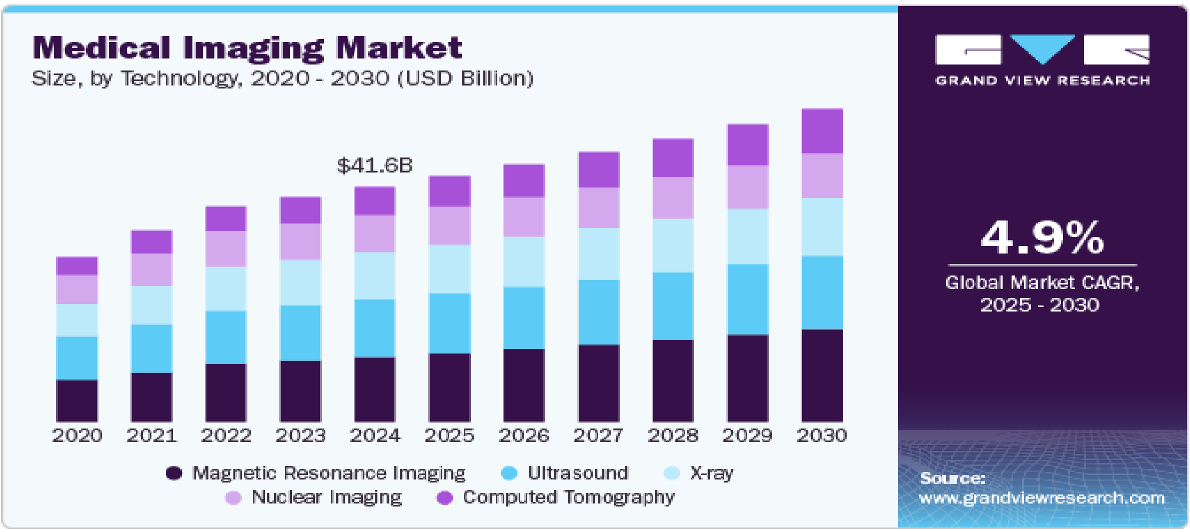


Source: Precedence Research; 2025/05

According to the 2025 Medical Device Industry Yearbook issued by the Industrial Technology Research Institute's (ITRI) Industrial Technology and Research Institute, the global medical device market in 2024 was analyzed by region. The Americas, Western Europe, and Asia Pacific remained the main regional markets for medical devices, accounting for over 90% of the global market, at 51.5%, 24.0%, and 17.9% respectively. The US market growth was driven by innovative medical devices and the demand for remote care, while Europe promoted product restructuring and high-value transformation under the influence of the Medical Device Regulation (MDR). China continued to guide domestic substitution and the expansion of digital healthcare through policies. This report focuses on elderly care and AI medical applications as the main themes of industry upgrading. Overall, the global medical device market in 2024 had clearly recovered from the impact of the pandemic.

In the medical imaging market segment of the medical device industry, the demand for medical services and diagnostic imaging is increasing due to population aging. The elderly typically require more frequent and thorough imaging treatments. According to Grand View Research, the global medical imaging systems market reached $41.6 billion in 2024 and is projected to continue expanding at a compound annual growth rate (CAGR) of 4.95%, exceeding $55.4 billion by 2030. The core drivers of growth in the medical imaging market are the increasing incidence of chronic diseases, the medical needs brought about by population aging, and the growing reliance on early diagnostic tools in clinical settings. Furthermore, display technologies such as LED, OLED, and LCD screens have improved image clarity, resolution, and color reproduction, making them an indispensable part of medical imaging.

[Global Medical Imaging Market Growth]



Source: Grand View Research; 2025/01

The North American medical imaging market dominates the global medical imaging industry, contributing 36.4% of revenue in 2024. In addition to the increasing popularity of medical imaging and telemedicine technologies, as well as comprehensive medical reimbursement policies, the incidence of chronic diseases such as breast cancer, cardiovascular disease, and neurological diseases in North America continues to rise, which in turn drives a high demand for medical image analysis. With the continuous advancement of technological innovation and the increasing number of patients with chronic diseases, the growth momentum of the North American medical imaging market is expected to further expand.

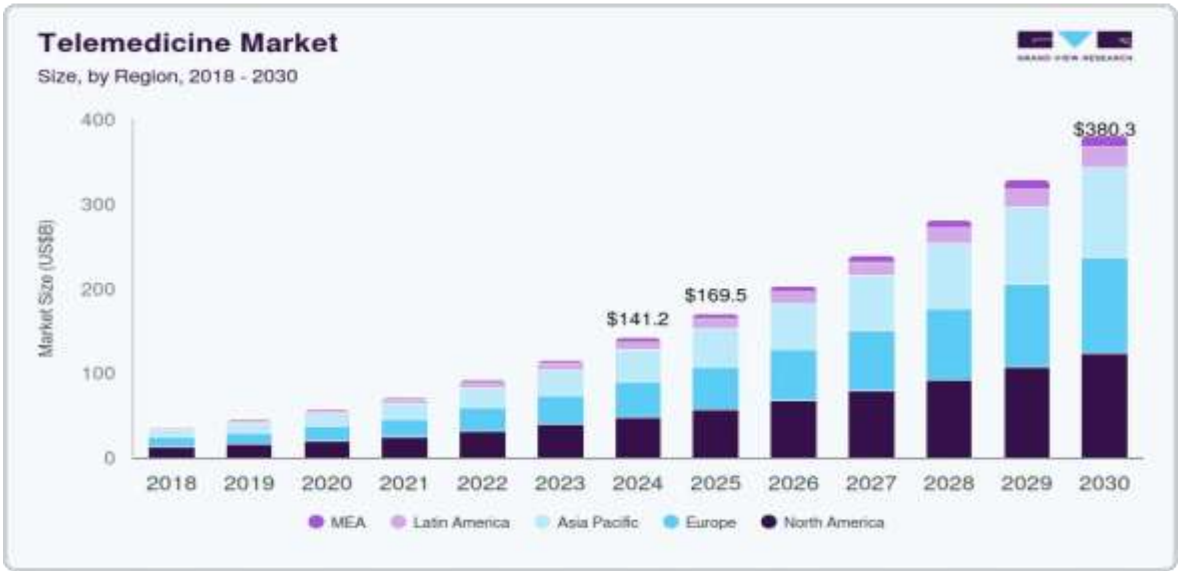
[North American Medical Imaging Market Share]

Source: Grand View Research; 2025/01

(2) Telemedicine Industry
Medical imaging plays an indispensable role in clinical diagnosis. With the improvement of equipment accuracy and the popularization of digital technology, physicians can more effectively grasp the location of lesions and the progression of diseases. However, the value of imaging is not limited to in-hospital diagnosis. When these digital images can be

transmitted quickly and securely to different locations, the limitation of traditional medical care, which requires "people and images to be in the same room," is broken. Therefore, the digitization and cloudification of medical imaging have become the core foundation for promoting the development of telemedicine.
Telemedicine is a system that primarily provides health-related services and information through electronic media and telecommunications systems. It enables patients in remote areas to access medical services and health insurance consultations. The main benefits of telemedicine include making it convenient for patients to receive medical assistance remotely, avoiding the inconvenience of transportation and mobility. In situations where medical resources are scarce, telemedicine can save on the costs of medical personnel and the maintenance of medical facilities. Furthermore, telemedicine can help raise patient awareness and educate the public about health knowledge through remote learning, meetings, and video conferencing.
According to a recent report by Grand View Research, Inc., the global telehealth market is projected to reach $380.33 billion by 2030, growing at a CAGR of 4.95%. The COVID-19 pandemic accelerated the adoption of telehealth and remote consultations. As governments implemented travel restrictions and lockdowns to curb the spread of the virus, patients and healthcare institutions turned to remote consultations and telehealth. The COVID-19 pandemic also served as a catalyst for the development of telehealth, exposing shortages and strain on healthcare resources and facilities, thus accelerating the adoption of solutions. With considerations of ensuring social distancing and reducing contact risks, more physicians are willing to use telehealth solutions for medical services.
Even though the COVID-19 pandemic has gradually subsided in recent years, the increasing number of patients with chronic diseases and the aging population has led to a growing demand for convenient and continuous healthcare. Telemedicine can effectively meet this demand. At the same time, the widespread availability of the internet, the development of wearable medical devices, and the introduction of AI-assisted diagnostic tools have further improved the efficiency and coverage of telemedicine services. Telemedicine also increases the public's access to medical expertise and saves time and resources spent visiting physical clinics or hospitals. As patients become more accepting of this mode of healthcare delivery, the global demand for telemedicine will continue to grow.

[Global Telemedicine Market]



While North America remains the dominant market in the global telemedicine market, a report by Grand View Research indicates that the Asia-Pacific region, particularly rural areas of China and India, is poised for significant growth due to its large patient population, increasing internet usage, and high demand for medical assistance. Japan's telemedicine market benefits from an aging population, rapid technological advancements, favorable government policies promoting telemedicine, and a shortage of medical professionals. Furthermore, the Japanese government's plans to replace some traditional medical methods and reduce costs through the adoption of Internet of Things (IoT) and Artificial Intelligence (AI) technologies will also drive the growth of the telemedicine market.

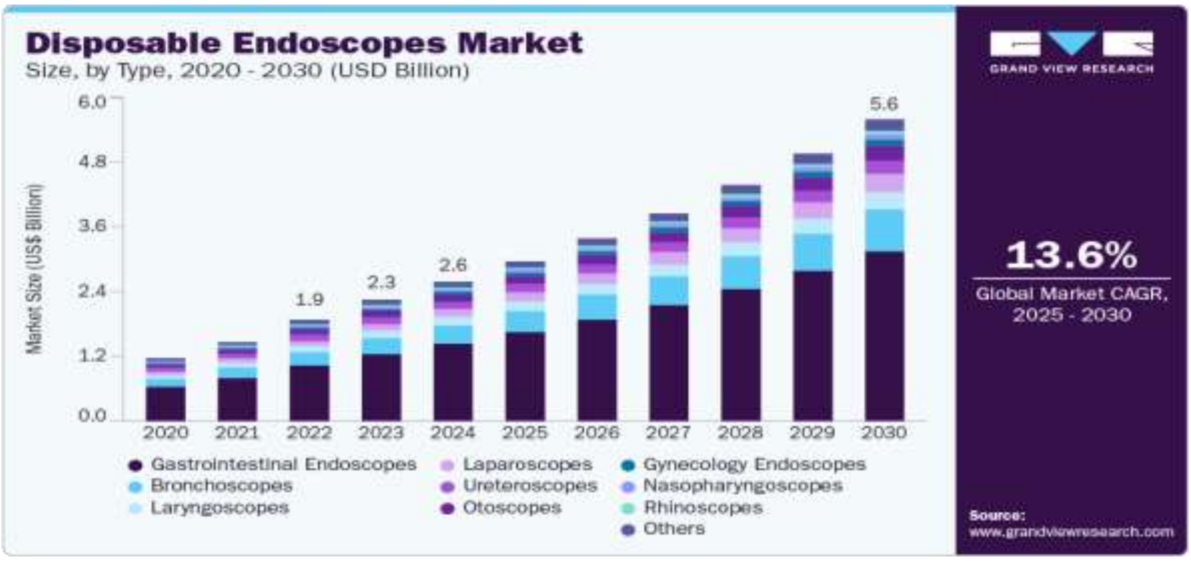
(3) Minimally invasive diagnosis and treatment market

With the advancement and widespread application of minimally invasive diagnostic and treatment technologies, physicians widely use endoscopes to obtain images and perform surgeries. An endoscope is a medical instrument inserted into the body through various parts or channels to observe internal conditions. Different designs are used depending on the characteristics of each organ. Endoscopic technology has evolved from reusable endoscopes to convenient disposable endoscopes, used in gastroscopy, colonoscopy, duodenoscopy, otolaryngology, cystoscopy, urinary endoscopy, bronchoscopy, ultrasound endoscopy, and more. Traditional endoscopes, due to their complex structure, expensive storage cabinets and equipment, and the inability to be thoroughly cleaned and disinfected, easily lead to cross-infection between patients.

According to a research report by Grand View Research, Inc., the global disposable endoscope market was valued at $2.6 billion in 2024 and is projected to reach $5.64 billion by 2030, representing a compound annual growth rate (CAGR) of 13.6% from 2024 to 2030. The increased adoption of disposable endoscopes is primarily driven by concerns about hospital-acquired infections (HAIs). Inadequate cleaning or sterilization of reusable endoscopes can pose an infection risk. In response, the U.S. FDA recommends the use of disposable endoscopes in high-risk examinations and surgeries to reduce the risk of infection and cross-infection. This has accelerated market growth, with more and more hospitals adopting disposable equipment to improve patient safety, increase operational efficiency, and comply with relevant regulations.

Secondly, in terms of cost-effectiveness, although disposable endoscopes vary in unit price, they eliminate the need for additional cleaning and maintenance expenses, making their overall cost of use more competitive. Furthermore, continued investment in research and development by major international manufacturers such as Ambu and Boston Scientific further strengthens the market's growth momentum. Overall, infection control, cost advantages, and policy support are all contributing to the rapid development of the disposable endoscope market. Therefore, it is expected that the demand for disposable endoscopes from major medical institutions will continue to increase in the future.

[Global Market Analysis of Disposable Endoscopes]



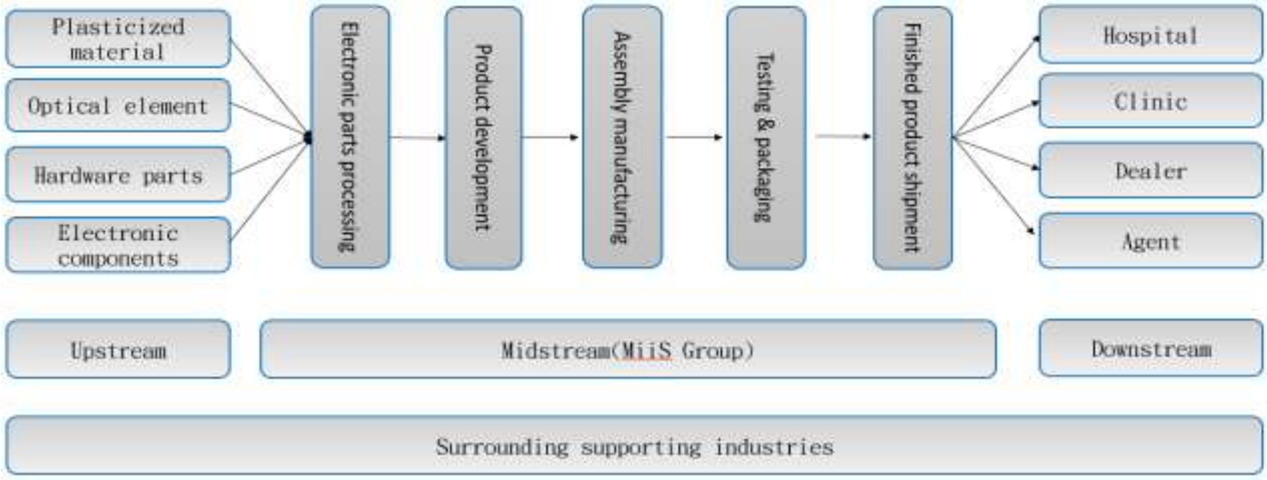
Source: Grand View Research; 2025/05

(4) Digital healthcare market

Currently, global healthcare systems are facing the challenges of insufficient medical personnel and rapidly expanding healthcare demand. Improving efficiency and service quality with limited resources has become a core objective of healthcare reforms in various countries. Against this backdrop, digital healthcare is gradually becoming an important direction driving healthcare transformation. Through the adoption of cloud computing, big data, artificial intelligence, and wearable devices, healthcare services are shifting from traditional "disease treatment" to "preventive medicine and health promotion," while also accelerating the digitalization and intelligentization of healthcare systems. In Europe and the United States, with the investment of large technology companies, healthcare cloud architectures have gradually taken shape, demonstrating effectiveness in integrating medical information and improving the quality and convenience of care. As healthcare information systems gradually move from closed to open and integrated, digital healthcare will become a key cornerstone for the effective use and long-term sustainable development of global healthcare resources.

In summary, the global medical device, medical imaging, and telemedicine industries are rapidly developing, driven by an aging population, rising chronic diseases, and technological innovation. The expanding demand for healthcare services, coupled with technological innovation and policy support, has not only enabled these sectors to demonstrate strong market growth momentum but has also gradually formed a mutually supportive and interconnected ecosystem. The core value of digital healthcare lies in improving the efficiency and quality of healthcare services through information integration and cloud applications, while simultaneously transforming the healthcare system from traditional disease treatment to preventative medicine and health promotion. In the future, with the effective utilization of medical resources and the deepening application of cross-disciplinary technologies, digital healthcare will become a key driver for the upgrading and sustainable development of global healthcare systems.

2.2 Association between Upstream, Midstream and Downstream Industry Participants



Our company and its subsidiaries are professional high-end medical device manufacturers with ISO 13485 and GMP certifications. We primarily engage in the research, design, manufacturing, and sales of medical instruments and equipment. Our main end customers are public and private medical institutions in various countries. Our upstream, midstream, and downstream customers are raw material suppliers (plastic materials, optical components, hardware parts, and electronic components, etc.), processing manufacturers, and end customers (hospitals, clinics, distributors, and agents), respectively.

Our company and its subsidiaries conduct research and design, and independently formulate component and instrument specifications. We then provide these specifications to component suppliers to manufacture parts that meet our requirements, such as optical lenses, electronic boards, injection molding components, and metal components. We also procure other suitable materials. After confirming material specifications, we proceed with manufacturing, assembly, and testing. We conduct 100% factory testing on finished products before shipment. Our finished products are mainly sold to hospitals, clinics, distributors, and agents, placing us in the midstream of the industry value chain.

2.3 The Development Treads for each Product

(1)Portable digital medical imaging diagnostic device

Portable digital medical imaging diagnostic devices refer to instruments that can be easily carried for medical imaging diagnosis. Their applications are wide-ranging, including mobile digital X-ray machines, portable ultrasound machines, and digital imaging tools capable of examining the fundus, skin, and sensory organs. The advantage of these devices is that they can extend diagnostic services to hospitals, clinics, telemedicine, and even remote areas with insufficient resources, improving the mobility and immediacy of medical care and reducing the risks and inconvenience of patients traveling to and from hospitals. Portable digital medical imaging diagnostic devices can improve accessibility to healthcare, enabling patients in remote areas with insufficient medical resources or those with mobility impairments to receive more timely diagnostic and medical services; improve diagnostic efficiency, as portable devices can be quickly deployed in emergency rooms or other time-sensitive environments to provide immediate imaging diagnosis; reduce the risk of infection, as mobile imaging devices reduced patient movement in the healthcare environment during the COVID-19 pandemic, lowering the chance of hospital-acquired infections; and promote doctor-patient interaction, allowing physicians to present images to patients in real time, strengthening doctor-patient communication and enhancing patient understanding and trust.

(2)Disposable endoscope

As endoscopes become increasingly functional and smaller, their overall structure becomes more complex, with a greater number of components. This makes post-use cleaning and disinfection procedures more difficult, and incomplete cleaning can increase the risk of cross-infection among patients. In recent years, we have seen a rapid increase in related adverse event reports, forcing some major endoscope manufacturers, such as Karl Storz and Olympus, to recall products to address this challenge. The COVID-19 pandemic has brought increased attention to infection risks, leading to rapid growth in the disposable endoscope market. Increased demand for single-use products from consumers and healthcare institutions indicates a growing emphasis on safety and infection control in the medical industry, prompting endoscope equipment suppliers to improve in response to this trend.

Traditional reusable endoscopes pose a high risk of cross-infection, and their design makes internal damage difficult to detect. Therefore, leading global endoscope brands, including Olympus, Boston Scientific, and Ambu, have been increasingly advocating for disposable endoscopes in recent years. One of the main challenges of disposable equipment is maintaining a reasonable cost-performance ratio. How to maintain product performance comparable to reusable equipment and strike a balance between cost and image quality is a crucial factor affecting the widespread adoption of disposable endoscopes.

(3)Molds and injection of precision plastic components related to high-end disposable medical equipment

In recent years, the global medical device industry has been undergoing a period of structural transformation. Among these, the medical consumables market, centered on disposable products, has become one of the most promising growth areas due to increased awareness of infection control, stricter regulatory requirements, and the extremely high demands for safety and hygiene in medical procedures. Under this trend, manufacturers of precision plastic injection molding and mold development technologies in the field of high-end medical device components need to possess the ability to integrate medical-grade materials, cleanroom production environments, and rigorous quality management systems. The global market for medical plastic components is growing at a rate of approximately 6% annually and is projected to exceed US$50 billion by 2030. Demand growth is particularly pronounced for products such as catheter connectors, syringe assemblies, diagnostic consumables, and microfluidic chips. These products share characteristics of intricate structures, tiny dimensions, complex geometries, and the need for high biocompatibility and dimensional stability. Consequently, only a handful of manufacturers worldwide can reliably mass-produce these high-precision plastic parts, resulting in relatively high technological and certification barriers and a more favorable profit structure.

From a technical perspective, the injection molding development of plastic components for medical devices has evolved in several key directions. First, there's "miniaturization and high precision": medical device structures are gradually shrinking, with wall thicknesses as thin as 0.3 mm or even less, placing extremely high demands on mold processing precision, hot runner control, and intracavity pressure stability. Second, there's "multi-material molding and functional integration": more and more products require secondary molding of soft and hard materials, such as overmolding of TPE with PP or PEEK, to achieve sealing, anti-slip, or comfortable contact functions. In addition to technological innovation, regulatory and market evolution has also provided robust support for the industry. Major medical markets such as Europe, the US, and Japan have increasingly stringent requirements for device traceability, sterilization compatibility, and material safety, requiring manufacturers to possess ISO 13485 medical quality management system certification and IQ/OQ/PQ process verification capabilities.

2.4 Competition

MiiS is committed to developing and manufacturing high-quality medical imaging equipment and key peripheral components, providing innovative medical imaging solutions to improve the efficiency and accuracy of medical diagnosis. With the rise of telemedicine and mobile healthcare, the demand for portable medical devices is increasing. Our products are designed to be lightweight and portable, aligning with market trends. The medical industry has an ever-growing need for accurate diagnosis, making high-definition medical imaging equipment highly sought after. Our products, equipped with high-definition imaging technology, meet this demand. Furthermore, compared to major international manufacturers, our products have a cost advantage, enabling us to offer competitive pricing. Recently, the company has been actively expanding into key components such as miniature camera modules and plastic injection molds and injection-molded parts to create more profitable revenue and product solutions. Facing fierce competition from major international manufacturers, the company adopts a strategy of cooperation rather than direct conflict, aiming to create a prosperous future for the medical device industry through mutual benefit.

3 Technological Research and Development

3.1 The technical level and research and development of the business

(1) In the development of digital medical imaging diagnostic devices, for important components of the products, such as large molded glass, only Japan could provide them in the past. However, in order to improve domestic R&D capabilities and cost considerations, Jin Hong Technology overcame technical difficulties and jointly developed molded aspherical glass lenses with a diameter of up to 36 mm or more with domestic optical manufacturers, which were then provided to the company's products.
MiiS's first innovative technology is miniaturization and digitalization. Traditional handheld direct ophthalmoscopes require doctors to be very close to the patient and only offer a field of view of about 5 degrees. Traditional indirect ophthalmoscopes offer a wider field of view but are difficult to align. Neither of these products has digitalization capabilities, making recording and image transmission difficult. While desktop fundus cameras are convenient to use and can record, they are not portable. Jin Hong's fundus camera weighs only a few hundred grams and costs less than half the price of a desktop model, truly enabling remote ophthalmic care, or care for doctors during ward rounds or for bedridden patients with limited mobility.
The second innovative technology is a fully automated usage mode. Users simply need to point the camera at the subject's eyes, and the system will automatically focus, expose, and capture the image. The second-generation product uses an autofocus positioning system to complete autofocus and photography in a short time, ensuring the subject experiences no discomfort and successfully completes the measurement. As a result, it attracted the attention of the world's largest ophthalmological medical society—the American Academy of Ophthalmology (AAO)—and was selected as the AAO 2015 @ Las Vegas Innovative Product of the Year.
The third innovative technology is its unique ergonomic design and serene white exterior, conveying a sense of security and gentleness, a design that has gained international market favor. The user interface incorporates ergonomic considerations, allowing for easy one-handed operation and effortless autofocus and shooting, offering exceptional ease of use.
The company's products integrate AI-assisted judgment, data integration, and cloud-based image viewing and consultation functions, aligning with the global trend of AI-driven smart healthcare. This makes the products more convenient for medical personnel, enabling remote and mobile healthcare applications and smart networking.

(2) The company has an evaluation process for innovation and patents. In the initial stage,

patent-related information is collected, and a patent map is created for core technologies to confirm the development and required technical directions. When a new patent application is filed, an intellectual property evaluation committee evaluates whether it is patentable. If the evaluation is feasible, a patent agency will be asked to draft the documents and conduct patent comparison. After the patent is completed, a bonus will be issued to encourage the patent inventor. If the patent is implemented in product manufacturing, the patent inventor will also receive an additional bonus. The company uses this model to stimulate its internal innovation capabilities.

To ensure the company's long-term competitiveness, reduce the operational risk of employees taking technology with them when they leave, and comply with current trade secret laws to protect trade secrets and maintain industry ethics and competitive order, the company requires all employees to sign an "Employment and Confidentiality Agreement." Employees have a confidentiality obligation and must keep confidential any ideas, discoveries, inventions, or trade secrets generated during their employment; all related rights belong to the company. The agreement also stipulates that all commercial, technical, or production secrets that employees come into contact with must be kept confidential. Any breach of the agreement will result in disciplinary action according to company regulations, and if the company suffers losses, the employee will be held liable for civil and criminal penalties and required to compensate for related losses.

The company's current patent portfolio primarily focuses on its core competitive advantages in optics, systems, imaging, software, and design patents, including those for fundus cameras, slit lamps, otoscopes, dermatoscopes, dental endoscopes, disposable endoscopes, and related miniature lens modules, etc. Moving forward, the company will study competitors' patent portfolios and continue to acquire relevant patents based on its product development direction.

(3) In the field of disposable endoscopes, in addition to single-use endoscopes, Jin Hong Technology deeply understands the importance of key components. The key components of endoscopes are the optical image sensing and illumination modules. After studying the structures of disposable endoscopes both domestically and internationally, and considering the quality, manufacturability, and reliability of this miniaturized image and light source module, Jin Hong Technology has adopted more advanced semiconductor packaging technology for the development and production of this module. In addition to introducing semiconductor packaging equipment, Jin Hong Technology has successfully packaged miniaturized image sensing elements and Mini LEDs into a miniaturized image and light source module suitable for endoscope production using automated equipment manufacturing. This module also boasts advantages such as consistent quality, high mass production capacity, and excellent reliability. Due to the advantages of automation, large-scale standardized product production can be carried out, providing Jin Hong's own brand endoscopes or other endoscope manufacturers with high-quality and cost-effective products. In addition, for specific needs in endoscope design or use, Jin Hong also provides customized module design and development services. Utilizing high-precision packaging equipment, it achieves miniaturization precision requirements unattainable in general operations, further meeting customer needs and aiming to popularize disposable endoscopes, benefiting a wider population. With the booming development of disposable endoscopes, Jin Hong Technology's optical imaging modules will provide customers with complete solutions through standardized module products or CDMO (Content Delivery Management Organization) models. This means that all endoscope manufacturers will be Jin Hong's target customers, and providing high-performance, cost-effective optical imaging modules is one of MiiS's key objectives.

3.2R&D Spending

Unit: NT$ thousands; %

Year	2021	2022	2023	2024	2025Q1
R&D Expenses	107,591	126,131	126,833	140,683	38,541
Net Operating Revenue	485,871	502,088	537,148	538,920	133,656
Proportion of Net Revenue	22.14	25.12	23.61	26.10	28.84

3.3 Successfully Developed Technologies or Products for last 5 years

年度	R & D product name
2019	WEC700 AI-DR Horus Digital Diagnostic Set DSC300 Horus Digital Diagnostic Set DSC300P Horus Digital Eye Anterior Lens DEA 200P SE 1
2020	DVC100
2021	ACT100 (Horus Digital Otoscope with control unit) (EOC 700) DIB100 MPD100 MCM
2022	DIB 100 & AI-DR Horus Digital Fundus Camera DEC200 & SC2 VEC 100 Wound Care System (SC3)
2023	Digital Tonometer (IOP 100) Ocular Drug Deliverer (ODD 100) Single-use Cystoscopy (EUC 100) Endoscope Display System (EDS 200) Home-use Wound Care System (SA3)
2024	Single-use Bronchoscopy (ECB 100) Endoscope Display System (EDS 500)
2025	Disposable Endoscope for Animal Use Disposable Arthroscope (EJA100) Accureach Adhesion Barrier Introducer (PDB 100) Cart System (CS 100)

4 Long and Short Term Business Development Plans

MiiS's business headquarters are located in Taiwan, as is its entire development team. Therefore, the development of each product prioritizes obtaining medical clinical and regulatory certifications in Taiwan before seeking regulatory approvals in the United States, Europe, Japan, and various Asian countries to meet the diverse needs of its clients.

The company's future business strategy is as follows:
The company's core operations revolve around three major strategies: "technological innovation," "global expansion," and "vertical integration." It continues to focus on three major markets: telemedicine, digital healthcare, and minimally invasive treatments. The company not only emphasizes product development to enhance its market competitiveness but also actively expands its international partnerships, collaborating with leading international medical manufacturers to drive global product sales. Furthermore, in response to brand clients' demands for key components, the company has extended its reach upstream, building a miniature camera module packaging and testing facility and entering the medical device component plastic injection molding market, providing one-stop services. This expands the company's service offerings, scales up operations, and ultimately strengthens its competitiveness.

2. Market and Sales Overview

2.1 Market Analysis

2.1.1 Regions where products are primarily sold

Unit: NT$ thousands; %

Sales regions	2023		2024		2025Q1	
	Amount	%	Amount	%	Amount	%
Taiwan	13,474	2.51	71,139	13.20	30,273	22.65
China	20,898	3.89	11,846	2.20	64	0.05
U.S.A	439,050	81.74	377,935	70.13	77,383	57.90
Other	63,726	11.86	78,000	14.47	25,936	19.40
Total	537,148	100.00	538,920	100.00	133,656	100.00

MiiS is an export-oriented company, and its products are mainly sold to Europe, America, China and various Asian countries. Since 2012, we have been actively entering developed countries and emerging markets with our own brand horus SCOPE and CDMO OEM model, and have successively obtained product launch approvals in various countries.

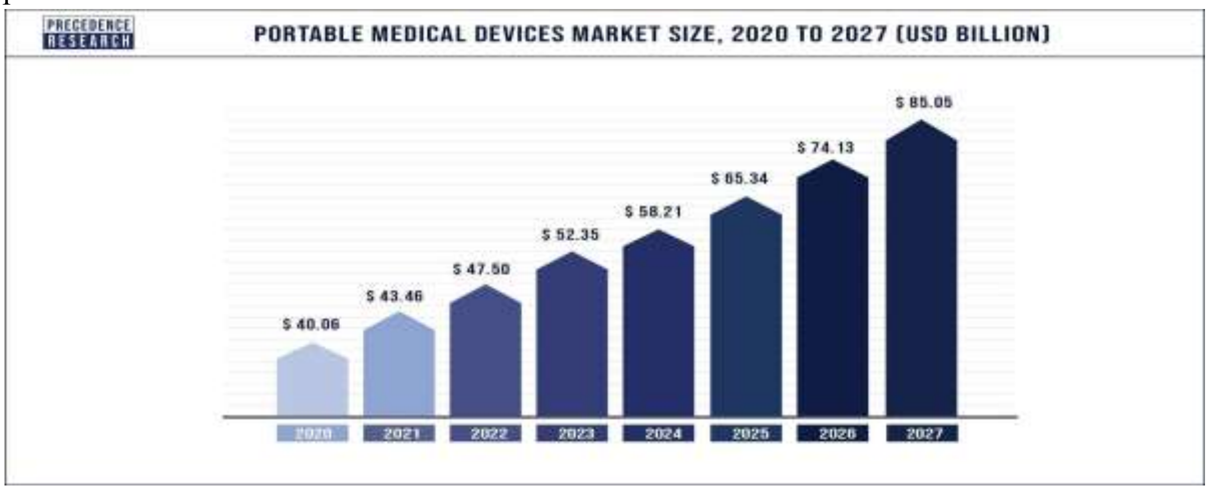
2.1.2Market Share

MiiS and its subsidiaries are primarily professional manufacturers of high-end medical devices, such as optical lenses, electronic circuit boards, ejector components, and metal components. We and our subsidiaries are dedicated to the research, development, manufacturing, and marketing of medical imaging diagnostic products, expanding our business as an "innovative solution provider for digital real-time medical imaging diagnostic equipment" and a "medical imaging device IP design company." In recent years, in addition to the continuous expansion of our own-brand business, we have also collaborated with major international manufacturers to develop new products. Our products have penetrated mature markets such as Europe and the United States. Furthermore, our main clients are leading global medical device manufacturers, giving us a certain market share in related fields. With the continued expansion of our CDMO (Contract Development and Manufacturing Organization) business and our own-brand horus SCOPE business, our overall operations and market share should see stable growth.

2.1.3 Future Market Supply/Demand and Growth Potentials

(1) Portable digital medical imaging diagnostic device

The global portable medical device market was valued at US$40.06 billion in 2020 and is projected to reach US$85.05 billion by 2027, with a CAGR of 11.35% during the forecast period from 2020 to 2027.

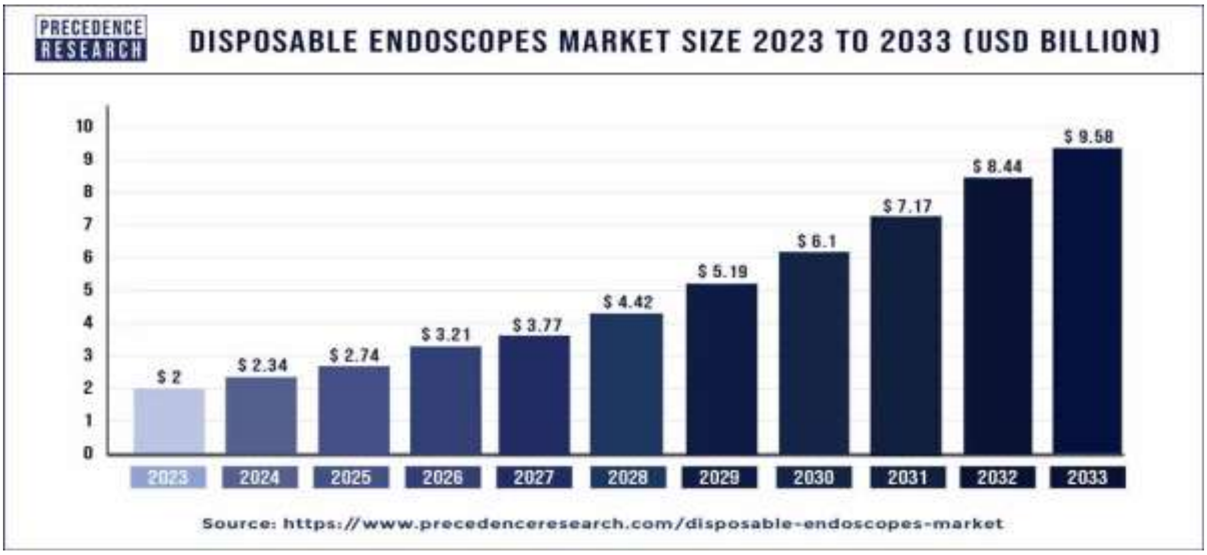


North America dominates the global portable medical device market, accounting for nearly 41% of the market value in 2019. Several key factors are driving this market growth. For example, the National Cancer Institute launched its Cancer Imaging Initiative to support and advance clinical, basic, and translational research in cancer-related imaging technologies.

On the other hand, the Asia-Pacific region is projected to expand at the highest CAGR of nearly 12%. Significant improvements in treatment rates and healthcare infrastructure, coupled with the increasing prevalence of smart wearable devices in the region, are some of the key factors driving this market growth. For instance, Forbes noted in 2018 that the increasing prevalence of wearable technology, changing consumer lifestyles, and the growing accessibility of these devices are expected to spur a surge in demand for smart wearable devices in India in the coming years.

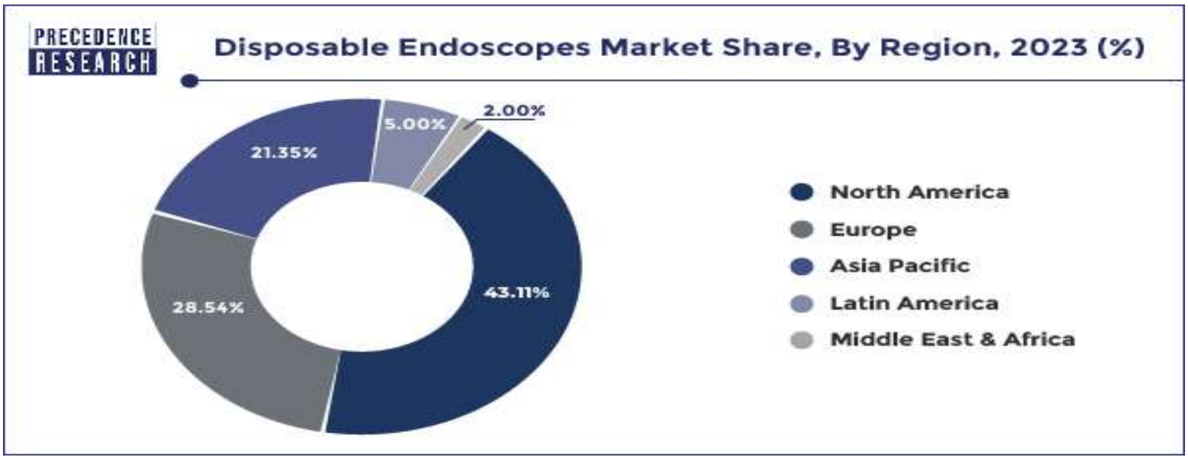
(2) Disposable endoscope

The global disposable endoscopes market size was estimated at USD 2 billion in 2023 and is expected to hit around USD 9.58 billion by 2033, with a registered CAGR of 16.95% during the forecast period 2024 to 2033.



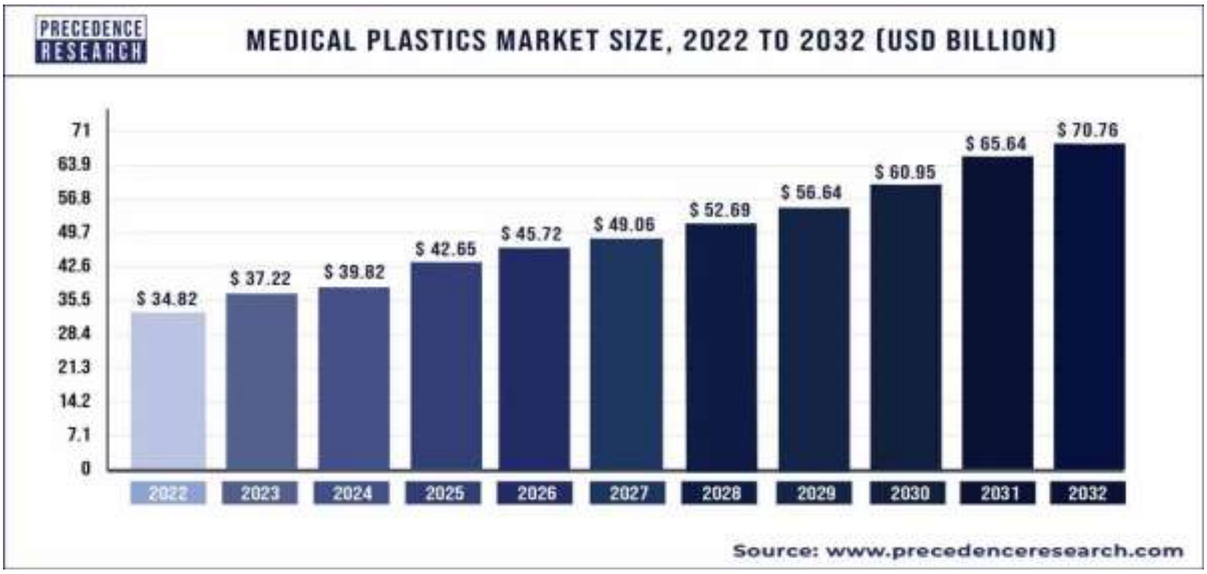
North America contributed over 43.11% of the revenue share, and is expected to maintain its dominant position during the forecast period due to the region's strong adoption of innovative products. Furthermore, the increasing prevalence of chronic diseases and the large target population are key parameters driving demand for disposable endoscopes in the region. Increasing awareness of the cost-effectiveness of disposable endoscopes and higher per capita healthcare spending are other factors driving the growth of the North American disposable endoscope market.

However, Europe is projected to be the second fastest-growing market for disposable endoscopes. Increasing awareness of the benefits of disposable endoscopes is leading to wider adoption by healthcare professionals in Europe. The Asia-Pacific region is expected to be the fastest-growing region for the global disposable endoscope market during the forecast period. Rising hospital infections, increasing product approvals, and a lack of proper post-treatment procedures are driving growth in this region. In Latin America, the Middle East, and Africa, demand for disposable endoscopes is expected to remain moderate during the forecast period due to their economical price.



(3) Molds and injection of precision plastic components related to high-end disposable medical equipment

The global medical plastics market size was estimated at USD 37.22 billion in 2023 and is expected to hit USD 70.76 billion by 2032, registering growth at a CAGR of 7.4% during the forecast period from 2023 to 2032.



North America is the dominating region in the medical plastics market and hit a revenue share of around 34%. With per capita healthcare spending increasing in the United States, the demand for medical equipment will increase significantly over the next few years. This is expected to boost demand for products in the region. In addition, the presence of key manufacturers such as Dow Inc., DuPont, Celanese Corp., and Eastman Chemical Co., in the region is expected to have a positive impact on the overall growth of the market during the forecast period.

Asia-Pacific is expected to be the largest medical plastics market during the forecast period. This is primarily due rapid growth of industrialization and urbanization in this region. In addition, the region has immense growth potential driven by the increasing demand for a better healthcare system. Asia-Pacific region covers some vast and rapidly growing economies, including China, India, Indonesia, Malaysia, Vietnam, and Thailand. Across these economies, local governments are restructuring regulations in fields including advanced materials, IT integration, and others in the healthcare industry to increase the efficiency and efficacy of medical devices and related healthcare services. Key drivers for the medical device industry in APAC are value-based care reform in legacy systems, ecosystem partnerships across the value chain, increased research and development, and digitalization medical system.

2.1.4 Competitive Advantage

A. Competitive niche

a. Experienced R&D Team

Our company and subsidiaries possess R&D teams specializing in optics, mechanics, electronics, software, and processes. We enhance technical transfer and exchange among R&D personnel through internal R&D progress meetings and information sharing within project groups. Furthermore, we regularly send personnel to external training programs, engage in industry-academia collaborations with academic institutions, and conduct reciprocal visits with clients to learn about product technologies, thereby improving our R&D capabilities.

b. Product Marketing and Distribution Channels

In addition to OEM manufacturing with major international CDMOs, our company and subsidiaries actively cultivate a dual-engine marketing channel for our own brand, horus SCOPE. Our products are sold in over 80 countries worldwide, gradually building brand awareness and customer loyalty. We leverage strategic partnerships with manufacturers and medical device exhibitions to secure marketing channels, providing comprehensive after-sales service and established distribution points to serve our customers.

c. Supply Chain Management and Quality Control

The medical instruments and equipment manufactured by our company and its subsidiaries are high-end medical devices with numerous parts. The stability of part quality directly affects product performance. Therefore, supply chain management and quality control are crucial. Our company has established a manufacturing operations center to manage suppliers and inspect incoming goods. Supplier management complies with ISO quality system management standards to ensure stable product quality and improve customer satisfaction.

B. Advantages, disadvantages and countermeasures for future development

a. Favorable Factors

(1)The continued growth of the global aging population and chronic disease population will drive sustained growth in demand for assistive devices and monitoring medical equipment. With the rapid increase in the global aging population, all countries are facing the arrival of an aging society. Simultaneously, the continued growth of the chronic disease population is driving market demand for medical devices, leading to stable growth in the medical device and equipment manufacturing industry. Furthermore, governments worldwide, in order to reduce healthcare expenditures, will increasingly favor affordable medical devices, which will benefit the sales of our company's mid-priced medical device products.

(2) Continuous revisions and relaxations of relevant domestic regulations will increase manufacturers' willingness to invest and reduce investment barriers.
In response to the aging society in Taiwan, the demand for home-based healthcare is rapidly increasing. Coupled with advancements in ICT and the advent of the Internet of Things era, telemedicine has become a development trend in most countries. To improve access to healthcare for residents in mountainous areas, outlying islands, and remote regions of Taiwan, as well as patients in long-term care facilities, and to enhance follow-up care after discharge and the quality of home-based medical care, the Ministry of Health and Welfare issued the "Regulations Governing Telemedicine Consultation and Treatment" in May 2018. This expanded the scope and models of telemedicine care, marking a significant milestone in Taiwan's healthcare development. 2021 further solidified this as the first year of National Health Insurance (NHI) reimbursement for telemedicine. The NHI allocated NT$100 million to include telemedicine within the scope of Taiwan's NHI coverage. In 2022, NHI reimbursed NT$170 million, opening applications to ophthalmology, otolaryngology, dermatology, emergency, and outpatient departments in 64 townships and districts. Our company's products all meet the government-regulated equipment specifications, contributing to increased domestic adoption rates.

(3) Strong Product Integration and R&D Capabilities
The key to medical device product development lies in the individual manufacturer's product design capabilities. This means meeting physicians' usage habits and facilitating medical diagnosis, as well as effectively and systematically integrating technologies from various industries. Our company invests a certain percentage of its annual R&D budget in product development and attracts top talent to our team to enhance our product R&D and design capabilities.

(4) Long Product Certification Periods and High Barriers to Entry for New Manufacturers
Because the use of medical devices and equipment involves personal safety, manufacturers must not only meet functional and stability requirements but also be subject to strict safety and efficacy regulations. Therefore, obtaining certification from relevant authorities in the target country is a crucial factor for manufacturers to successfully sell their products locally. Our company has a dedicated regulatory certification department responsible for obtaining pre-market certification for our products in various countries. Our products have successively obtained market approval and are now on sale in various countries. (e) Increased Demand for Telemedicine and the Growth Trend of Smart Hospital Construction
The increasing incidence of chronic diseases and the growing need for self-care, coupled

with limited medical personnel, are driving increased demand for telemedicine. This aims to improve the efficiency of medical staff, reduce workload, and minimize errors. Smart hospitals, on the other hand, aim to provide patients with adequate care. Through computer equipment, networked medical devices, apps, and the cloud, doctors can make more accurate diagnoses in a shorter time, contributing to increased sales of our medical devices.

(5) Increased Demand for Disposable Medical Devices

As endoscopes become increasingly functional and smaller, their overall structure becomes more complex, with a greater number of components. This trend presents a serious problem: postoperative cleaning and disinfection procedures are becoming increasingly difficult, and incomplete cleaning can lead to an increase in cross-infection among patients. In fact, the industry has seen a rapid increase in adverse event reports related to this in recent years. Some major endoscope manufacturers have been forced to recall products to address this challenge. The COVID-19 pandemic has further heightened awareness of infection risks, prompting rapid growth in the disposable endoscope market. The increasing emphasis on safety and infection control in the medical industry is driving up demand for disposable products from both consumers and medical institutions, which will benefit the sales of our company's disposable medical devices.

b. Adverse Factors and Countermeasures

(1) Long Product Development Time and High Capital Investment

Because medical devices must pass certification or inspection by medical device regulatory authorities in various countries before they can be sold, product development must consider not only safety and quality stability for human use, but also compliance with local laws and regulations. This significantly increases product development time, requires more specialized personnel, and substantially raises capital investment. Therefore, new entrants often face situations where the long product development time results in no significant revenue in the short term. The longevity and stability of the invested capital becomes a major barrier to entry for new businesses.

Countermeasures

Our R&D team has over 15 years of experience in R&D and design, with expertise in optics, mechanics, electronics, software, and process design. Starting with fundus cameras, our company has now developed products such as handheld digital ENT mirrors, which allow doctors to perform basic examinations of the eyes, ears, nose, mouth, and skin with just one machine. To mitigate the risks associated with long product development cycles and high capital investment, our company actively accelerates product development and shortens development cycles. We also improve R&D efficiency through internal and external employee training and departmental meetings to share experiences.

(2) Increasingly stringent medical device regulations in various countries

Mature markets such as the United States and the European Union have recently updated their medical device regulations, expanding the scope of management, strengthening quality and safety standards, improving product traceability systems, and even including software in their regulations. Therefore, manufacturers in this industry must consider the effectiveness of medical device software and information security issues when planning and making product decisions. This will increase the cost of developing and launching new medical device products, thus impacting corporate profits. Furthermore, future international standards (ISO) for medical devices will become more stringent, with increasing requirements for product accuracy. These stricter regulations will also raise manufacturers' product development and production costs.

Countermeasures

Our company has established a regulatory certification department to handle certification-related work in various countries. From the initial product development stage, certification plans are formulated based on product attributes. We continuously monitor regulatory changes, certification progress, and status, and respond accordingly to ensure a high success rate in obtaining certifications in various countries.

(3) Product Competition and Price Pressure

While the aging population trend increases total healthcare expenditure in various countries, the increase is not keeping pace with the aging population's growth rate. This may lead to reductions in healthcare reimbursements by governments or private insurance companies. Although the increasing elderly population can boost overall demand for medical devices and equipment, the slower growth rate of total expenditure compared to the aging population will inevitably lead to reductions in government and insurance company healthcare reimbursements. This will compress the reimbursement prices of related products, forcing manufacturers to lower prices. Furthermore, our brand awareness and influence are not as strong as those of major international manufacturers, making product competition even more intense.

Countermeasures

Our company continuously develops multifunctional, high-value-added, and cost-effective products to maintain its market leadership. We continue to collaborate with customers on long-term development based on application market functional needs, optimizing product performance and costs, reducing production costs, and enhancing product competitiveness.

(4) Emerging Brands Focus on the Disposable Endoscope Market

Disposable endoscopes are increasingly favored by hospitals due to their ability to reduce the risk of infection and cross-infection. This trend aims to improve patient safety, operational efficiency, and compliance with regulations, leading to rapid growth in the disposable endoscope market. This has attracted numerous emerging brands to focus on developing this market, resulting in fierce price competition.

Countermeasures

Our company collaborates with internationally renowned manufacturers in both related and different industries to enhance brand awareness and exposure. We also learn from their technologies and approaches to jointly develop multifunctional, high-value-added, and cost-effective products, differentiating ourselves from competitors.

2.2 Main Product Purpose and Production Process

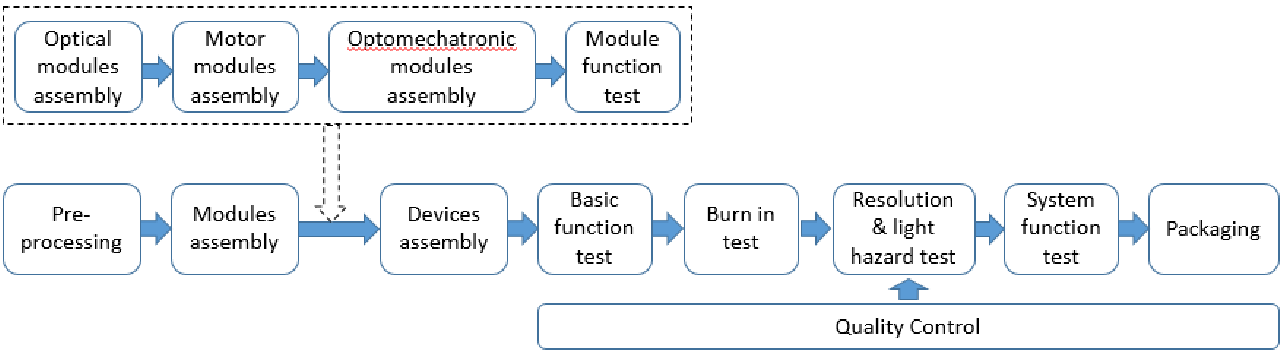
2.2.1 The use of Main Products

Product and Service	Description
Digital Medical Imaging Diagnosis Device	Devices for eye, ear, nose, throat, and skin disease symptom screening and medical record management. Disposable endoscopes.
Precision components and molds	Micro lens modules. Mold making and injection molding of precision plastic components for medical devices.
Customer Solutions for Technical Services	Customized design and verification services for the above products.
Other	The revenue mainly comes from after-sales repair and maintenance services for the company's digital medical imaging diagnostic devices and the sale of parts.

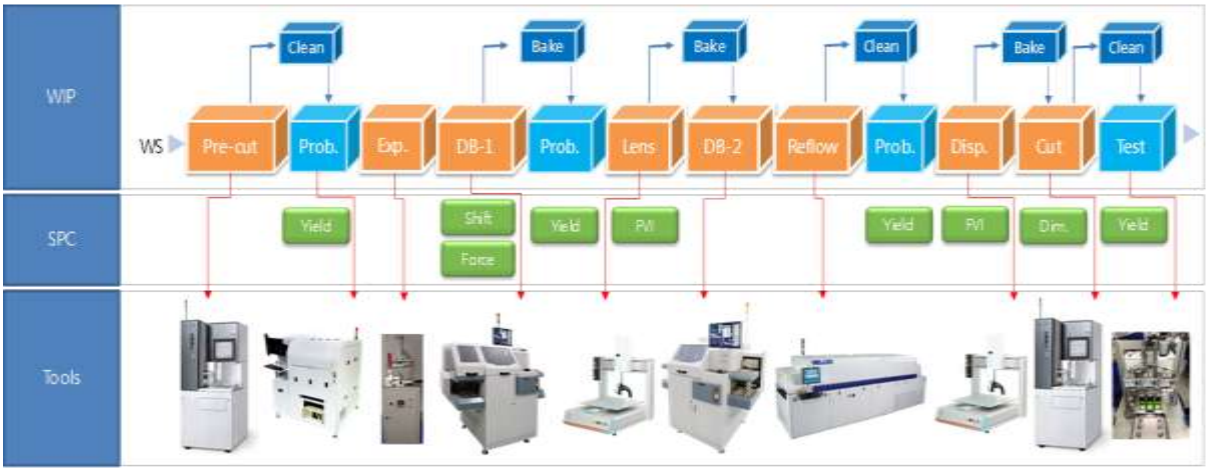
2.2.2 Production Process of Main Product

The company's main products are lens modules and control units of various application categories. There are many optical and electronic components in raw materials and semi-finished products. The storage process must strictly control the temperature and humidity of the environment, and some manufacturing processes need to strictly control the cleanliness to achieve the finished product. The optical quality requirements, medical equipment products and camera modules production process are as follows:

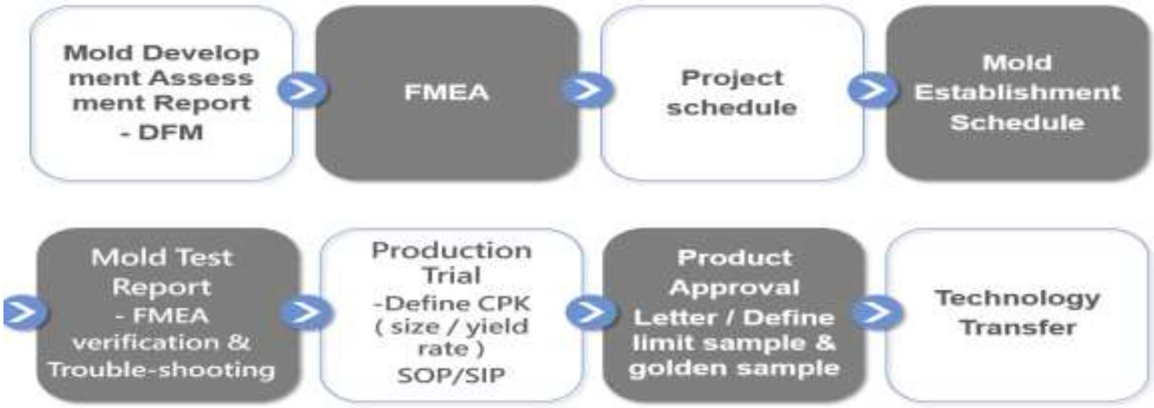
A. Medical equipment products:



B. Micro camera module:



C. Molds and injection of precision plastic components related to high-end disposable medical equipment:



2.3 The Supply of Key Raw Materials

The company's credit status is good. At the beginning of product design, the R&D engineers will decide the raw materials, and the first choice is to fulfill the medical requirements and have alternative options; the raw material suppliers are mainly domestic manufacturers, and actively establish second-source suppliers. The company has maintained long-term relationships with raw material suppliers over many years, and we have established a strong supply-demand relationship. For key raw materials with long lead times, we also maintain safety stock. Therefore, the supply of raw materials is stable and secure.

2.4 Name of trade partner representing more than 10% of total purchases (sales) in any of the last two years, and the amounts and percentages of purchases (sales). Describe the causes of any variation

2.4.1 Main supplier data in the last two years:

Unit: NT$ thousands；%

Item	2024				2025				2026Q1			
	Name	Amount	Net Annual Sales Ratio	Relationship with the issue	Name	Amount	Net Annual Sales Ratio	Relationship with the issue	Name	Amount	Net Annual Sales Ratio	Relationship with the issue

1	10174	43,972	19.09	-	10174	59,003	20,81%	-	10174	16,797	20,19%	-
2	other	186,349	80.91	-	other	224,531	79.19%	-	other	66,409	79.81%	-
3	-	-	-	-	-	-	-	-	-	-	-	-
	Purchase Amount	230,321	100.00	-	Purchase Amount	283,534	100.00	-	Purchase Amount	83,206	100.00	-
Reasons for increase or decrease: There were no significant changes in the main suppliers in 2025; the increase in the amount was mainly due to stocking up in response to customer demand.												

2.4.2 Main customer data in the last two years

Unit: NT$ thousands；%

Item	2024				2024				2025Q1			
	Name	Amount	Net Annual Sales Ratio	Relationship with the issuer	Name	Amount	Net Annual Sales Ratio	Relationship with the issuer	Name	Amount	Net Annual Sales Ratio	Relationship with the issuer
1	0006	163,932	30.42	-	1285	178,986	27.06	-	0006	66,055	44.81	-
2	other	374,988	69.58	-	0006	176,867	26.74	-	Other	81,361	55.19	-
3	-	-	-	-	Other	305,536	46.20	-	-	-	-	-
	Sales Amount	538,920	100.00	-	Sales Amount	661,389	100.00	-	Sales Amount	147,416	100.00	-
Reasons for increase or decrease: The changes in sales in 2025 and 2024 were mainly due to the growth in customer order demand.												

3. The number of employees, average years of service, average age, and academic background in the last 2 years up till the publication date of this annual report

Unit: person

Year		2024	2025	2026Q1
Number of Employees	Sales and Management	137	140	142
	Production	60	92	88
	R &D	197	232	230
Average Age		38.25	40.06	40.76
Average years of service		3.765	3.755	3.919
Acade Academic Qualification	PhD	4	5	5
	Master’s Degree	59	59	59
	Bachelor’s Degree	92	98	99
	High School	38	68	65
	Below High School	4	2	2

4. Expenditure on environmental protection

4.1According to laws and regulations, who should apply for a pollution facility installation permit or a pollution discharge permit, or should pay pollution prevention and control fees, or should set up a special environmental protection unit, the description of the application, payment or establishment

Head Office:

As of the date of printing of this prospectus, the Company’s head office primarily serves as an office space for employees, research and development, and for leasing to subsidiaries for their operations. All designated personnel responsible for environmental protection, safety, and health have been appointed in compliance with applicable laws and regulations.

Factory IE4:

The Company's Plant 4 is primarily engaged in the assembly and testing of medical device products. The manufacturing process does not generate pollution; therefore, it is not required to obtain permits for the installation of pollution control equipment, emission permits, pay pollution control fees, or establish a dedicated environmental protection unit. The factory’s waste also meets the standards exempting it from submitting an industrial waste disposal plan and from mandatory online reporting and tracking. However, should future regulatory changes or company developments necessitate compliance with permit or establishment requirements, the Company will proceed in accordance with applicable laws and regulations.

Plant 2:

Plant 2 primarily manufactures and tests miniature optical lens modules, key components for disposable endoscopes. Due to the small amount of waste and wastewater generated during the manufacturing process, water pollution prevention measures have been applied for and approved by the competent authority, and the wastewater system upgrade was completed in 2024.

Taichung Factory:

Taichung Factory primarily engages in mold making and plastic injection molding for medical consumables. It is not required to apply for a pollution facility installation permit, a pollution discharge permit, pay pollution prevention fees, or establish a dedicated environmental protection unit.

Dongguan Factory:

Dongguan Factory primarily engages in the assembly and testing of medical device products. It is not required to apply for a pollution facility installation permit, a pollution discharge permit, pay pollution prevention fees, or establish a dedicated environmental protection unit.

4.2List the company's investment in major equipment for the prevention and control of environmental pollution, its use and possible benefits:

In response to the environmental regulations of the second plant, a wastewater system project was added. Its main purpose is to collect and purify wastewater before discharging the treated wastewater into the municipal sewage system to meet the regulatory discharge standards.

4.3 In the last two years and up to the date of publication of the annual report, the company has improved the process of environmental pollution. If there is a pollution dispute, it shall explain the process of handling it: None.

4.4 In the last two years and up to the publication date of the annual report, for the losses suffered by the company due to environmental pollution (including compensation and violations of environmental protection laws and regulations in the environmental protection audit results), the date of punishment, the name of the punishment, the violation of laws and regulations, the content of violations of laws and regulations, and the content of punishment should be listed), and disclose the estimated amount and countermeasures that may occur at present and in the future. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be stated: None.

4.5 The impact of the current pollution situation and its improvement on the company's earnings, competitive position and capital expenditure, and the expected major environmental protection capital expenditure in the next two years: None.

5. Employer and Employee Relationships

5.1 The availability of employee welfare, training, ongoing education, and retirement policies. Elaborate on the agreements between employers and employees, and the protection of employees' rights.

1. Employee welfare measures and implementation
   The company is entitled to labor insurance, national health insurance, and new labor retirement pension in accordance with the law. It has also established an employee welfare committee and allocates welfare funds according to regulations (0.1% of the company's monthly revenue and 0.5% of the employee's monthly salary). The company organizes annual employee trips and year-end banquets. Other welfare items include annual health check-ups, wedding gifts of NT$2,000, funeral allowance of NT$1,500, company group insurance, employee lunch subsidies of up to NT$45 per meal, breastfeeding rooms for female employees, and a 30-minute flexible working hour system.

2. Leave system
   Employees can ask for leave due to marriage, funeral, illness or other legitimate reasons. The leave is divided into marriage leave, personal leave, family care leave, ordinary injury and sick leave, menstrual leave, funeral leave, public injury and sick leave, maternity leave, official leave, maternity inspection leave, paternity leave and There are 12 kinds of leave, including miscarriage rest and recuperation, and the number of quasi-holidays and salary payment shall be handled in accordance with relevant laws and regulations.

3. Staff training and training
   The company attaches great importance to on-the-job education and training for employees and encourages them to continue their studies. In addition to pre-employment training for new recruits, according to functional and business needs, various education and training courses are actively and regularly held, and internal training is held or applied for outside the company to enhance the professional skills of employees.

4. Retirement system and implementation
   According to the new labor retirement system of the Labor Pension Act, the company's employees will allocate 6% of the total salary monthly as a pension and deposit it into the employee pension account established by the Labor Bureau.

5. The agreement between labor and management and the protection measures of various employee rights and interests
   Provide channels for employees to appeal, and establish labor-management conferences to hold regular meetings in accordance with the law to maintain the smooth flow of labor-management communication channels, so that all difficulties, needs and problems of employees can be valued and properly handled by managers at all levels.

5.2 In the most recent year and up to the date of publication of the annual report, the losses suffered due to labor disputes (including labor inspection results violating the Labor Standards Law, the date of punishment, the name of the punishment, the violation of laws and regulations, the content of violations of laws and regulations, and the content of punishment should be listed), and disclosed If the estimated amount and response measures that may occur at present and in the future cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated: None.

6. Cyber security management

6.1 Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

(1) The company has set up a dedicated supervisor for information security management, who is responsible for formulating company information security policies, planning information security measures, and implementing related information security operations.

(2) Information Security Management Objectives

A. Maintain the continuous operation of various information systems
B. Prevent hackers, various viruses from invading and destroying
C. Prevent improper and illegal use of human intentions
D to prevent leakage of sensitive information
E. Avoid human error accidents
F. Maintain physical environment security

(3) Organization mode of operation

The IT department formulates the company's information security policy and information security operating procedures. Internal units promote the implementation and strengthen the promotion of information security policies and information security operating procedures and personnel education and training to implement the introduction and implementation of information security policies. The audit office conducts information security risks. In the inspection, if fault is found, the inspected unit is required to propose relevant specific improvement actions, and the improvement results are tracked regularly.

(4) Information Security Facilities Resources and Management Methods

A. physical security

a The company shall adopt appropriate access control to prevent improper access or damage to the company's electronic information assets. Important information processing equipment (host computer, network equipment, etc.) Controlled by the central control system to prevent non-company employees and unauthorized personnel from using it.

b. Appropriate fire-fighting equipment (such as portable fire extinguishers, smoke detectors, etc.) should be placed in the office area and the server room.

c Personal computers or servers should be password-protected and locked when the computer is temporarily unused.

d File Server: Do not store personal or non-work related files. Each unit should always filter whether the space used by each unit on the file server is sufficient and whether the stored files are related to work.

eSoftware and hardware accessories: The IT department will conduct irregular audits and checks with the asset system. If abnormalities and improper use are found, the supervisors above the central level (including) will be notified to deal with them according to reward and punishment measures.

B. Internet security

a The company's important hosts, systems and network equipment should be equipped with appropriate protection mechanisms to prevent the company's computer system from being improperly accessed or damaged.

b. During the installation and maintenance of various information equipment (system host, network equipment, etc.), the manager should accompany during the whole process, and the device password must not be handed over to the maintenance technicians.

c. Users are not allowed to install any network-related equipment such as modem, hub, IP sharer, access point, switch, and router without permission. Special needs should be submitted in the information service system by filling out the "Computer Software and Hardware Application Form". After approval by the responsible supervisor, the information department will review and handle it.

d The company's network resources are only used for business purposes and shall not be used to engage in illegal activities. Any violations shall be punished according to the company's "Reward and Punishment Measures".

Company may install monitoring software for network resources to reasonably monitor whether they are abused or illegally used.

f Without an application, all computers that do not log in to the company's domain/use a public account are prohibited from accessing the internet. Filter the linked webpages at any time, and linking to pornographic websites or non-work-related webpages is strictly prohibited.

C. E-mail Confidentiality Control

a. In order to prevent the company's operational secrets from leaking through emails, the information department may set up a collection, analysis, filtering and monitoring mechanism for network information and emails entering and leaving the company.

b. Employees must send and receive e-mails through the company's e-mail system, and employees are prohibited from using other non-company-issued e-mail boxes to send and receive letters.

c The use of the e-mail system is for the delivery of official and work-related matters, and the recipients are limited to relevant personnel. Please do not send spam to non-relevant personnel to avoid spam from increasing the load on the system.

D. Virus and Malware Protection

a The company's computer systems are equipped with mechanisms to prevent computer viruses and malicious software, and the computer virus codes and system vulnerabilities are automatically updated by the system control.

b Except for the legally authorized system and application software approved by the company, the use of other software is prohibited. The supervisors of each unit should ensure that the computer systems they belong to comply with the regulations and check them regularly.

c. Unknown e-mails or files should be deleted immediately, and it is not advisable to open e-mails at will.

d. If users find computer virus intrusion or system abnormality, they should report to the information unit immediately.

E. Data backup and disaster recovery methods

a The information unit should regularly back up data on the company's important file servers and databases, perform daily backups, keep complete backup data, and keep complete backup data for two weeks, and backup records should be archived for future reference.

b Backup data files should be backed up in different places, so as to be able to restore the data in the event of data loss or damage.
c. The disaster recovery method of the file server is separately stipulated according to the difference of each file system.

F. Awareness promotion and education training
Information units should regularly conduct awareness campaigns and educational training on information security for new employees.

6.2 List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided：None.

7. Major Contracts

Contract Nature	Participants	Contract Start and End Dates	Major Contents	Restrictive Clauses
Technology and Patent Licensing	Industrial Technology Research Institute Foundation	2019/7/1~15 years after TFDA certification	Diabetic retinopathy artificial intelligence identification technology	NDA
Technology and Patent Licensing	1002	2019/06/20 ~ 10 years from the first sale date	Tonometer and tonometer measurement technology	-
Bank loan	Mega bank	2018/7~2028/7	Commercial property purchase loan	Mortgage
Bank loan	Mega bank	2025/3~2026/3	Operating Loan	-
Bank loan	TCB bank	2025/5~2026/5	Operating Loan	-
Bank loan	TCB bank	2023/1~2043/1	Commercial property purchase loan	Mortgage
Bank loan	Mega bank	2023/11~2033/11	Commercial property purchase loan	Mortgage
Bank loan	Mega bank	2024/7~2026/7	Operating Loan	Endorse-ment by MiiS
Bank loan	First bank	2025/7~2026/7	Operating Loan	-
Land lease	SIPA	2018/7/9~2037/12/31	land lease	Bank time deposit certificate joint guarantee
Land lease	SIPA	2026/01/01~2027/12/31	land lease	-

Contract Nature	Participants	Contract Start and End Dates	Major Contents	Restrictive Clauses
Land lease	SIPA	2022/7/11~2041/12/31	land lease	Bank time deposit certificate joint guarantee
Facility lease	SIPA	2026/1/1~2026/12/31	Plant lease	-
Dorm lease	SIPA	2023/01/01~2027/12/31	Dorm lease	-

V. REVIEW AND ANALYSIS OF FINANCIAL STATUS AND PERFORMANCE AND RISK FACTORS

1. Financial status

Main reasons for any material change in the company's assets, liabilities, or equity during the past 2 fiscal years, and describe the effect thereof. (Consolidated)

Unit: NT$ thousands

Items	2024	2025	Difference	
			Amount	%
Current assets	795,521	1,027,957	232,436	29.22%
Property, plant and equipment	416,564	428,776	12,212	2.93%
Right-of-use asset	48,055	43,593	(4,462)	-9.29%
Intangible assets	26,060	27,741	1,681	6.45%
Other assets	69,936	43,637	(26,299)	-37.60%
Total assets	1,356,136	1,571,704	215,568	15.90%
Current liabilities	215,600	455,263	239,663	111.16%
Non current liabilities	398,069	371,076	(26,993)	-6.78%
Total liabilities	613,669	826,339	212,670	34.66%
Ordinary shares	347,582	382,340	34,758	10.00%
Capital surplus	321,316	299,350	(21,966)	-6.84%
Retained earnings	79,180	69,526	(9,654)	-12.19%
Non-controlling interest	(5,611)	(5,851)	(240)	4.28%
Other equity	-	-	-	-

Total Equity	742,467	745,365	2,898	0.39%

Explain the item that change amount up to 20%

1. Increase in current assets: primarily due to an increase in cash and cash equivalents, and inventory.
2. Decrease in other non-current assets: primarily due to a decrease in prepayments for equipment purchases.
3. Increase in current liabilities and total liabilities: primarily due to an increase in short-term borrowings and the issuance of corporate bonds.

2. Financial performance

2.1Main reasons for any material change in operating revenues, operating income, or income before ta x during the past 2 fiscal years, provide a sales volume forecast and the basis therefor. (Consolidated)

Unit: NT$ thousands

Item	2024	2025	Difference	（%）
Operating revenues	538,920	661,389	122,469	22.72%
Operating costs	(304,601)	(381,576)	(76,975)	25.27%
Gross profit from operations	234,319	279,813	45,494	19.42%
Operating expenses	(238,102)	(261,895)	(23,793)	9.99%
Net operating income	(3,783)	17,918	21,701	-573.65%
Total non operating income and expenses	15,999	(3,270)	(19,269)	-120.44%
Profit before income tax	12,216	14,648	2,432	19.91%
Income tax expenses	(6,606)	(6,923)	(317)	4.80%
Net Profit	5,610	7,725	2,115	37.70%
Total comprehensive profit	8,656	7,965	(691)	-7.98%

Explain the item that change amount up to 20%：

1. Increased operating revenue and operating costs were mainly due to increased sales of digital medical imaging diagnostic equipment, precision components, and molds.
2. Increased net operating profit was mainly due to increased operating revenue and higher gross profit.
3. Decreased non-operating income and expenses were mainly due to foreign exchange losses resulting from exchange rate fluctuations.

2.2 Sales volume forecast and its basis, possible impact on the company's future financial business and response plan

The sales volume and amount are based on comprehensive considerations such as the company's annual sales target, market demand and development trends, customer operating conditions, and the company's current order status, as well as the company's production capacity. It is estimated that the company's performance will be steadily growing without significant impact on future financial business.

3. Cash flow

3.1 Analysis and explanation of recent annual cash flow changes and improvement plans for liquidity shortages

Unit: NT$ thousands

Item	2024	2025	Difference
Net cash flows from (used in) operating activities	(50,399)	(16,157)	34,242
Net cash flows from (used in) investing activities	7,729	(39,652)	(47,381)
Net cash flows from (used in) financing activities	(57,061)	219,851	276,912
Analysis of deviation： 1. Operating activities: Primarily due to an increase in accounts receivable and a decrease in contract liabilities at the end of the period. 2. Investing activities: Primarily due to the disposal of time deposits held for more than three months in 2024. 3. Financing activities: Primarily due to an increase in short-term borrowings and the issuance of corporate bonds.			

3.2 Insufficient liquidity improvement plan: None.

3.3Cash flow analysis for the coming year (Year 2026)

Unit: NT$ thousands

Cash and Cash Equivalents at Beginning of Year (1)	Estimated Net Cash Flow from Operating Activities (2)	Estimated Net Cash Flow from Investing Activities (3)	Estimated Net Cash Flow from Financing Activities (4)	Cash Surplus (1)+(2)+(3)+(4)	Preparation for Liquidity Shortfall	
					Investment Plans	Financing Plans
539,001	97,012	(46,961)	(110,885)	478,167	Not applicable	Not applicable
1. Analysis of cash flow changes in the coming year: (1) Operating activities: Net cash inflow is expected from revenue growth.						

(2) Investment activities: Net cash outflow is expected from investment activities due to anticipated purchases of production equipment.

(3) Financing activities: Net cash outflow is expected from repayment of bank loans, corporate bonds, and cash dividends.

2. Remedial measures and flow analysis of estimated cash insufficiency: There is no estimated cash insufficiency.

4. The effect upon financial operations of any major capital expenditures during the most recent fiscal year：None.

5. The recent year's reinvestment policy, the main reasons for its profits or losses, improvement plans, and investment plans for the coming year

5.1 Reinvestment policy, main reasons for its profit or loss, improvement plan

(1) Our company's investment is primarily focused on the development of medical equipment business. It conducts investment layout based on the demand for growth in domestic and foreign markets or future development factors. The evaluation of investment targets includes organizational structure, location, market conditions, etc., as the basis for investment decisions. Relevant executing departments follow the internal control "investment cycle" and "procedures for asset acquisition or disposal" to to execute investment-related matters.

(2) At present, all reinvested enterprises are 100% invested subsidiaries, and the supervision and management of subsidiaries have been stipulated in the internal control system to regularly monitor the operation status of subsidiaries.

As of 2025/12/31, Unit: NT$ thousands

<table>
<tr><th>Ownership of Shares in Affiliated Enterprise</th><th>Original investment amount</th><th>Investment policy</th><th>Current profit and loss of the invested company</th><th>The main reason of profit or loss</th><th>Improvement plan</th></tr>
<tr><td>Medview Investments Limited</td><td>34,120</td><td>Invest in third place holding companies</td><td>(8,631)</td><td>The investment loss of Dongguan was recognized.</td><td rowspan="3">Strengthen product sales and seek customized production or CDMO opportunities for medical equipment manufacturers.</td></tr>
<tr><td>Medimaging Integrated Solution Inc.(Dongguan)</td><td>34,120</td><td>Manufacturing and sale of medical equipment</td><td>(5,900)</td><td>The loss was mainly due to the fact that the business did not reach the economies of scale.</td></tr>
<tr><td>Aitronics, Inc.</td><td>100,000</td><td>Design, development, manufacturing and sale of</td><td>7,577</td><td>The main reason is the increase in customer</td></tr>
</table>

		micro camera modules and related image processing system		revenue and government project income.	
Lian Chan Precision Co., Ltd.	81,000	Manufacturing and sale of molds, injection parts, and modules for high-end disposable medical equipment related precision plastic components	(6,644)	The loss was mainly due to the fact that the business did not reach the economies of scale.	

5.2 Investment plan for the coming year

The company will gradually initiate new product development over the next 10 years, seizing the opportunities in precision medicine and minimally invasive surgery. We are committed to developing disposable endoscopes, key components such as micro camera modules, and the manufacturing and sales of derived precision plastic components, molds, injection-molded parts, and modules. Therefore, the investment plan for the next year will mainly focus on meeting the integration and development needs of our core business. As of the date of this prospectus printing, we have established a subsidiary, Aitronics, Inc., specializing in the manufacturing and sales of micro camera modules, and acquired Lian Chan Precision Co., Ltd., specializing in the precision injection molding and mold making and sales of precision plastic components. Subsequent investments will be made to create more diversified profit channels for the company.

6. Risk analysis and evaluation in recent years and up to the date of the annual report printed

6.1 The impact of interest rate, exchange rate, and inflation on the Company’s income and expense and the responsive measures

Unit: NT$ thousands

Item	2024		2025	
	Amount	%	Amount	%
Net Interest income	6,063	1.13	5,804	0.88
Net Interest expense	8,605	1.60	11,389	1.72
Exchange gain (loss)	13,614	2.53	(8,463)	1.28

6.1.1 The impact of interest rate fluctuations on the Company’s income and expense and the responsive measures

The company's operations are primarily funded by its own capital, with bank borrowings serving as a supplementary source. As a result, the interest expenses are limited. Bank loans are mainly obtained for the construction of plants and the purchase of machinery and equipment, using medium to long-term secured loans. Currently, the overall interest rate in the financial market remains at an acceptable level, and therefore, it is anticipated that future interest rate fluctuations will not have a significant impact on the company's profitability. The company continues to actively establish and maintain a good relationship with banks in order to stay informed about interest rate changes and obtain more favorable rates to meet the company's future funding needs.

6.1.2 The impact of exchange rate fluctuations on the Company’s income and expense and the responsive measures

The impact of exchange rate fluctuations on the company's profit and loss mainly arises from the exposure of foreign currency assets to exchange rate volatility. As the company's products are primarily exported, exchange rate movements have a certain impact on the company. To mitigate the risk of exchange rate fluctuations, the company's financial personnel will continue to monitor the trends of major currencies in the international foreign exchange market and the international changes influenced by non-economic factors. This enables them to promptly grasp the exchange rate trends and adjust foreign currency positions in the spot market as needed to reduce the negative impact of exchange rate fluctuations.

6.1.3 The impact of inflation on the Company’s income and expense and the responsive measures

The company's products are not ordinary consumer goods, and in the past, their profitability has not been significantly affected by inflation. In the future, the company will closely monitor market price fluctuations and adjust procurement strategies and product prices in a timely manner to mitigate the impact of inflation.

6.2 Conducting high-risk and high-leverage investment, granting loans to others, endorsement & guarantee and directives policy, root cause of profit and loss, and the responsive measures

6.2.1 The company focuses on its core business and follows a conservative and prudent financial policy. As of the end of the fiscal year 2025 and the publication date of this disclosure, the company has not engaged in high-risk or highly leveraged investments.

6.2.2 If the company intends to engage in activities such as lending funds to others, endorsing guarantees, or engaging in derivative transactions, it will follow the company's "Operating Procedures for Lending Funds to Others," "Operating Procedures for Endorsements and Guarantees," and "Procedures for Acquisition or Disposal of Assets," as well as relevant laws and regulations. As of the most recent fiscal year and the publication date of this disclosure, the company has not been involved in any endorsements, guarantees, lending of funds, or derivative transactions.

6.3 R&D plans and budgeted R&D expense

The company firmly believes that continuous innovation and research and development are the fundamental sources of revenue and profitability. Since its establishment, the company has been oriented towards innovation and research and development. In the past five years, the ratio of research and development expenses to net operating income has consistently exceeded 20%. In the future, the company will continue to focus on its own brands and customized digital medical imaging diagnostic products, as well as its CDMO contract manufacturing business. The projected research and development expenses will be allocated to specific product development projects. In the year 2025, it is expected that the research and development expenses will account for more than 20% of net revenue. In addition to strengthening the technical expertise and talent of our research and development team, we will also continue to invest in new equipment, new technologies, and new product development to ensure the company's competitive advantage.

Unit: NT$ thousands

Year	2021	2022	2023	2024	2025
R & D expense	107,591	126,131	126,833	140,683	145,516
Net operating income	485,871	502,088	537,148	538,920	661,389
%	22.14	25.12	23.61	26.10	22.00

6.4 The impact of domestic and international policies and law change on the Company's finance and the responsive measures

In light of the current government's important policies and legal changes, the company has made appropriate adjustments and arrangements, which have had no significant impact on the company's financial operations. The company has always adhered to domestic and international regulatory requirements, and the dedicated personnel of the company and its overseas subsidiaries constantly gather information on policy and legal changes, consulting relevant professionals, and providing references to the management. In the recent fiscal year and up to the date of this public disclosure, the company has not experienced any financial implications due to significant policy and legal changes, both domestically and internationally.

6.5 Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response

Our company is committed to innovation in technology and product development, aiming for sustainable business operations. We have designated staff constantly monitor technological changes in relevant industries. We also have a Regulatory Affairs Department that tracks domestic and international medical device regulations in real-time, accessing the latest technology needs, development trends, and industry dynamics in the medical and biotechnology sectors. This enables us to evaluate the impact on our company's future development and financial operations, and make appropriate product planning and responsive measures.

In recent times, mature markets such as the United States and the European Union have made updates to medical device regulations. These updates not only expand the scope of medical device management but also strengthen quality and safety management standards while improving product traceability systems. Software is also being included in the regulatory framework. As a result, in future product planning and decision-making, companies in this industry must consider the effectiveness of medical device software usage and information security issues. This will increase the development and market entry costs of new medical devices, thereby impacting profitability. Furthermore, international standards and specifications for medical devices (ISO) are moving towards stricter regulations, continuously raising the requirements for product precision. These stringent regulations will also increase product development and production costs for manufacturers. To address these changes, our company will strengthen our product regulatory certification team and cultivate professional talents.

To enhance information security management, our company has established the "Internal Control System for Information Security Inspections" and "Computer Operations and Information Provision Measures" to ensure the confidentiality, integrity, and availability of our information assets. This provides an information environment for the continuous operation of our information business, protecting it from intentional or accidental threats, both internal and external. In the recent year, there have been no significant impacts on our financial operations due to technological changes, including information security risks, or industry changes.

6.6 The impact of industrial image change on business risk management and the responsive measures

Our company adheres to a policy of integrity and excellence in quality, and through the dedicated efforts of all employees, we pursue steady and sound business practices while fulfilling our corporate social responsibilities. We strive to establish and maintain a strong corporate image, which has earned us long-term trust and recognition from our customers. As a result, there are currently no significant incidents in our crisis management due to changes in our corporate image.

6.7 The expected effect, potential risk, and responsive measures of merger: None.

6.8 The expected effect, potential risk, and responsive measures of plant expansion

In response to the development of imaging sensing products and disposable endoscopes, our company has purchased several facilities at No. 11, Park Road II in the Hsinchu Science Park to expand production lines and meet customers' demand. In addition to expanding our own production capacity to cope with industry growth, we also maintain long-term cooperative relationships with outsourced manufacturers. Through adjusting production capacity utilization, we should be able to effectively respond to future economic cycles and changes in product demand, thereby ensuring the interests of shareholders.

6.9 Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration

6.9.1 Our company primarily sources its main materials from domestic suppliers, and we maintain long-term stable partnerships with our existing suppliers. We also keep appropriate safety stock of key raw materials to be prepared for unforeseen events or force majeure circumstances. In the future, while considering factors such as procurement costs, quality, and risk diversification, we will continue to seek new high-quality suppliers to avoid concentration of purchases from a single source. Based on the above, our company currently faces no significant risks related to concentrated procurement or unstable supply sources.

6.9.2 The proportion of the Company's revenue derived from its single customer for otoscopes, Welch Allyn, Inc., has declined year by year, reaching 27% in 2025. Meanwhile, the Company has actively increased the revenue share from customers of disposable endoscopes. This is mainly due to the Company's continued expansion of its product portfolio and partnerships with major international companies, leveraging its innovative technology, superior quality, and customized services to mitigate the risk of revenue concentration.

6.10 The impact of massive stock transfer or change by directors, supervisors, and shareholders with over 10% shareholding, the risk, and the responsive measures: None.

6.11 The impact of right to operate change on the Company, the risk, and the responsive measures: None.

6.12 Litigious and non-litigious matters

6.12.1 If the company has significant lawsuits, non-litigation disputes, or administrative legal proceedings that have been adjudicated or are currently pending, and their outcomes may have a significant impact on shareholders' equity or the securities price, the company should disclose the following information: the facts of the dispute, the amount in dispute, the commencement date of the litigation, the major parties involved in the litigation, and the status of the proceedings as of the date of the annual report's printing: None.

6.12.2 Companies should disclose the facts, amounts involved, commencement dates of litigation, non-litigation, or administrative disputes that have been adjudicated or are currently pending involving directors, supervisors, general managers, actual responsible persons, major shareholders holding more than 10% of the shares, and subsidiary companies. Such legal actions may have a significant impact on shareholders' equity or securities prices. The disclosure should include the current status of the cases up to the date of the annual report's printing and the main parties involved in the disputes: None.

6.13 Other significant risks and responsive measures

6.13.1 Risks of medical device research and development and the impact on financial business if R&D fails

Medical devices are classified into three categories based on their risk level: Class I for low-risk products, Class II for moderate-risk products, and Class III for high-risk products. Currently, our company's products are distributed in Class I medical devices (such as otoscopes, dermatoscopes, etc.) and Class II medical devices (such as ophthalmoscopes, tonometers, slit lamps, etc.). Class I products have low risk, and therefore, there is minimal risk of product development failure. Class II products pose moderate risk and involve uncertainties such as long research and development timelines, varying regulatory certifications in different countries, and significant capital investment. The availability of reliable funding sources and an experienced certification team significantly influence the research and development outcomes. Repetitive modifications or failures during the product development process can increase R&D expenses and subsequently impact the company's profitability. Class III medical devices, which are high-risk products, have been evaluated by the company, and for now, we have decided not to enter into product development in this category.

Countermeasures:

(1) To enhance our research and development (R&D) capabilities, we have actively recruited a development team with extensive experience in medical device R&D. Additionally, we collaborate closely with external consultants, renowned clinical physicians from domestic and international hospitals, as well as internationally recognized medical device distributors or customers. These collaborations allow us to tap into their expertise and insights, ensuring that our R&D efforts align with market needs and industry trends. Furthermore, we have established an internal regulatory certification department to oversee the certification process in different countries. This department closely monitors the progress and status of certification procedures, enabling us to proactively address any issues that may arise. By doing so, we aim to increase the success rate of our R&D outcomes and obtain certifications from various countries for our products.

(2) Based on our financial situation, the company will raise operating capital through appropriate means such as cash capital increase, applying for bank credit facilities, or seeking strategic partners. These measures will enable us to secure the necessary funds for our operations. Additionally, they may also create opportunities for expanding business partnerships or engaging in collaborative R&D projects for developing new medical devices.

6.13.2 Information security risk assessment analysis and countermeasures

With the increasing development of the internet, malicious cyber attacks have become more prevalent, and even large corporations have fallen victim to hacking incidents. In order to ensure the security and control of our company's information systems and network data transmission, we have comprehensively revised the internal control system for "Information Security Inspection and Control" based on the guidelines for information and communication security management of listed and over-the-counter companies. This revision was approved by the board of directors on November 9, 2022.

In addition, we regularly educate our employees on information security to reduce the risk of falling into phishing traps and to enhance their awareness of security. We also keep a close eye on information security news and periodically review the suitability and security of the software we use.

As of the most recent fiscal year and up until the printing date of the annual report, the company has not identified any significant network attacks or security incidents that have had or may have a significant adverse impact on our business and operations.

6.13.3 Operational Risks and Countermeasures

(1) Product risk

Our main products include digital otoscope sets, disposable endoscopes, and related components such as miniature camera modules, as well as AI assisted software. The main risks associated with these products are the need to provide clear and stable medical images to healthcare professionals and reliable computational results. Poor product design could potentially lead to misinterpretation by healthcare professionals, resulting in inaccurate diagnoses and delayed treatment. Additionally, if the product materials are of poor quality, as they come into contact with the human body during use, they may cause allergies or discomfort.

Countermeasures:

Our company has recruited a development team with extensive experience in medical device research and development. We closely collaborate with external consultants, renowned clinical physicians from domestic and international hospitals, as well as internationally recognized medical device agents or customers. Our products undergo reliability testing, light hazard testing, biocompatibility testing, and even clinical trials with healthcare institutions to ensure product safety and reliability and minimize the probability of occurrence of harm.

(2) Development and Certification Risks

The majority of our company's main products belong to Class II medical devices, which are classified as moderate risk. They entail uncertainties such as long research and development timelines, varying regulatory requirements across different countries, and significant capital investment. The availability of reliable funding sources and an experienced certification team are crucial factors that can impact the outcomes of our research and development efforts. Repetitive modifications or failures during the product development process can lead to increased R&D expenses and consequently affect the company's profitability.

Countermeasures:

The company has an internal Product Management department responsible for controlling project development timelines. In case of any delays, the matter is escalated to higher levels for review, cross-department coordination, and issue resolution to bring the project back on track. Additionally, the department manages project costs and performs cost analysis for product development. The company has also established a Regulatory Certification department to handle certification-related tasks for different countries. During the early stages of product development, certification plans are formulated based on the product attributes. The department stays updated on regulatory changes, monitors the progress and status of certifications, and takes necessary measures to ensure a high success rate in obtaining certifications from various countries.

(3) Patent

After experiencing high growth in the electronics industry, many companies have leveraged their past experiences to enter the medical equipment industry. While this has stimulated the industry's vibrant development, it has also led to numerous issues of patent infringement during the research and development process. Some companies may even resort to using patent infringement lawsuits as a strategic tool to disrupt the development of their competitors. Therefore, as our company continues to expand its operations, the possibility of facing patent infringement from competing firms or being subjected to patent infringement lawsuits increases. This represents a risk and challenge to our company's development.

Countermeasures:

Since its establishment, our company has been dedicated to research and development. To avoid infringement, our R&D personnel are required to conduct patent technology searches and analyses during the initial stages of product development. This helps identify the scope and risks associated with the product or technology. To ensure that our R&D achievements are not infringed upon by competitors, the inventors draft the patent application. After internal review meetings within the company, patent application proposals are submitted to obtain intellectual property protection. As of the date of this disclosure, our company has been granted multiple patents domestically and internationally. We are also continuously filing new patent applications for review to safeguard our rights and research achievements.

7. Other important events: None.

VI. Special notes

1. Information about affiliated enterprises
   Please refer to the Market Observation Post System (MOPS) https://mopsov.twse.com.tw/mops/web/t57sb01_q10 > Single Company > Electronic Document Download > Affiliated Enterprises Reports Section.Enter the company code to search for related information.
2. Private placement of securities in the most recent year and as of the printing date of the annual report: None.
3. Other require supplementary information: None.

VII.Matters that have material impacts on shareholders' equity or securities price as defined in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act in the most recent year and as of the printing date of the annual report: None.

Medimaging Intefrated Solution Inc.

Chairman: CHENG, CHU-MING