合富集團
CoWealthGroup

合富醫療控股股份有限公司
Cowealth Medical Holding Co., Ltd.

股票代號：4745

2025 Annual Report

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Market Observation Post System :http://mops.twse.com.tw/

Company Website :http://www.cowealthholding.com/

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One. Report to Shareholders

We thank all shareholders for your support and affirmation of the Company over the past year. Cowealth continues to position itself as a "high-quality hospital development partner" and has deepened and upgraded its core business segments. Through innovative services and technological empowerment, it has laid a solid foundation for the Company's long-term development. Meanwhile, by driving differentiated empowerment services, the Company continues to improve its operating performance and is committed to creating long-term and stable investment value for shareholders.

This year, the Company also actively expanded its differentiated service offerings both domestically and internationally. The main achievements are as follows:

1. Medical empowerment services: In response to the normalization of volume-based procurement and the restructuring of the industry's competitive landscape, the Company launched the "ACME Ultimate Empowerment" service system, including the (Artificial Intelligence) clinical diagnosis and treatment AI-assisted system, the (Compass Tower) integrated decision analysis platform (Cowealth CT), the (MCCTAVIP) digital intelligent platform for medical teaching, research and development, and the (Exchange) cross-strait expert resource sharing platform. It provides medical institutions with value-added services, including optimization of supply chain management, enhancement of medical specialty capabilities, and improvement of operational efficiency, at no additional cost, and achieves the promotion and operation of digital intelligence outcomes.

2. Collaborative transformation of expert project results: In the past year, the Company invested resources to support the Research on the Application of Intelligent Technology in Continuing Medical Education launched by the Capacity Building and Continuing Education Center of the National Health Commission of China. This project has brought together authoritative experts from across China and medical institutions at all levels to build a collaborative empowerment model of "top-tier Grade A tertiary hospitals + enterprises + primary care hospitals." By virtue of its long-term investment and practical experience in remote surgical guidance, transformation of scientific research achievements, and primary healthcare support, Cowealth was able to participate in this national-level project. This not only demonstrates the Company's social value, but also strengthens the core competitiveness of its business development through technological achievements and practical applications.

The "ACME empowerment business with added projects" provides customers with differentiated and irreplaceable service value. It not only helps deepen existing customer relationships, but also has the potential for independent commercialization. It is expected that from 2026 onwards, this will gradually become an important second growth curve for the Company. In addition, this business model is not directly affected by centralized procurement policies and has the advantage of long-term stable development.

Looking ahead, the Company will continue to strengthen its core competitiveness, capitalize on opportunities arising from industry transformation, and steadily advance its strategic initiatives to achieve long-term, stable growth and sustained value creation for shareholders.

The following is a report of the Company's business performance for 2025:

I. 2025 business performance

(I) Outcome of business plans and analysis of revenues, expenses, and profitability

According to the Company's audited consolidated financial statements, annual revenue was NT$2,956,257 thousand, net income after tax was NT$331,106 thousand, and net loss attributable to the parent company was NT$246,557 thousand. The comparative statement of profit or loss with 2024 is as follows:

Unit: NT$thousands except for earnings per share, which is in NT$.

Item	2025	%	2024	%	Variation Amount	Variation %
I. Operating revenues	2,956,257	100.00%	4,192,722	100.00%	-1,236,465	-29.49%
II. Operating costs	2,564,081	86.73%	3,401,201	81.12%	-837,120	-24.61%
III. Gross profit	392,176	13.27%	791,521	18.88%	-399,345	-50.45%
IV. Operating expenses	667,600	22.58%	694,389	16.56%	-26,789	-3.86%
V. Operating profit	-275,424	-9.32%	97,132	2.32%	-372,556	-383.56%
VI. Non-operating income and expenses	-9,873	-0.33%	-8,210	-0.20%	-1,663	20.26%
VII. Profit before tax	-285,297	-9.65%	88,922	2.12%	-374,219	-420.84%
VIII. Income tax expense	45,809	1.55%	40,925	0.98%	4,884	11.93%
IX. Net income	-331,106	-11.20%	47,997	1.14%	-379,103	-789.85%
X. Net income attributable to parent company	-246,557		629		-247,186	
Earnings per share (NT$)	-3.18		0.01			

In 2025, affected by changes in the macro environment and medical policies such as centralized procurement in the in vitro diagnostics industry, product prices were adjusted, which had a certain impact on sales and gross profit. Operating revenue in 2025 was NT$2,956,257 thousand, a decrease of NT$1,236,465 thousand from 2024, down 29.49%; gross profit in 2025 was NT$392,176 thousand, a decrease of NT$399,345 thousand from gross profit in 2024, with gross profit down 50.45%.

The Company continued to implement expense control measures and precise resource allocation. Operating expenses in 2025 decreased by NT$26,789 thousand from 2024, down 3.86%. The decline in expenses was smaller than the decline in revenue, primarily because certain expenditures are relatively fixed costs and could not be reduced in proportion to revenue. Meanwhile, in order to seize the market opportunities brought by advancing the ACME strategy, the Company actively optimized its talent structure, built a core talent team aligned with the Company's future development through personnel suitability adjustments and targeted recruitment, and accordingly incurred related investment in personnel optimization and capability upgrades during the period.

The Company's net income after tax for 2025 decreased by NT$379,103 thousand compared with 2024, representing a decrease of 789.85%. Net income attributable to the parent company and earnings per share also declined accordingly. In addition to the impact of gross profit, the Company adjusted the Group's resource structure in 2025 and disposed of its equity interest in subsidiary Cowealth China. Although this resulted in related tax liabilities and increased income tax expense, this move helped optimize the Group's financial structure, focus on business expansion, and provided favorable support for the Company's revenue-generating capability outside Cowealth China.

Overall, the strategic adjustments and resource optimization in 2025 not only consolidated the Company's core competitiveness, but also improved long-term operating efficiency, laying a solid foundation for creating shareholder value and growth momentum in the future.

(II) Research and development

The Company has continued to invest in research and development in the field of medical digital intelligence, focusing on core applications such as refined hospital management, clinical diagnosis and treatment assistance, and digitalization of surgical teaching, and is committed to improving the operating efficiency and clinical decision-making quality of medical institutions through independent research and development and industry-academia collaboration. The main research and development achievements are as follows:

I. Clinical diagnosis and treatment AI assistance system

By integrating clinical data with an expert knowledge base, the AI model provides precise diagnosis and personalized treatment recommendations to help improve the diagnosis and treatment capabilities of primary care physicians. The system has been validated at medical institutions including The First Affiliated Hospital of China Medical University and is being gradually promoted for application in primary care hospitals. It is expected to significantly shorten the training and capability development cycle for physicians.

II. Integrated decision analysis platform (Cowealth CT)

It integrates medical management experience and information technology across the Taiwan Strait into a hospital department operation management system with software copyrights in both sides of the Taiwan Strait. With multidimensional key performance indicators (KPIs) as the core, it constructs an integrated analytical framework for business and financial data and provides real-time operating information with decision-making value. Through data analysis and management guidance mechanisms, it assists medical institutions in optimizing resource allocation and improving overall operating performance.

III. Metaverse Medical Education, Research and Digital Intelligence Platform (MCCTAVIP)

Through software and hardware integration, it realizes digital recording of surgical procedures and remote teaching applications, supports cross-hospital collaboration and technology transfer, has been implemented in multiple hospitals, and has been successfully applied in numerous remote surgical guidance cases, promoting the extension of high-quality medical resources to primary care areas.

(III) Budget execution

The Company did not publish financial forecast, but budget execution has been in line with plans.

II. Summary of 2026 business plan

Looking ahead to 2026, although the overall market environment remains challenging, the Company will continue to improve operating performance, deepen customer relationships, and create long-term stable profits and value for the Company and its shareholders through strategic execution and innovative service advancement.

The Company's operating policy for the year will closely follow the development vision of "leading empowerment to strengthen primary healthcare," focus on the "ACME ultimate empowerment" strategy, actively build a second growth curve, and ensure that the empowerment strategy and existing businesses create synergistic benefits. The specific key points are as follows:

I. Fully implement empowerment services and drive scalable replication

Taking Research on the Application of Intelligent Technology in Continuing Medical Education as the authoritative foundation, accelerate the promotion and replication of "ACME ultimate empowerment" in the primary healthcare market. Integrate and introduce the "clinical diagnosis AI diagnosis and treatment software," "Cowealth Compass Tower integrated decision analysis platform," and "Metaverse M Medical Education, Research and Digital Intelligence Platform" to realize the integrated benefits of "supply chain + digital intelligence + specialty empowerment" among existing customers.

II. Consolidate the foundation of existing business and improve the renewal rate

By deepening service content and concretely presenting empowerment results, enhance customer stickiness, ensure that customers with expiring contracts maintain a high renewal rate, and consolidate the operational foundation.

III. Build demonstration centers and expand regional market opportunities

Jointly establish "empowerment benefit demonstration centers" with key customers and, through benchmark cases, drive cooperation with regional medical institutions to form a market expansion model of "using points to drive the overall area."

IV. Establish a product end-to-end assurance system

Strengthen product research and development and manufacturing management to ensure that software and hardware meet information security standards and clinical needs; at the same time, improve installation, commissioning, and maintenance processes, and establish a remote training mechanism to enhance customer user experience and stickiness.

V. Deepen industry-academia-research collaboration and promote the transformation of scientific research achievements

Continue to expand national-level expert resources and advance ACME product iteration and technology upgrades. Under policy support, accelerate the transformation of scientific research achievements and introduce them into primary healthcare scenarios, and in combination with the Company's existing successful market promotion experience (Go-To-Market capability), establish a sustainable reserve of innovative projects.

VI. Optimize supply chain management and improve operating efficiency

Continue to streamline supply chain tiers, reduce costs through disintermediation and large-scale procurement, and further improve the profitability of the overall business.

VII. Strengthen the sales organization and improve market penetration

Build a capable regional sales system, deepen primary healthcare market coverage and customer management, and strengthen internal training to improve the team's overall capabilities in empowerment services and professional fields.

VIII. Expand industry cooperation and agency network to enhance market penetration

With the Company acting as a "producer" possessing multiple empowerment technology products, designate agents or exchange agency rights with other producers, actively develop cooperation and agency relationships with other medical product producers and agency enterprises, expand market coverage and penetration, strive for new business opportunities for multi-party win-win outcomes, and further realize business synergies and comprehensive benefits.

III. Future company development strategies

Cowealth Group adheres to the concept of dual innovation in technology and services, is committed to promoting the high-quality development of hospitals and the upgrade of refined management, and takes as its mission the building of high-quality medical services and the promotion of the development of the broader health industry.

The Company's business model is transforming from a traditional trading and empowerment service provider into an innovative model driven by both scientific research collaboration and independent product manufacturing. Unlike in the past when the Company simply introduced high-end products as a distributor, the Company has now achieved independent production and sales. The new model not only improves gross profit levels, but also promotes the strategic expansion of the business model.

At the same time, Cowealth has deeply integrated its existing empowerment services with hospital core departments, providing end-to-end support from R&D design and data statistics to results transformation. This is expected to elevate Cowealth's role from a product supplier to a strategic partner. Through the accumulation and transformation of clinical data, as well as in-depth exchanges with departmental experts, the Company will form a first-mover advantage in the transformation of scientific research achievements.

Looking ahead, as China advances the high-quality development of public hospitals and implements data-driven management policies, medical institutions' demand for refined operations and decision analysis will continue to increase, creating development opportunities for enterprises equipped with digital intelligent tools and professional service capabilities. Meanwhile, as the "medical and health strengthening foundation project" and medium- to long-term medical planning advance, high-quality medical resources will continue to sink to the primary care level, and the potential of the primary healthcare market will be gradually released. The Company will continue to enter this market with the "ACME empowerment matrix," provide differentiated and value-added total solutions, deepen customer cooperative relationships, and expand growth space.

In summary, through the dual advancement of new products and new businesses, accelerating the expansion of market channels across the Taiwan Strait and in the three regions, and providing differentiated service value, Cowealth will continue to create operating scale and business performance and bring long-term stable financial returns to shareholders.

IV. Impacted by the external competitive environment, regulatory environment, and overall operating environment

In recent years, affected by changes in the external competitive environment, regulatory policies, and the overall economic environment, the healthcare system in China has continued to promote reform and upgrading. The State Council and the National Health Commission of China have successively issued a number of policies, including the 2021 Opinions on Promoting the High-Quality Development of Public Hospitals, the 2023 Guidance Manual for Cost Accounting of Public Hospitals, and the 2024 ongoing "Economic Management Year for Public Medical Institutions" campaign, explicitly requiring hospitals to establish operation management decision support systems and promote scientific, standardized, and refined management.

Under this policy direction, the demand from medical institutions for lean operations and data-driven decision-making has increased significantly, and it has also created important development opportunities for providers capable of offering digital intelligence tools and professional management services. By helping hospitals improve internal management efficiency through digital intelligence tools (such as operation management platforms and intelligent consumables management) and professional knowledge (such as department operation guidance and performance analysis), the Company will build deeper customer relationships.

In addition, both the 2025 State Council Opinions on Further Safeguarding and Improving People's Wellbeing with a Focus on Resolving the Public's Urgent Difficulties and Concerns and China's 15th Five-Year Plan clearly propose promoting the "medical and health strengthening foundation project," facilitating the flow of high-quality medical resources to the primary care level, and accelerating the development of medical digital intelligence. This policy trend provides broad development space for the Company to enter the primary healthcare market with the "ACME empowerment matrix." In an environment where centralized procurement compresses product price spreads, providing differentiated and value-added empowerment services has become an important direction for industry development.

Overall, as health awareness increases, population aging accelerates, and medical demand continues to grow, the market size of China's in vitro diagnostics industry has exceeded RMB100 billion and has the potential to continue expanding. At the same time, increased medical insurance coverage and policy guidance toward standardization, branding, and technological innovation in the industry will all contribute to the industry's long-term stable growth.

Looking ahead, the competitive landscape of the industry will continue to adjust with technological progress, policy changes, and evolving market demand. The Company will continue to optimize its competitive strategy, leverage the advantages of digital intelligence and empowerment services, seize development opportunities in a changing environment, and enhance overall competitiveness. Winning through differentiated value services is our ongoing goal.

This concludes our report. The board of directors will continue exercising diligent supervision over the management team to perform in the best long-term interest of the Company and its shareholders and adopt corporate governance practices that ensure the sustainability of the organization. Thank you all for your ongoing support, and we look forward to hearing your opinions.

We wish all shareholders good health and peace for your families!

Chairman Joyce Wang

President Duane Lee

Two. Corporate Governance Report

I. Information on Directors, Supervisors, President, Vice Presidents, Associate Presidents, and Heads of Various Departments and Branch Units

(I) Background of directors and supervisors

1. Background of directors and supervisors

Unit: shares; %; March 22, 2026

Title	Nationality or place of registration	Name	Gender/age	Date elected / appointed	Term of service	Date first elected	Shareholding when elected		Current shareholding		Shareholding of spouse and underage children		Shares held by proxy		Main career (academic) backgrounds	Concurrent duties in the Company and in other companies	Spouse or relatives of second degree or closer acting as manager, director, or supervisor			Remarks
							Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Chairman	The Republic of China	Joyce Wang	Female 69	2023.05.24	3 years	2006.12.27	7,301,186	9.43	6,975,186	9.01	9,177,834	11.85	2,544,623	3.29	Bachelor Degree in Commerce, National Taiwan University Unisys Taiwan Ltd. - Assistant Vice President of Business Department	Note 1	Director/President	Duane Lee	Spouse	Note 6
Director	The Republic of China	Duane Lee	Male 70	2023.05.24	3 years	2006.12.27	8,449,834	10.91	9,177,834	11.85	6,975,186	9.01	2,544,623	3.29	Bachelor Degree in Chemical Engineering, National Tsing Hua University Philips Electronics Hong Kong Limited Healthcare Department - President of Greater China Business Beckman Coulter - President of Greater China Region	Note 2	Chairman	Joyce Wang	Spouse	Note 6
Director	The Republic of China	Chuan Chin	Male 79	2023.05.24	3 years	2006.12.27	420,700	0.54	420,700	0.54	926,448	1.20	-	-	Bachelor's Degree in Life Science, National Taiwan Normal University Master of Microbiology, National Taiwan University College of Medicine Ph.D. program, Institute of Life Sciences, National Defense Medical Center National Defense Medical Center Institute of Preventive Medicine - Head of Molecular Biology and Molecular Virology Team, Head of Epidemiology, Lead Researcher, and Chief of Research Department Centers for Disease Control and Prevention - Visiting Research Fellow National Institutes of Health - Visiting Research Fellow U.S. Army Medical Research Institute of Infectious Diseases - Researcher Ministry of Health Quarantine Department/Institute of Preventive Medicine/Centers for Disease Control - Consultant	Note 3	-	-	-	
Director	The Republic of China	Kuang-Tsan Tsao	Male 67	2023.05.24	3 years	2006.12.27	-	-	-	-	-	-	1,557,983	2.01	Bachelor Degree in Advertising, San Francisco Art Institute Master of Computer Science and Information Engineering, Tamkang University	Note 4	-	-	-	
Director	The Republic of China	Po-Chien Hu (Note 9)	Male 62	2023.05.24	3 years	2017.06.08	3,056,170	3.95	1,113,000	1.44	875,000	1.13	-	-	Bachelor's Degree, Department of Food Science, National Chung Hsing University Business Representative, Beckman Coulter Taiwan Branch Manager, CAD Business Unit, BD (Becton, Dickinson and Company) Taiwan Branch Sales Director, Cowealth (China) Medical Technology Trading Co., Ltd.	-	-	-	-	

Title	Nationality or place of registration	Name	Gender/age	Date elected / appointed	Term of service	Date first elected	Shareholding when elected		Current shareholding		Shareholding of spouse and underage children		Shares held by proxy		Main career (academic) backgrounds	Concurrent duties in the Company and in other companies	Spouse or relatives of second degree or closer acting as manager, director, or supervisor			Remarks
							Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Independent Director	The Republic of China	Ying-Tung Lau	Male 78	2023.05.24	3 years	2009.10.26	-	-	-	-	-	-	-	-	Ph.D. in Biology, Rensselaer Polytechnic Institute Postdoctoral researcher of physiology, Massachusetts Institute of Technology and Boston University Michigan Rogel Cancer Center - Researcher Chang Gong University - Chairman of Physiology and Pharmacology Chang Gong University College of Medicine - Professor Chang Gong University - Head of General Affairs Chang Gong University - Chairman of Life Sciences Chang Gung University College of Medicine - Deputy Superintendent Chang Gung University of Science and Technology - President	-	-	-	-	
Independent Director	The Republic of China	Chung-Wen Tong	Female 72	2023.05.24	3 years	2011.06.24	317,842	0.41	317,842	0.41	130,830	0.17	-	-	Bachelor Degree in Statistics, Ming Chuan University PwC Taiwan - Manager Unisys Taiwan Ltd. - CFO	-	-	-	-	
Independent Director	The Republic of China	Kun-Chih Chen	Male 51	2023.05.24	3 years	2023.5.24	-	-	-	-	-	-	-	-	Ph.D., Business Management, University of Southern California MBA, University of Michigan Bachelor Degree in Economics, National Taiwan University National Taiwan University - Associate Professor of Accounting Department School of Professional Education and Continuing Studies, NTU - Associate Dean	Note 5	-	-	-	
Independent Director	The Republic of China	Shu-Hua Chen (Note 7)	Female 61	2024.09.10	3 years	2024.09.10	-	-	-	-	-	-	-	-	Bachelor Degree in Accounting and Statistics, National Taipei College of Business. Finance and Accounting Manager, Beckman Coulter Taiwan Co., Ltd. Finance and Accounting Manager, The Walt Disney Company (Taiwan) Ltd. Chief Financial Officer, Maxisys Business Tradin (Shenzhen) Co., Ltd. Chief Financial Officer, ORION PAX LTD. Chief Financial Officer, CEN TECH PTE LTD. TAIWAN BRANCH (SINGAPORE)	Note 8	-	-	-	

Note 1: Director, President, and Legal Representative of Cowealth (China) Medical Technology Co., Ltd.; President and Legal Representative of Hao Yi Information Technology (Shanghai) Co., Ltd.; President and Legal Representative of Shanghai He Kang Hospital Management Consulting Co., Ltd.; Chairman and Legal Representative of He Kang Biotechnology Development (Shanghai) Co., Ltd.; Executive Director and Legal Representative of Kang Jun Consulting Management (Shanghai) Co., Ltd.; Chairman and Legal Representative of Cowealth (Shanghai) Medical Technology Co., Ltd.; Chairman and Legal Representative of Cowealth Biochemical Technology Co., Ltd.; Director of Cowealth (Hong Kong) Holdings Co., Ltd.; Director of He Xi (Hong Kong) Holdings Co., Ltd.; and Director of Crown Technology Co., Ltd.

Note 2: Chairman of Cowealth (China) Medical Technology Co., Ltd.; Executive Director of Hao Yi Information Technology (Shanghai) Co., Ltd.; Executive Director of Shanghai He Kang Hospital Management Consulting Co., Ltd.; Executive Director of He Kang Biotechnology Development (Shanghai) Co., Ltd.; President of Kang Jun Consulting Management (Shanghai) Co., Ltd.; Director of He Xi (Hong Kong) Holdings Co., Ltd.; Director of Cowealth Holding Co., Ltd. (Cayman); Director of Que Zi Co., Ltd.; and President of Kang Yong Enterprise Management (Shanghai) Co., Ltd.

Note 3: Director of Cowealth Medical Science & Biotechnology Inc.

Note 4: Chairman of Chin Pao San Enterprise Co., Ltd.; Director of Chin Pao Hsuan Enterprise Co., Ltd.; Director of Chen-Ji Construction Co., Ltd.; Director of Chin Pao San Cultural and Tourism Enterprise Co., Ltd.; Chairman of Chao Ri Guang Investment Co., Ltd.; Chairman of Yu Yue Art Development Co., Ltd.; Chairman of Yu Yue Investment Co., Ltd.; Chairman of Tzu Kuang International Investment Co., Ltd.; Director of the Teresa Teng Cultural and Educational Foundation; Chairman of Taiwan Light Art Development Co., Ltd.; Director of Jin Da Ren Enterprise Co., Ltd.; Director of He Run Life International Co., Ltd. (Hong Kong); Executive Director of Tsao Chia Yeh International Co., Ltd.; Chairman of Cowealth Run Sheng Enterprise Management Consulting (Shanghai) Co., Ltd.; Executive Director of Guilin Yuzhileyuan Art Park; Executive Director of Guilin Jingu Farm Co., Ltd.; Director of Guilin Chao Ri Guang Art Village; Legal Representative and Executive Director of Guilin Yuyue Tourism Investment Development Co., Ltd.; Executive Director of Guilin Tianrengu Tourism Co., Ltd.; Executive Director of Guilin Dafu Tourism Farm; Executive Director of Guilin Lashan Art Creation Co., Ltd.; Executive Director of Nanjing Fuxi Enterprise Management Consulting Co., Ltd.; Executive Director of Xianliang Enterprise Management Consulting (Shanghai) Co., Ltd.; Chairman of Shanghai Yuehu Cultural Communication Co., Ltd.; and Supervisor of Cowealth Biochemical Technology Co., Ltd.

Note 5: Independent Director of AAEON Technology Inc., and member of the Audit Committee, Remuneration Committee, and Risk Management Committee.

Note 6: The Company was founded in 1997 by President Lee. In the early stage of establishment, both internal and external operations were managed smoothly. Having identified significant market development potential, Mr. Lee invited his spouse, Chiung-Chih Wang, who possesses comparable academic and professional qualifications, to serve as Chairman. Together, they have led the management team with concerted efforts, laying the foundation of the Group as it stands today. Prior to joining the Company in 2000, Chairman Wang had served as a senior manager at a globally renowned information firm for extended period of time. The Chairman and the President contribute different expertise and management experience, and work within clearly defined responsibilities; the Chairman focuses more on the development of corporate governance practices, corporate social responsibilities, talent development system, corporate culture, and sustainability management, whereas the President is responsible for the design and execution of corporate strategies, business promotion, and financial planning. Having the couple serve as Chairman and President is both reasonable and necessary for enforcing business philosophy and for the continuity of the organization. In order to comply with the corporate governance requirements of the law, the Company has appointed at least 4 independent directors.

Note 7: Former Independent Director Yann-Ching Tsai resigned on May 15, 2024. The Company convened an extraordinary general meeting of shareholders on September 10, 2024 to fill the vacancy, at which Shu-Hua Chen was elected as an Independent Director.
Note 8: Chief Financial Officer, CEN TECH PTE LTD. TAIWAN BRANCH (SINGAPORE)
Note 9: Director Po-Chien Hu resigned on June 10, 2025.

2. Major shareholders of corporate shareholders: None
3. Key shareholders of major corporate shareholders: None

(II) Directors'/supervisors' expertise and independent directors' independence:

Criteria / Name	Professional qualification and experience (Note 1)	Independence criteria (Note 2)	Number of concurrent positions as independent director in other public companies
Joyce Wang	Bachelor Degree in Commerce, National Taiwan University. Formerly served as Assistant Vice President of Business Department at Unisys Taiwan Ltd. (1983-2000), and has been serving as Chairman of Cowealth Group since 2000. Possesses professional knowledge and skills including but not limited to the following: ability to make business judgments, analytical skills in accounting and finance, business administration, crisis management, industry knowledge, global vision, leadership, and decision making.	The individual and spouse Duane Lee both serve as director and employee at the Company or affiliated enterprises. The individual and spouse collectively held 18,697,643 shares (24.14%) of the Company in total in their own names and through proxies. Does not meet any of the conditions stated in Article 30 of The Company Act.	0
Duane Lee	Bachelor Degree in Chemical Engineering, National Tsing Hua University. Formerly served as President of Greater China Region at Beckman Coulter (1983-1996) and President of Greater China Business of Healthcare Department at Philips Electronics Hong Kong Limited (1997), and has been serving as CEO and President of Cowealth Group since 1997. Possesses professional knowledge and skills including but not limited to the following: ability to make business judgments, analytical skills in accounting and finance, business administration, crisis management, industry knowledge, global vision, leadership, and decision making.	The individual and spouse Joyce Wang both serve as director and employee at the Company or affiliated enterprises. The individual and spouse collectively held 18,697,643 shares (24.14%) of the Company in total in their own names and through proxies. Does not meet any of the conditions stated in Article 30 of The Company Act.	0
Chuan Chin	Bachelor of Life Science, National Taiwan Normal University. Master of Microbiology, National Taiwan University College of Medicine. Ph.D. program, Institute of Life Sciences, National Defense Medical Center. Formerly served as Head of Molecular Biology and Molecular Virology Team, Head of Epidemiology, Lead Researcher, and Chief of Research Department at National Defense Medical Center Institute of Preventive Medicine; Visiting Research Fellow at Centers for Disease Control and Prevention; Visiting Research Fellow at National Institutes of Health; Researcher at U.S. Army Medical Research Institute of Infectious Diseases; and Consultant at Ministry of Health Quarantine Department/Institute of Preventive Medicine/Centers for Disease Control. Served as President of Cowealth Medical Science & Biotechnology Inc. between 1999 and 2014, and President of Cowealth Medical China Co., Ltd. between 2005 and 2014. Possesses more than 40 years of research, development, and management experience in biomedicine. Possesses professional knowledge and skills including but not limited to the following: ability to make business judgments, business administration, crisis management, industry knowledge, global vision, leadership, and decision making.	None of the spouse and 2nd-degree relatives or closer serve as director, supervisor, or employee in the Company or any of its related enterprises. The individual and spouse collectively hold 1,347,148 shares (1.74%) of the Company. Does not meet any of the conditions stated in Article 30 of The Company Act.	0

Name \ Criteria	Professional qualification and experience (Note 1)	Independence criteria (Note 2)	Number of concurrent positions as independent director in other public companies
Kuang-Tsan Tsao	Bachelor Degree in Advertising, San Francisco Art Institute. Master of Computer Science and Information Engineering, Tamkang University. Currently the Chairman of ChinPaoSan Limited; Chairman of Simple Joy Development Co., Ltd.; Chairman of Tzu Kuang International Investment Co., Ltd.; Chairman of Benelife Management Consulting Ltd.; Chairman of Taiwan Art Development Co., Ltd.; Chairman of Chao Ri Kuang Investment Co., Ltd.; Chairman of Shanghai Yuehu Culture Broadcast Co., Ltd.; Chairman of Benelife (Shanghai) Management Consulting Ltd.; Executive Director and President of Guilin Tianrengu Tourism Co., Ltd.; Executive Director and President of Guilin Jingu Farm Co., Ltd.; Executive Director and President of Guilin Art Park;Executive Director and President of Guilin Dafu Leisure Farm; and Executive Director and President of Guilin Lashan Art Creation Co., Ltd. Became involved in arts, tourism, and a broad diversity of investment projects in the Greater China Region since 1999, and has more than 20 years of management experience. Possesses professional knowledge and skills including but not limited to the following: ability to make business judgments, business administration, crisis management, leadership, and decision making.	None of the spouse and 2nd-degree relatives or closer serve as director, supervisor, or employee in the Company or any of its related enterprises. Held 1,557,983 shares (2.01%) of the Company in total through proxies. Does not meet any of the conditions stated in Article 30 of The Company Act.	0
Ying-Tung Lau	Master's Degree in Biology, Creighton University. Ph.D. in Biology, Rensselaer Polytechnic Institute. Former postdoctoral researcher of physiology at Massachusetts Institute of Technology and Boston University, researcher at Michigan Rogel Cancer Center, Chairman of Physiology and Pharmacology at Chang Gong University, and professor at Chang Gong University Head of General Affairs at Chang Gong University, Chairman of Life Sciences at Chang Gong University, and Deputy Superintendent of Chang Gong University; and President of Chang Gung University of Science and Technology. Possesses more than 40 years of academic work experience in foreign and domestic biomedicine institutions. Serves as President of Chang Gung University of Science and Technology from 2008 to 2023. Possesses professional knowledge and skills including but not limited to the following: ability to make business judgments, business administration, industry knowledge, global vision, leadership, and decision making.	None of the spouse and 2nd-degree relatives or closer serve as director, supervisor, or employee in the Company or any of its related enterprises. Does not hold shares of the Company whether using the name of self, spouse, or 2nd-degree relatives or closer (or proxies). Does not meet any of the conditions stated in Article 30 of The Company Act. Did not receive compensation for services rendered to the Company or affiliated enterprises in the last 2 years.	0

Criteria / Name	Professional qualification and experience (Note 1)	Independence criteria (Note 2)	Number of concurrent positions as independent director in other public companies
Chung-Wen Tong	Bachelor Degree in Statistics, Ming Chuan University. Formerly manager at PwC Taiwan and CFO of Unisys Taiwan Ltd. Possesses approximately 40 years of accounting, finance, IT audit, and related fields. Possesses professional knowledge and skills including but not limited to the following: ability to make business judgments, analytical skills in accounting and finance, and decision making.	None of the spouse and 2nd-degree relatives or closer serve as director, supervisor, or employee in the Company or any of its related enterprises. The individual and spouse collectively hold 448,672 shares (0.58%) of the Company. Does not meet any of the conditions stated in Article 30 of The Company Act. Did not receive compensation for services rendered to the Company or affiliated enterprises in the last 2 years.	0
Kun-Chih Chen	Ph.D., Business Management, University of Southern California MBA, University of Michigan. Bachelor Degree in Commerce, National Taiwan University Serves as Associate Professor of Accounting at National Taiwan University and possesses many years of teaching experience and practical experience in the field of accounting. Possesses professional knowledge and skills including but not limited to the following: ability to make business judgments, analytical skills in accounting and finance, and global vision.	None of the spouse and 2nd-degree relatives or closer serve as director, supervisor, or employee in the Company or any of its related enterprises. Does not hold shares of the Company whether using the name of self, spouse, or 2nd-degree relatives or closer (or proxies). Does not meet any of the conditions stated in Article 30 of The Company Act. Did not receive compensation for services rendered to the Company or affiliated enterprises in the last 2 years.	1
Shu-Hua Chen	Bachelor Degree in Accounting and Statistics, National Taipei College of Business. Formerly served as finance & accounting officer at Beckman Coulter and The Walt Disney Company (Taiwan) Ltd. and CFO of Maxisys Business Trading (Shenzhen) Co.,Ltd.; possesses approximately 30 years of senior work experience in finance and accounting at foreign companies and in the Greater China Region. Possesses professional knowledge and skills including but not limited to the following: ability to make business judgments, analytical skills in accounting and finance, and decision making.	None of the spouse and 2nd-degree relatives or closer serve as director, supervisor, or employee in the Company or any of its related enterprises. Does not hold shares of the Company whether using the name of self, spouse, or 2nd-degree relatives or closer (or proxies). Does not meet any of the conditions stated in Article 30 of The Company Act. Did not receive compensation for services rendered to the Company or affiliated enterprises in the last 2 years.	0

Note 1: Professional qualifications and experience: Specify the professional qualifications and experience of each individual director and supervisor. If serving as a member of the Audit Committee and possessing accounting or financial expertise, the accounting or financial background and work experience shall be specified, and it shall also be stated whether none of the circumstances set forth in Article 30 of the Company Act apply.

Note 2: Independent directors shall disclose whether they meet the independence requirements, including but not limited to whether they, their spouse, or relatives within the second degree of kinship serve as directors or employees of the Company or its affiliated enterprises; the number and percentage of the Company's shares held by them, their spouse, or relatives within the second degree of kinship (or held through nominee accounts); whether they serve as directors or employees of companies having specific relationships with the Company (as defined in Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies); and the amount of remuneration received for providing business, legal, financial, or accounting services to the Company or its affiliated enterprises in the most recent two years.

1. Board diversity: The board of directors has 8 members each possessing abundant management experience or expertise in different fields. According to internal policies, board members should be diversified in a manner that supports the Company's operations, business activities, and growth requirements, provided that the number of directors who concurrently hold managerial positions do not exceed one-third of the board, and that more than half of board members must be of local nationality. The diversification criteria should include, but is not limited to, the following two principles:
   (1). Basic criteria and values: Gender, age, nationality, culture, etc.
   (2). Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills and industry experience.

The implementation of the diversity policy for board members is as follows:

Diversity Item / Name	Basic composition							Knowledge and skills									
	Nationality	Gender	Age				Service tenure of independent directors	Professional background		Ability to make operational judgments	Accounting and financial analysis skills	Operation management abilities	Crisis management skills	Industry knowledge	International market insights	Leadership and decision-making capabilities
			41 - 50 years old	51 - 60 years old	61 - 70 years old	71 - 80 years old	Less than 3 years	Industry experience	Finance							
Joyce Wang	The Republic of China	Female			✓			✓		✓	✓	✓	✓	✓	✓	✓
Duane Lee	The Republic of China	Male			✓			✓		✓	✓	✓	✓	✓	✓	✓
Chuan Chin	The Republic of China	Male				✓		✓		✓		✓	✓	✓	✓	✓
Kuang-Tsan Tsao	The Republic of China	Male			✓			✓		✓		✓	✓			✓
Ying-Tung Lau	The Republic of China	Male				✓		✓		✓		✓		✓	✓	✓
Chung-Wen Tong	The Republic of China	Female				✓			✓	✓	✓					✓
Kun-Chih Chen	The Republic of China	Male		✓			✓		✓	✓	✓				✓	
Shu-Hua Chen	The Republic of China	Female			✓		✓		✓	✓	✓					✓

2. Board Independence:

(1) The Company has 4 independent directors on the board, which conforms to Article 25.4 of the Articles of Incorporation that the board shall have no fewer than three (3) independent directors.

(2) All 4 independent directors are of R.O.C. nationality, which conforms to Article 25.4 of the Articles of Incorporation that at least two independent directors must have registered addresses in The Republic of China.

(3) The Company has 3 independent directors with accounting or financial knowledge, which conforms with Article 25.4 of the Articles of Incorporation that at least one independent director must possess accounting or financial knowledge.

(4) With regards to Paragraph 3 and Paragraph 4, Article 26-3 of the Securities and Exchange Act, the Company has 6 directors on the board who are not related to each other as spouse or within the 2nd-degree of kinship.

(5) The Company was founded by President Lee in 1997, who had the capacity to manage internal and external affairs in the early days. Having noticed the market's immense potentials, Lee invited his spouse, Madam Joyce Wang, possessing an equivalent level of knowledge, to serve as Chairman. Together, they led the management team and built the foundation for the Group's success. Prior to joining the Company in 2000, Chairman Wang had served as a senior manager at a globally renowned information firm for extended period of time. The Chairman and the President contribute different expertise and management experience, and work within clearly defined responsibilities; the Chairman focuses more on the development of corporate governance practices, corporate social responsibilities, talent development system, corporate culture, and sustainability management, whereas the President is responsible for the design and execution of corporate strategies, business promotion, and financial planning. Having the couple serve as Chairman and President is both reasonable and necessary for enforcing business philosophy and for the continuity of the organization. In order to comply with the corporate governance requirements of the law, the Company has appointed at least 4 independent directors.

(III) Information on President, Vice Presidents, Associate Presidents, and Heads of Various Departments and Branch Units

1. The Company

Unit: shares; %; March 22, 2026

Title	Nationality	Name	Gender	Date elected/appointed	Shareholding		Shares held by spouse and underage children		Shares held by proxy		Main career (academic) backgrounds	Concurrent positions in other companies	Spouse or relatives of second degree or closer serving as managers			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
President	The Republic of China	Duane Lee	Male	2014.04.01	9,177,834	11.85	6,975,186	9.01	2,544,623	3.29	Bachelor Degree in Chemical Engineering, National Tsing Hua University. Philips Electronics Hong Kong Limited Healthcare Department - President of Greater China Business Beckman Coulter - President of Greater China Region	Note 1	Chairman	Joyce Wang	Spouse	Note 2
Chief Internal Auditor	People's Republic of China	Fang Ma	Female	2022.08.24	-	-	-	-	-	-	Bachelor in Financial Management, Southwestern University of Finance and Economics Shanghai Runda Medical Technology Co., Ltd. - Audit Manager Cowealth Medical China Co., Ltd. - Chief Internal Auditor	-	-	-	-	
Acting Spokesperson				2025.01.14												Note 3
Head of Finance & Accounting	The Republic of China	Yu-Ting Ruan	Female	2025.08.25	-	-	-	-	-	-	Bachelor's Degree in Finance, National Chung Cheng University Assistant Manager, Audit Department, Deloitte & Touche Taiwan Assistant Manager, Finance and Accounting, TTFB Company Limited Accounting Manager, TES Touch Embedded Solutions Inc.	-	-	-	-	Note 4
Acting Spokesperson				2025.11.12												Note 3
Corporate Governance Officer				2026.03.02												Note 5
Head of Finance & Accounting	People's Republic of China	Ching Tian	Female	2025.01.14	-	-	-	-	-	-	Bachelor's Degree in Certified Public Accountancy, Jiangxi University of Finance and Economics Senior Manager, Audit Department, Deloitte & Touche Taiwan Finance Director, Boker Information Co., Ltd. Director of Finance and Capital Markets, Cowealth (China) Medical Technology Co., Ltd.	-	-	-	-	Note 4
Corporate Governance Officer	People's Republic of China	Li-Ching Chiao	Female	2023.03.07	-	-	-	-	-	-	Bachelor, Shanghai Lixin University of Accounting and Finance Airtropolis Express(s) Shanghai Pte. Ltd. - Assistant Manager of Audit Department Cowealth Medical China Co., Ltd. - Financial Analyst	-	-	-	-	Note 5

Note 1: Chairman of Cowealth (China) Medical Technology Co., Ltd.; Executive Director of Hao Yi Information Technology (Shanghai) Co., Ltd.; Executive Director of Shanghai He Kang Hospital Management Consulting Co., Ltd.; Executive Director of He Kang Biotechnology Development (Shanghai) Co., Ltd.; President of Kang Jun Consulting Management (Shanghai) Co., Ltd.; Director of He Xi (Hong Kong) Holdings Co., Ltd.; Director of Cowealth Holding Co., Ltd. (Cayman); Director of Que Zi Co., Ltd.; and President of Kang Yong Enterprise Management (Shanghai) Co., Ltd.

Note 2: The Company was founded in 1997 by President Lee. In the early stage of establishment, both internal and external operations were managed smoothly. Having identified significant market development potential, Mr. Lee invited his spouse, Chiung-Chih Wang, who possesses comparable academic and professional qualifications, to serve as Chairman. Together, they have led the management team with concerted efforts, laying the foundation of the Group as it stands today. Prior to joining the Company in 2000, Chairman Wang had served as a senior manager at a globally renowned information firm for extended period of time. The Chairman and the President contribute different expertise and management experience, and work within clearly defined responsibilities; the Chairman focuses more on the development of corporate governance practices, corporate social responsibilities, talent development system, corporate culture, and sustainability management, whereas the President is responsible for the design and execution of corporate strategies, business promotion, and financial planning. Having the couple serve as Chairman and President is both reasonable and necessary for enforcing business philosophy and for the continuity of the organization. In order to comply with the corporate governance requirements of the law, the Company has appointed at least 4 independent directors.

Note 3: Due to rotation, the Company's Board of Directors resolved on November 12, 2025, to appoint Yu-Ting Ruan as Acting Spokesperson and to remove Fang Ma from the position of Acting Spokesperson.

Note 4: Ching Tian was relieved of her position as Accounting and Finance Supervisor on July 16, 2025, due to resignation. On the same day, Yu-Ting Ruan assumed the role of Acting Accounting and Finance Supervisor. The Company's Board of Directors resolved on August 25, 2025, to appoint Yu-Ting Ruan as Accounting and Finance Supervisor.

Note 5: Li-Ching Chiao was relieved of her position as Corporate Governance Officer on January 29, 2026, due to resignation. The Company's Board of Directors resolved on March 2, 2026, to appoint Yu-Ting Ruan as Corporate Governance Officer.

Entity: Cowealth Medical China Co., Ltd.

Unit: shares; %; March 22, 2026

Title	Nationality	Name	Gender	Date elected/appointed	Shareholding (Note 1)		Shares held by spouse and underage children		Shares held by proxy		Main career (academic) backgrounds	Concurrent positions in other companies	Spouse or relatives of second degree or closer serving as managers			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
President	The Republic of China	Joyce Wang	Female	2019.04.19	6,975,186	9.01	9,177,834	11.85	2,544,623	3.29	Bachelor of Business Administration, National Taiwan University Unisys Taiwan Ltd. - Assistant Vice President	Note 2	Chairman	Duane Lee	Spouse	
Vice President	People's Republic of China	Crystal Chen	Female	2019.04.19	-	-	-	-	-	-	Bachelor Degree in International Economic Law, East China University of Political Science Shanghai Zhongxin Zhengyi Law Firm - Attorney China Oriental Group Co., Ltd. - President's Assistant Formerly served as Senior Legal Specialist, Director of the Support Management Department, and President of the Operations Department at Cowealth (China) Medical Technology Co., Ltd.	-	-	-	-	
Vice President	The Republic of China	Kenneth Tseng	Male	2019.04.19	235,000	0.30	-	-	-	-	Master's Degree in Law, National Taiwan University Citibank - Specialist Client Manager, CTBC Bank Formerly served as Director of the Materials Department, Company Manager, and Finance Director at Cowealth (China) Medical Technology Co., Ltd.	-	-	-	-	
Audit Director and Board Secretary	People's Republic of China	Yoyo Zhu	Female	2024.06.19	-	-	-	-	-	-	Bachelor of Finance (International Finance), Zhongnan University of Economics and Law Accountant, Shanghai Fengshen Environmental Equipment Engineering Co., Ltd. Accountant and Customer Service Director, Cowealth (China) Medical Technology Co., Ltd. Finance Manager, Shanghai Dingjie Air Conditioning Equipment Engineering Co., Ltd. Audit Director, Cowealth (China) Medical Technology Co., Ltd.	-	-	-	-	

Note 1: Refers to shareholding in the Company.

Note 2: Director, President, and Legal Representative of Cowealth (China) Medical Technology Co., Ltd.; President and Legal Representative of Hao Yi Information Technology (Shanghai) Co., Ltd.; President and Legal Representative of Shanghai He Kang Hospital Management Consulting Co., Ltd.; Chairman and Legal Representative of He Kang Biotechnology Development (Shanghai) Co., Ltd.; Executive Director and Legal Representative of Kang Jun Consulting Management (Shanghai) Co., Ltd.; Chairman and Legal Representative of Cowealth (Shanghai) Medical Technology Co., Ltd.; Chairman and Legal Representative of Cowealth Biochemical Technology Co., Ltd.; Director of Cowealth (Hong Kong) Holdings Co., Ltd.; Director of He Xi (Hong Kong) Holdings Co., Ltd.; and Director of Crown Technology Co., Ltd.

Note 3: Vice Presidents Feng-Hua Wang and Sheng-Rong Yang resigned in November 2025 and June 2025, respectively.

II. Compensation paid to directors (including independent directors), supervisors, the president, and vice presidents in the most recent year

(I) Compensation to non-independent and independent directors

December 31, 2025; unit: NT$ thousand

Title	Name	Directors' Remuneration								Sum of A, B, C and D as a percentage of net income (Note 8)		Compensation received as employee								Sum of A, B, C, D, E, F, and G and relative percentage to net income (Note 8)		Compensation from parent company or business investments other than subsidiaries (Note 9)
		Benefits (A) (Note 2)		Severance pay and pension (B)		Director remuneration (C) (Note 3)		Fees for services rendered (D) (Note 4)				Salaries, bonuses, special allowances etc. (E) (Note 5)		Severance payment and pension (F)		Employee remuneration (G) (Note 6)						
																The Company		All companies included in the financial statements (Note 8)				
		The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares	The Company	All companies included in the financial statements (Note 7)	
Chairman	Joyce Wang	0	13,165	0	0	0	0	16	16	16 -0.01%	13,181 -5.34%	0	10,198	0	0	0	0	0	0	16 -0.01%	23,379 -9.48%	0
Director	Duane Lee	0	11,620	0	0	0	4,036	14	14	14 -0.00%	15,670 -6.35%	1,778	4,312	0	0	0	0	0	0	1,792 -0.72%	19,982 -8.10%	0
Director	Chuan Chin	0	0	0	0	0	0	16	16	16 -0.01%	16 -0.01%	0	0	0	0	0	0	0	0	16 -0.01%	16 -0.01%	0
Director	Kuang-Tsan Tsao	0	0	0	0	0	0	16	16	16 -0.01%	16 -0.01%	0	0	0	0	0	0	0	0	16 -0.01%	16 -0.01%	0
Director	Po-Chien Hu (Note 10)	0	0	0	0	0	0	6	6	6 -0.00%	6 -0.00%	0	0	0	0	0	0	0	0	6 -0.00%	6 -0.00%	0
Independent Director	Ying-Tung Lau	600	600	0	0	0	0	12	12	612 -0.25%	612 -0.25%	0	0	0	0	0	0	0	0	612 -0.25%	612 -0.25%	0
	Chung-Wen Tong	600	600	0	0	0	0	14	14	614 -0.25%	614 -0.25%	0	0	0	0	0	0	0	0	614 -0.25%	614 -0.25%	0
	Kun-Chih Chen	800	800	0	0	0	0	16	16	816 -0.33%	816 -0.33%	0	0	0	0	0	0	0	0	816 -0.33%	816 -0.33%	0
	Shu-Hua Chen	500	500	0	0	0	0	16	16	516 -0.21%	516 -0.21%	0	0	0	0	0	0	0	0	516 -0.21%	516 -0.21%	0
Total		2,500	27,285	0	0	0	4,036	126	126	2,626 -1.07%	31,447 -12.75%	1,778	14,510	0	0	0	0	0	0	4,404 -1.79%	45,957 -18.64%	0

Explanation

1. The policy, system, standards, and structure by which independent director compensation is paid, and association between the amount paid and independent directors' responsibilities, risks, and time committed: Independent directors of the Company are paid fixed compensation and travel allowance for attending meetings; aside from the above, independent directors are not entitled to profit sharing such as director remuneration. This arrangement ensures the professionalism and independence of independent directors. The amount of compensation takes multiple factors into consideration, such as: peer level, whether the individual holds concurrent position as functional committee convener, the amount of time committed, the responsibilities borne etc., and is determined by the board of directors.

2. Compensation received by director for providing service to any company included in the financial statements (e.g. consultancy service without the title of an employee) in the last year, except those disclosed in the above table: None.

Note 1. Directors' names are presented separately (for corporate shareholders, the name of the corporate shareholder and its representative are presented separately), while amounts of various benefits are presented on an individual basis.
Note 2. Refers to director's compensation in the last year (including salaries, allowances, severance pay, various bonuses and incentives).
Note 3. Represents the amount of director remuneration that the board has proposed as part of the latest earnings appropriation.
Note 4. Refers to compensation paid for services rendered (including travel, special allowances, subsidies, accommodation, corporate vehicle, and in-kind benefits). Where housing, cars, vehicles, or personal allowances were granted, the nature and cost of assets, the rental rates (calculated based on actual or fair value), cost of petrol, and other subsidies are also disclosed. Where personal drivers were assigned, a footnote disclosure explaining the amount of compensations made to drivers is provided; these compensations do not count toward compensations of the above beneficiaries.
Note 5. Refers to any salaries, allowances, severance pay, bonuses, incentives, travel allowances, special allowances, subsidies, accommodation, vehicles and in-kind benefits that the director received in the last year for assuming the role of a company employee (such as President, Vice President, manager or other employee). Where housing, cars, vehicles, or personal allowances were granted, the nature and cost of assets, the rental rates (calculated based on actual or fair value), cost of petrol, and other subsidies are also disclosed. Where personal drivers were assigned, a footnote disclosure explaining the amount of compensations made to drivers is provided; these compensations do not count toward compensations of the above beneficiaries. Part of the salary expense was recognized according to IFRS2 - "Share-based Payment". Amounts including employee warrants, restricted employee shares, and subscription to cash issues are also treated as compensation.
Note 6. Refers to any compensation that the director received (in cash or in shares) in the last year for assuming the role of an employee (such as president, vice president, manager, or other employees). The amount of employee remuneration proposed by the board of directors in the last year has been disclosed (where the amount could not be estimated, the percentage of amount paid in the last year was used to calculate pro-forma amount for the current year). The Table - "Names of Managers Receiving Employee Remuneration" has also been completed for reference.
Note 7. Compensation is presented in aggregate of all amounts paid by all companies covered by the consolidated financial statements (including the Company) to the Company's Directors.
Note 8. Net income refers to the amount reported in standalone or individual financial statements of the most recent year. If IFRSs have been adopted, net income shall refer to the amount shown in the latest consolidated financial statements.
Note 9. a. This field represents all forms of compensation that the director received from the Company's parent company or business investments other than subsidiaries (or "None" if absent).
b. For Directors who receive compensation from parent company or business investments other than subsidiaries, the amount of compensation from parent company or business investments have been added to column I of the compensation brackets table. In which case, column I will be renamed "...parent company and all business investments..."
c. Compensation refers to any benefit, remuneration (including remuneration received as an employee, director, and supervisor), and professional service fee that the Company's Directors received for serving as director, supervisor, or manager in the parent company or business investments other than subsidiaries.
Note 10. Po-Chien Hu resigned from the board of directors on June 10, 2025.

**The basis of compensation disclosed above is different from the basis of the income tax law, hence the above table has been prepared solely for information disclosure, and not for tax purpose.

(II) Supervisors' compensation: The Company has assembled an Audit Committee to replace supervisors, hence not applicable.

(III) Remuneration to President and Vice President

December 31, 2025; unit: NT$ thousand

Title	Name	Salary (A) (Note 2)		Severance pay and pension (B)		Bonuses and allowances (C) (Note 3)		Employee remuneration (D) (Note 4)				Sum of A, B, C and D as a percentage of net income (%) (Note 5)		Compensation from parent company or business investments other than subsidiaries (Note 7)
		The Company	All companies included in the financial statements (Note 6)	The Company	All companies included in the financial statements (Note 6)	The Company	All companies included in the financial statements (Note 6)	The Company		All companies included in the financial statements (Note 6)		The Company	All companies included in the financial statements (Note 6)	
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
President	Duane Lee	0	2,534	0	0	1,778	1,778	0	0	0	0	1,778 -0.72%	4,312 -1.75%	0

＊Disclosure is mandatory for persons who hold positions equivalent to a President or vice president (e.g. group president, CEO, President etc.).

Note 1. The names of President and Vice Presidents are presented separately, while amounts of various benefits are presented on an individual basis.

Note 2. Refers to salaries, allowances, and severance pay made to the President and Vice Presidents in the last year.

Note 3. Refers to other compensations such as bonus, incentive, travel allowance, special allowance, subsidy, accommodation, corporate vehicle, or other in-kind benefits made to the President and Vice Presidents. Where housing, cars, vehicles, or personal allowances were granted, the nature and cost of assets, the rental rates (calculated based on actual or fair value), cost of petrol, and other subsidies are also disclosed. Where personal drivers were assigned, a footnote disclosure explaining the amount of compensations made to drivers is provided; these compensations do not count toward compensations of the above beneficiaries. Part of the salary expense was recognized according to IFRS2 - "Share-based Payment." Amounts including employee warrants, restricted employee shares, and subscription to cash issues are also treated as compensation.

Note 4. Represents the amount of employee remuneration provided for the President and Vice Presidents (in cash or in shares), which the board of directors has proposed as part of the most recent earnings appropriation (where the amount could not be estimated, a calculation was made based on last year's payout ratio). The Table "Names of Managers Receiving Employee Remuneration" has also been completed for reference.

Note 5. Compensation is presented in aggregate of all amounts paid by all companies covered by the consolidated financial statements (including the Company) to the Company's President and Vice Presidents.

Note 6. Net income refers to the amount reported in standalone or individual financial statements of the most recent year. If IFRSs have been adopted, net income shall refer to the amount shown in the latest consolidated financial statements.

Note 7. a. This field represents all forms of compensation that the President and Vice Presidents received from the Company's parent company or business investments other than subsidiaries (or "None" if absent).

b. For President/Vice Presidents who receive compensation from parent company or business investments other than subsidiaries, the amount of compensation from parent company or business investments have been added to column E of the compensation brackets table. In which case, column E will be renamed "...parent company and all business investments..."

c. Compensation refers to any benefit, remuneration (including remuneration received as an employee, director, and supervisor), and professional service fee that the Company's president and vice presidents received for serving as director, supervisor, or manager in the parent company or business investments other than subsidiaries.

Note 8. The Company is a holding company, and only has one President and one Vice President.

**The basis of compensation disclosed above is different from the basis of the income tax law, hence the above table has been prepared solely for information disclosure, and not for tax purpose.

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

December 31, 2025; unit: NT$ thousand

	Title	Name	Amount paid in shares	Amount paid in cash	Total	Total as a percentage of net income
Managers	President	Duane Lee	0	0	0	0.00%

Note 1: Names and titles have been disclosed separately, whereas the amount of profit sharing can be disclosed in aggregate.

Note 2: Refers to the amount of employee remuneration allocated to managers (in cash or in shares), which the board of directors has proposed as part of the most recent earnings appropriation (where the amount could not be estimated, the percentage of amount paid in the last year was used to calculate pro-forma the amount for the current year).
Net income refers to the amount reported in the most recent year. If IFRSs have been adopted, net income shall refer to the amount shown in the latest standalone or individual financial statements.

Note 3: Pursuant to FSC Letter No. Tai-Cai-Zheng-III-0920001301 dated March 27, 2003, the role of manager covers the following positions:
(1) President or equivalent grade (2) Vice president or equivalent grade (3) Assistant vice president or equivalent grade (4) Head of treasury department (5) Head of accounting department (6) Other managerial positions and authorized signatories within the Company.

Note 4: For directors, the President, and Vice Presidents who receive employee remuneration (in cash or in shares), details have been disclosed in this table in addition to the Table, "Compensation to Non-independent and Independent Directors."

(V) Compensation for top-5 paid managers of the TWSE/TPEX listed company

December 31, 2025; unit: NT$ thousand

Title	Name	Salary (A) (Note 2)		Severance pay and pension (B)		Bonuses and allowances (C) (Note 3)		Employee remuneration (D) (Note 4)				Sum of A, B, C and D as a percentage of net income (%) (Note 5)		Compensation from parent company or business investments other than subsidiaries (Note 7)
		The Company	All companies included in the financial statements (Note 6)	The Company	All companies included in the financial statements (Note 6)	The Company	All companies included in the financial statements (Note 6)	The Company		All companies included in the financial statements (Note 6)		The Company	All companies included in the financial statements (Note 6)	
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
President of Parent company	Duane Lee	0	2,534	0	0	1,778	1,778	0	0	0	0	1,778 -0.72%	4,312 -1.75%	0
President of a Significant Subsidiary	Joyce Wang	0	8,072	0	0	0	2,126	0	0	0	0	0 -0.00%	10,198 -4.14%	0
Vice President of a Significant Subsidiary	Kenneth Tseng	0	4,604	0	0	0	255	0	0	0	0	0 -0.00%	4,859 -1.97%	0
Vice President of a Significant Subsidiary	Crystal Chen	0	4,531	0	0	0	376	0	0	0	0	0 -0.00%	4,907 -1.99%	0
Board Secretary and Audit Director of a Significant Subsidiary	Yoyo Zhu	0	3,617	0	0	0	425	0	0	0	0	0 -0.00%	4,042 -1.64%	0

Note 1: The term "top five highest-paid executives" refers to managerial officers of the Company. The criteria for identifying these managerial officers are based on the regulations outlined in the letter issued by the Ministry of Finance Securities and Futures Commission on March 27, 2003 (Tai-Cai-Zheng-San-Zi No. 0920001301). Regarding the calculation and determination of the "top five highest-paid," it is based on the total amount received by executives of the Company from salaries, retirement pensions, bonuses, special allowances, and employee remuneration amounts from all companies within the consolidated financial statements (i.e., the total of A+B+C+D), and the top five highest-paid individuals are determined after sorting. If a director also serves as one of the aforementioned department heads, this form and the table above (1-1) apply.

Note 2: The salaries, position allowances, and retirement benefits of the top five highest-paid executives for the most recent fiscal year are listed.

Note 3: The various bonuses, incentives, transportation expenses, special allowances, allowances, housing, company vehicles, and other remuneration amounts received by the top five highest-paid executives for the most recent fiscal year are listed. Such as housing, automobile and other transportation tools or individual expenses. Information including natural of the assets provided, the associated cost, actual or market rents, gasoline and other payments made, shall be disclosed. Compensation to chauffeur by the Company, if available, shall be noted in the footnote but not include in the compensation to the directors. According to IFRS 2 “Share-based Payment,” salary expense recognized shall include employee stock warrant, employee new-share rights, and rights to subscribe new share issuance and cash capital increase.

Note 4: Refers to the amount of employee compensation (including both shares and cash) allocated to the top five highest-paid executives as approved by the Board of Directors in the most recent fiscal year. If the amount cannot be estimated, it shall be calculated based on the proportion of the actual distribution in the previous year, and Appendix Table 1-3 shall also be completed.

Note 5: The total amount of remuneration paid to the Company's top 5 highest-paid executives by all companies (including the Company) listed in the consolidated financial statements should be disclosed.

Note 6: After-tax net profit refers to the after-tax net profit of the parent company only or separate financial statements for the most recent fiscal year.

Note 7: a. Please clearly indicate the amounts of remuneration received by the top five highest-paid executives of the Company from investees other than subsidiaries or the parent company in this column (if none, please fill in “none”). b. Remuneration refers to the top five highest-paid managerial officers of the Company serving in investees other than subsidiaries

(VI) Amount of compensation paid in the last 2 years by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, president, and vice presidents, and their respective percentages to consolidated net income, as well as the policies, standards, and packages by which they were paid, the procedures through which compensations were determined, and their association with business performance and future risks:

1. Percentage (%) of net income paid by the Company and all companies included in the consolidated financial statements as compensation to the Company's directors, supervisors, the president, and vice presidents in the last 2 years

Unit: NTD thousands

	2025	2024
Sum of compensation paid to the Company's directors, supervisors, president, and vice presidents in the current year	45,957	44,026
Current net income (Note)	-246,557	629
Directors', supervisors', president's, and vice presidents' compensations paid as a percentage to net income	-18.64%	6999.36%

Note: Current net income attributable to owners of the parent.

2. Compensation policies, standards, packages, and procedures, and association with future risks and business performance:

In addition to receiving fixed pay for the responsibilities borne, directors of the Company may also take part in profit sharing. According to the Articles of Incorporation, the amount of salary paid to directors for services rendered is determined by the board of directors after taking into consideration their participation and contribution to the Company's operations, whereas the amount and extent of profit sharing are proposed by the board of directors and approved through ordinary resolution during shareholder meeting before distribution, in which directors can not be paid more than 3% of the Company's net income in the given year.

Before making major decisions, the Company would take into consideration the prevailing and future risk factors, and compensate the management accordingly based on how the decisions contribute to customer and business growth. In other words, managers' compensations adequately reflect their professional capacity and outcomes of the Company's business efforts, and have been appropriately associated with future risks.

Managers of the Company (including directors who hold concurrent managerial positions) are compensated after taking into consideration the salary standards of comparable industries published by Hewitt Associates, the largest talent consultancy company in China; the compensation package includes both fixed salary and a variable bonus that is determined based on actual work performance.

III. Corporate governance status

(I) Functionality of the board of directors

A total of 8 board meetings (A) were held in the last year; the Company does not have any supervisor in place, and below are directors' attendance records:

Title	Name	No. of meetings attended in person (B)	No. of proxy attendance	Attendance rate (%) (B/A)	Remarks
Chairman	Joyce Wang	8	0	100%	
Director	Duane Lee	7	1	88%	
Director	Chuan Chin	8	0	100%	
Director	Kuang-Tsan Tsao	8	0	100%	
Director	Po-Chien Hu	3	1	75%	Resigned
Independent Director	Ying-Tung Lau	6	2	75%	
Independent Director	Chung-Wen Tong	7	1	88%	
Independent Director	Kun-Chih Chen	8	0	100%	
Independent Director	Shu-Hua Chen	8	0	100%	

Note: Director Po-Chien Hu resigned on June 10, 2025.

Other mandatory disclosures:

I. For board of directors meetings that meet any of the following descriptions, state the date, session, the discussed motion, independent directors' opinions and how the Company had responded to such opinions:

(I) Matters listed in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee; therefore, Article 14-3 does not apply. For matters listed under Article 14-5 of the Securities and Exchange Act, please refer to the section "Operation of the Audit Committee" (page 24).

(II) Other than the above, other resolutions adopted by the Board of Directors to which independent directors have expressed dissenting or qualified opinions and which are recorded or stated in writing: None.

II. For the implementation of directors' recusal from motions involving conflicts of interest, the names of the directors, the content of the motions, the reasons for requiring recusal due to conflicts of interest, and participation in voting shall be specified:

(I) The details of such matters are as follows:

1. At the Board of Directors meeting convened by the Company on March 5, 2025, due to the discussion of the 2025 related-party donation proposal, Director Joyce Wang of the Company recused herself from the discussion and voting on the proposal in accordance with the Rules of Procedure for Board of Directors Meetings of the Company.
2. At the Board of Directors meeting convened by the Company on March 11, 2025, due to the discussion of the proposal for the distribution of 2024 employee remuneration and director remuneration, five directors of the Company, namely Joyce Wang, Duane Lee, Chuan Chin, Guang-Tsann Tsao, and Po-Chien Hu, all recused themselves from the discussion and voting on the proposal in accordance with the Rules of Procedure for Board of Directors Meetings of the Company.
3. At the Board of Directors meeting convened by the Company on March 11, 2025, due to the discussion of the proposal for 2025 compensation to directors (excluding independent directors) and managerial officers, Directors Joyce Wang and Duane Lee of the Company recused themselves from the discussion and voting on the proposal in accordance with the Rules of Procedure for Board of Directors Meetings of the Company.
4. At the Board of Directors meeting convened by the Company on March 11, 2025, due to the discussion of the proposal for the 2025 managerial officers' performance bonus plan, Directors Joyce Wang and Duane Lee of the Company recused themselves from the discussion and voting on the proposal in accordance with the Rules of Procedure for Board of Directors Meetings of the Company.
5. At the Board of Directors meeting convened by the Company on May 12, 2025, due to the discussion of the 2024 related-party donation proposal, Directors Joyce Wang, Duane Lee, Chuan Chin, and

Guang-Tsann Tsao of the Company recused themselves from the discussion and voting on the proposal in accordance with the Rules of Procedure for Board of Directors Meetings of the Company.

6. At the Board of Directors meeting convened by the Company on May 12, 2025, due to the discussion of the 2025 related-party donation proposal, Directors Joyce Wang, Duane Lee, Chuan Chin, and Guang-Tsann Tsao of the Company recused themselves from the discussion and voting on the proposal in accordance with the Rules of Procedure for Board of Directors Meetings of the Company.
7. At the Board of Directors meeting convened by the Company on November 12, 2025, due to the discussion of the proposal for the payment of 2024 employee remuneration, Director Duane Lee of the Company recused himself from the discussion and voting on the proposal in accordance with the Rules of Procedure for Board of Directors Meetings of the Company.

(II) Other than the above, other resolutions adopted by the Board of Directors to which independent directors have expressed dissenting or qualified opinions and which are recorded or stated in writing: None.

III. TWSE/TPEX listed companies shall disclose information such as the evaluation cycle and period, evaluation scope, method, and evaluation content of the Board of Directors self-evaluation (or peer evaluation). Please refer to the status of the implementation of Board of Directors evaluation, and fill in the Attachment - Status of the implementation of Board of Directors evaluation.

(I) Execution of board performance evaluation:

The Company passed a set of "Board of Directors Performance Assessment Policy" on March 9, 2020:

Assessment cycle	Assessment duration	Scope of assessment	Assessment method	Assessment details
International performance assessment is conducted once a year according to assessment procedures and assessment indicators.	Assessment of the performance of the Board of Directors for the period from January 1, 2025 to December 31, 2025 at the end of the year.	Covers performance of the board as a whole, the individual directors, and functional committees.	Internal self-assessment of the Board of Directors, self-assessment by directors, peer self-assessment, engagement of external professional institutions.	Please see page 25 of this annual report for "2025 Board of Directors Performance Assessment."
Assessment outcome: To be completed before the end of the first quarter next year.				

(II) Enhancements to the functionality of board of directors in the current and most recent year, and progress of such enhancements:

1. The board of directors acts under the direct authorization of shareholders; the board is required to perform its duties and execute corporate governance-related actions and arrangements in accordance with laws, Articles of Incorporation, and shareholders' resolutions. To align with international corporate governance development trends, the Company approved the "Corporate Governance Best Practice Principles" on May 7, 2020, and amended them on March 21, 2022, May 12, 2023, and March 11, 2025. In addition to complying with the provisions of laws and regulations and the Articles of Incorporation, as well as the contracts entered into with the Taipei Exchange and related regulatory requirements, the Company shall act in accordance with the following principles: protecting shareholders' rights and interests, strengthening the functions of the Board of Directors, giving full play to the functions of independent directors, respecting the rights and interests of stakeholders, and enhancing information transparency.

2. Directors' and independent directors' education:
All directors and 4 independent directors of the Company have completed the required number of training hours in accordance with "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies." Training hours and course details have been disclosed on Market Observation Post System (MOPS). Please see pages 46 to 47 of this annual report.

3. The board of directors functions in compliance with "Board of Directors Conference Rules" and "Standard Operating Procedures for Resolving Directors' Requests," and convenes meetings according to the above rules. The board is deemed to have delivered good performance to date.

4. The Company adheres to the principle of transparency. Following each Board meeting, it promptly discloses material information on the same day in accordance with the “Procedures for Verification and Disclosure of Material Information of Companies Listed on the Taipei Exchange,” and publishes relevant information on the MOPS to safeguard shareholders’ rights and interests.

5. Performance assessment of board of directors and functional committees:
(1) Execution unit of internal board performance assessments. The Board of Directors of the Company approved the "Board of Directors Performance Assessment Policy" on March 9, 2020, and conducts one internal Board of Directors

performance assessment at the end of each year in accordance with the assessment procedures and assessment indicators. External performance assessment for the Company's board of directors is conducted at least once every three years by an independent professional institution or a team of experts and scholars from outside the Company. Assessment outcomes are to be completed before the end of the first quarter the following year, and presented to the board of directors.

(2) Performance assessment of the board of directors covers at least the five main aspects below:
participation in the Company's operations, improvement to the quality of board decisions, the board's composition, election and ongoing education of board members, and enforcement of internal control.

(3) Directors' individual performance (self) assessment covers at least the following six main aspects:
director's awareness toward the Company's goals and missions, awareness to duties, level of participation in the Company's operations, maintenance of internal relations and communication, professionalism and ongoing education, and enforcement of internal control.

(4) Assessment of functional committee performance covers at least the following five main aspects:
participation in the Company's operations, awareness to duties, improvement to the quality of committee's decisions, composition and member selection, and enforcement of internal control.

(5) Based on the results of the 2025 evaluation, the Board of Directors has operated in full compliance with the Company's needs and can effectively facilitate the Company's execution of sustainable development, operations, social responsibility, risk management, and long-term strategic development, in order to implement the spirit of corporate governance. Outcome of board performance assessment is taken into consideration when electing or nominating independent directors for the next board. Performance assessment of individual directors is taken into consideration when determining individual compensation. The overall performance evaluation results for the Board of Directors and functional committees are as follows:

(The internal evaluation results were submitted to and Approved by the 22nd meeting of the 8th Term Board of Directors on March 13, 2026)

- Internal board performance assessment

Serial No.	Assessment method	Scope of assessment	Assessment details	Question No.	Assessment outcome
1	Self-assessment of board members	Board performance assessment	1. Level of participation in the Company's operations	12	Total average of self-assessments score was 4.95 (total score of 5 points) The board of directors has performed favorably
			2. Improvement of board decision quality	12	
			3. Composition of the board of directors	7	
			4. Election and continuing education of the directors	7	
			5. Internal control	7	
2	Self-assessment of board members	Performance assessment of individual directors	1. Comprehension of the Company's targets and missions	3	Total average of self-assessments score was 4.98 (total score of 5 points)
			2. Directors' duty awareness	3	
			3. Level of participation in the Company's operations	8	
			4. Management and communication of internal relations	3	
			5. Professionalism and ongoing education of directors	3	
			6. Internal control	3	
3	Self-assessment of Audit Committee members	Assessment of functional committee performance	1. Level of participation in the Company's operations	4	Total average of self-assessments score was 4.94 (total score of 5 points)
			2. Awareness towards the duties of the Audit Committee.	5	
			3. Improvement to Audit Committee's decision quality	7	
			4. Composition of Audit Committee and selection of committee members	3	
			5. Internal control.	3	
4	Self-assessment of Remuneration Committee members	Assessment of functional committee performance	1. Level of participation in the Company's operations	4	Total average of self-assessments score was 4.76 (total score of 5 points)
			2. Awareness towards the duties of the Remuneration Committee	5	
			3. Improvement to Remuneration Committee's decision quality	7	
			4. Composition of Remuneration Committee and selection of committee members	3	

- External board performance assessment

In 2026, the Company commissioned an external institution, the Taiwan Board Performance Enhancement Association, to conduct a Board effectiveness evaluation for the period from 2025/1/1 to 2025/12/31. The institution appointed three evaluation experts to assess Board effectiveness through questionnaires and online video interviews across seven major dimensions: "Board composition and structure," "election and continuing education of directors," "degree of Board participation in the Company's operations," "enhancement of Board decision-making quality," "internal control," "sustainable development," and "value creation." The Institute and its experts have no business dealings with the Company; they are independent. They issued an evaluation report on March 09, 2026, and reported the above recommendations and measures expected to be adopted to the board of directors on March 13, 2026. Relevant conclusions and recommendations are as follows:

Overall evaluation:

1. The Board of Directors composition combines independence and diversity and meets the needs of the Company's operations.
2. The Company implements an annual board performance self-assessment, and this was the second time that an external professional institution was engaged to conduct a board performance evaluation, demonstrating the Board of Directors' determination to improve governance effectiveness and accountability.
3. The content of the Company's board meetings is specific and in-depth, including detailed discussions on structural changes in supply and demand and the financing environment; when differences arose between actual operating results and the budget, directors promptly played directing and supervising roles.

Recommendations are as follows:

1. It is recommended that the Audit Committee hold separate communication meetings with the accountants and the head of internal audit at least twice each year, and at the same time prepare written records and disclose them on the official website or in the annual report.
2. At the shareholders meeting, a report item on the "Communication between the Audit Committee and the head of internal audit" was added.
3. It is recommended that the Company establish an email address for independent directors to simultaneously receive whistleblowing letters from internal/external personnel, so as to enhance the efficiency and transparency of the whistleblowing mechanism.
4. It is recommended that the Company report on the status of sustainable development promotion at the shareholders meeting and submit the sustainability report for third-party assurance, so as to enhance external shareholders' understanding of the Company's implementation of sustainable development and improve the credibility of the sustainability report.

Improvement status:

1. The Audit Committee holds separate communication meetings with the accountants and the head of internal audit. For the "Communication between the Audit Committee and the head of internal audit," please refer to page P25 of the annual report.
2. At the 2026 shareholders meeting, a report item on "Communication between the Audit Committee and the head of internal audit" was added.
3. The Company has established an email address, SPEAKUP@COWEALTH.COM, for independent directors to simultaneously receive whistleblowing letters from internal/external personnel, so as to enhance the efficiency and transparency of the whistleblowing mechanism.
4. At the 2026 shareholders meeting, a report item on the "Status of sustainable development promotion in 2026" was added, so as to enhance external shareholders' understanding of the Company's implementation of sustainable development.

(6) For detailed information on the Board of Directors performance evaluation, please refer to the Company's official website: https://www.cowealthholding.com/irm/boardOfDirectors.html

IV. The goal for the current year and recent year is to strengthen the function of the board of directors (for example, establish audit committee, increase information transparency, and so on) and execute situational evaluations:

(I) The Company has four independent directors, and the Audit Committee is composed of all independent directors, with Associate Professor Chen Kun-Chih of the Department of Accounting, National Taiwan University, serving as convener. The board of directors convened a total of 10 meetings in 2025 and up until the publication date of annual report. Attendance of independent directors at board meetings is explained below:

Attendance in person: ◎ Attendance by proxy: ☆ Absent: *

Name of independent director	2025								2026		
	1/14	3/5	3/11	5/12	8/25	10/9	11/12	11/21	3/2	3/13	3/30
Kun-Chih Chen	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎
Ying-Tung Lau	◎	◎	◎	◎	◎	☆	◎	☆	◎	◎	◎
Chung-Wen Tong	◎	◎	◎	◎	☆	◎	◎	◎	◎	◎	◎
Shu-Hua Chen	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎

(II) The Company has also assembled a Remuneration Committee, in which the role of convener is undertaken by former President Ying-Tung Lau of Chang Gung University of Science and Technology, whereas Independent Directors Chung-Wen Tong and Shu-Hua Chen serve as members of the Remuneration Committee.

(III) All financial statements of Cowealth Group are audited by KPMG. All information required to be disclosed by laws and regulations has been disclosed on the Market Observation Post System, and the Company has also established Chinese and English websites to disclose relevant business information for the reference of shareholders and stakeholders.

(II) Information on the operation of the Audit Committee:

A total of 8 Audit Committee meetings (A) were held in the most recent year, and the attendance of independent directors is as follows:

Title	Name	No. of meetings attended in person (B)	No. of proxy attendance	Attendance rate (%) (B/A)	Remarks
Independent Director	Kun-Chih Chen	8	0	100%	
Independent Director	Ying-Tung Lau	6	2	75%	
Independent Director	Chung-Wen Tong	7	1	88%	
Independent Director	Shu-Hua Chen	8	0	100%	

Note: On May 29, 2024, the Audit Committee members elected Kun-Chih Chen, Associate Professor of the NTU Department of Accounting, as the convener of the audit committee.

Other mandatory disclosures:

I. If any of the following circumstances apply to the operation of the Audit Committee, the date, session number, content of proposals, any dissenting or qualified opinions expressed by independent directors, major recommendations, the Audit Committee's resolution, and the Company's response to such opinions shall be disclosed:
   (I) Conditions described in Article 14-5 of the Securities and Exchange Act: Please see pages 110-111 of this annual report for details.
   (II) Except for the foregoing, there were no resolutions passed by more than two-thirds of all directors without approval from the Audit Committee: None.

II. The implementation of recusal by independent directors in relation to interested party proposals shall specify the names of the independent directors, the content of the proposals, the reasons for recusal, and the circumstances of participation in voting:
   There was no occurrence in the last year that required recusal.

III. Communication between independent directors and internal/external auditors (e.g. discussions concerning the Company's financial and business affairs, the method of communication used, and the outcome):
   (I) The Audit Committee convenes its meetings and approves motions according to "Audit Committee Charter." The Chief Internal Auditor is invited to all Audit Committee and board of directors meetings. The Chief Internal Auditor presents audit reports to independent directors on a monthly basis. The Chief Internal Auditor makes quarterly reports on audit issues and internal control defects to independent directors and responds to queries during Audit Committee meetings. The Company organizes conferences once a year to facilitate communication between independent directors and internal/external auditors on various issues such as inspection opinions. Conference proceedings are recorded in minutes and presented during board of directors meetings.
   (II) Independent directors communicate with CPAs in Audit Committee meetings. The CPAs make regular reports to independent directors on the outcome of financial statement audit or review, and would discuss with independent directors on the trends and implications of future regulatory amendments, and notify Audit Committee members of any extraordinary circumstances. CPAs are also invited to provide opinions in board of directors meetings, and are considered to have engaged independent directors in productive communication.
   Communication between Audit Committee members and the Certified Public Accountants; a summary of communication matters for the most recent year is as follows:

Method of communication Audit Committee board and meeting Date	Key points of communication	Result
Audit Committee pre-meeting (8th Term-13th meeting) March 11, 2025	I. Explanation to the audit of 2024 financial statements II. Important regulatory updates - Management of Publicly Issued Companies Amendments to the Q&A on the Regulations Governing Establishment of Internal Control Systems by Public Companies Amendment to Article 14 of the Securities and Exchange Act	No comments, duly noted
Audit Committee pre-meeting (8th Term-14th meeting) May 12, 2025	I. Explanation on the review of 2025 first-quarter financial statements II. Important regulatory updates Information filing operations and material information for TPEx-listed companies	No comments, duly noted
Audit Committee pre-meeting (8th Term-15th meeting) August 25, 2025	I. Explanation on the audit of 2025 second-quarter financial statements II. Review recommendations III. Important regulatory updates Response to the competent authority's IFRS 18 questionnaire Reference example of the "○○ Company's IFRS Sustainability Disclosure Standards Implementation Plan" Draft amendments in preview to the Regulations Governing Information to be Published in Annual Reports of Public Companies Amendments to the Rules Governing the Preparation and Filing of Sustainability Reports by Listed Companies	No comments, duly noted
Audit Committee pre-meeting (8th Term-16th meeting) November 12, 2025	I. Explanation to the review of 2025 third-quarter financial statements II. Important regulatory updates Draft amendments in preview to the "Regulations Governing Information to be Recorded in and Compliance with the Manual for Shareholders Meetings of Public Companies" and the "Regulations Governing Information to be Published in Annual Reports of Public Companies"	No comments, duly noted

(III) Communication between Audit Committee members and the chief internal auditor

In 2025, the chief internal auditor separately held two discussion sessions with the independent directors, without the presence of the non-independent directors or management, to communicate on the 2024 internal control self-assessment status and the risk assessment report. The Internal Audit Officer reports quarterly to the Audit Committee on the implementation of the internal audit plan, key findings, the status of corrective actions on previously identified issues, and the annual audit plan, and engages in face-to-face discussions with the independent directors to address their inquiries. The Internal Audit Officer also reports the monthly audit reports via email on a monthly basis.

In addition, the Internal Audit Officer communicates with the independent directors via messaging platforms regarding audit matters and other issues related to the Audit Committee's responsibilities. Communication among the convener of the Audit Committee, the independent directors, and the Internal Audit Officer was effective.

A summary of the communication between Audit Committee members and the chief internal auditor in 2025 is as follows, which was reported to the 23rd meeting of the 8th Term Board of Directors on March 30, 2026 and reported to the 2026 shareholders meeting:

Date	**Method**	**Communication matters and content**	**Result**
2025/03/05	Audit Committee	2024 Q4 audit report	No comments, duly noted
2025/03/11	Discussion meeting	The head of internal audit reported to the independent directors on the implementation process of the 2024 internal control self-assessment and the system changes involved, and the independent directors asked questions regarding the Company's current actual control procedures, to which the head of internal audit provided full explanations and communication.	No comments, duly noted
	Audit Committee	2024 Statement of Internal Control System	No comments, duly noted
		Amendment to the internal control system	No comments, duly noted
2025/05/12	Audit Committee	2025 Q1 audit report	No comments, duly noted
2025/08/25	Discussion meeting	The head of internal audit reported to the independent directors on the results of the 2024 risk assessment report, fully explaining and presenting the assessment method, the scope of the risk inventory, the rating results of each risk point, and the reasons for changes in risk ratings compared with previous years.	No comments, duly noted
	Audit Committee	2025 Q2 audit report	No comments, duly noted
		Proposal for the 2024 risk assessment report	No comments, duly noted
2025/11/12	Audit Committee	2026 audit plan	No comments, duly noted
		2025 Q3 audit report	No comments, duly noted

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

Evaluation item	Current practices			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
I. Has the Company established and disclosed its corporate governance principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?	√		Cowealth Group has always adopted good corporate governance practices and persisted in raising the transparency of its operations for shareholders' best interest. Cowealth Group has implemented a complete corporate governance framework, including the establishment of "Corporate Governance Code of Conduct" on May 7, 2020 and supplementary amendments on March 21, 2022 in line with the latest regulations on virtual shareholder meeting, both of which were approved during the respective board of directors meetings. For the Company's "Corporate Governance Code of Conduct," please visit the Company's official website.	As explained in the summary
II. Shareholder structure and shareholders' rights (I) Has the Company established internal operations procedures to handle shareholders' suggestions, concerns, dispute, and litigation matters, and has implemented in accordance with the procedure? (II) Does the Company possess a list of major shareholders and beneficial owners of these major shareholders? (III) Has the Company built and executed risk management and firewall mechanisms between the Company and its affiliated companies? (IV) Has the Company established internal rules to prohibit insider trading on undisclosed information?	√ √ √ √		(I) Cowealth Group has appointed a share transfer agent in Taiwan to handle shareholder service according to internal procedures. A spokesperson and acting spokesperson have also been assigned to handle shareholders' suggestions as outlined in procedures. (II) The Company monitors the identities of its shareholders through the shareholder registry provided by the share transfer agent. The Company also maintains interaction with major shareholders to establish the identity of its ultimate controller. Any change in shareholders is investigated when filing monthly report. (III) The Company has established an internal control system in accordance with "Regulations Governing Establishment of Internal Control Systems by Public Companies," "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies," and "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" to support its supervisory efforts over subsidiaries. In addition to implementing clearly defined responsibilities and authorities between the Company and affiliated enterprises, appropriate firewalls have also been created based on risk assessment, and are being executed and managed persistently. (IV) Cowealth Group has "Insider Trading Prevention Policy" and "Illegal, Unethical, or Dishonest Conduct Reporting Policy" in place that prohibit any conduct likely to be construed as insider trading, which apply to all employees, managers, and directors of the Company, as well as any personnel who gain information through occupation or controlling relationship. The Company also encourages report of any conduct that is illegal or in violation of the Code of Ethical Conduct or Integrity Code of Conduct, and organizes	No material deviation is found

Evaluation item	Current practices			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			internal training and awareness promotion on a regular basis.	
III. Composition and Responsibilities of the Board of Directors (I) Has the board devised and implemented policies to ensure diversity of its members?	√		(I) The board of directors of Cowealth Group comprises members with practical experience in world-class businesses or academic experience in reputable institutions. The current board has 2 female directors and 4 independent directors. Alternatively, visit the Company's website for details: https://www.cowealthholding.com	No material deviation is found
(II) Besides setting up the Remuneration Committee and the Audit Committee, has the Company voluntarily set up Committees for other functions?		√	(II) Cowealth Group has assembled a Remuneration Committee and an Audit Committee; other functional committees will be assembled as needed in the future.	
(III) Has the Company established the regulations and method to evaluate the performance of the board of directors, and conduct such evaluation regularly every year? Have the results of the performance evaluations been submitted to the board, while applied as the reference for the remunerations and re-election of each director?	√		(III) The "Board of Directors Performance Assessment Policy" passed in 2020 specifies that: "When selecting or nominating independent directors, the board shall take into consideration the performance assessment of individual directors, and determine the level of compensation based on performance assessment of individual directors." Performance self-assessment of the board of directors for a given year is conducted at the beginning of the following year. The outcome of the 2025 internal and external performance assessment had already been reported during the board of directors’ meeting held on March 13, 2026, which will be used as reference for remuneration and nomination decisions for individual director in the future. Please see pages 22 to 24 of this annual report.	
(IV) Has the Company evaluate the independence of the independent auditor on a regular basis?	√		(IV) The Company’s audit committee evaluates independence and suitability of financial statement auditors each year, and reports evaluation outcome to the board of directors. When the Company discusses the independence and suitability of the appointment of certifying CPAs, in addition to requiring the CPAs to provide their resumes, a statement of independence, and the "Audit Quality Indicators (AQIs) Compiled by Accounting Firms," evaluations are conducted in accordance with the standards set forth in Note 1 and 13 AQI indicators. It has been confirmed that, apart from fees for audit and financial and tax engagements, the CPAs have no other financial interests or business relationships with the Company, that the family members of the CPAs also do not violate independence requirements, and, with reference to AQI indicator information, it is confirmed that the CPAs and their firm are above the industry average in both audit experience and training hours, and continue to introduce digital audit tools to improve audit quality. The evaluation results for the most	

Evaluation item	Current practices			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			recent year were reviewed and Approved by the Audit Committee on March 2, 2026, and subsequently submitted to the Board of Directors on March 2, 2026, which Approved the evaluation of the independence and suitability of the certifying CPAs.	
IV. Has the listed company assigned the properly competent and amount of corporate governance unit or personnel to be responsible for related matters to corporate governance (including but not limited to providing directors and supervisors the data required to execute the work, assisting directors and supervisors to comply with laws and regulations and organize Board of Directors and Shareholders meetings related matters, produced meeting minutes for Board of Directors and Shareholders meetings)?	√		On March 7, 2023, the Board of Directors approved the appointment of Li-Ching Chiao, Deputy Director of the Finance Department of the subsidiary Cowealth China, to concurrently serve as the corporate governance officer of the Company. Li-Ching Chiao resigned on January 31, 2026, and on March 2, 2026, the Board of Directors approved the appointment of Yu-Ting Ruan. Li-Ching Chiao and Yu-Ting Ruan both have more than three years of experience serving in supervisory positions in legal, finance, shareholder services, or corporate governance-related units of public companies. The Company has a corporate governance unit that is responsible for: providing timely information on MOPS or corporate website, assisting in the identification of shareholders with significant ownership interest, providing directors and supervisors with the information needed to perform duties, organizing ongoing education, overseeing matters concerning board meetings and shareholder meetings, executing company registration and changes, producing board meeting and shareholder meeting minutes, and regular assessment of CPA's independence and suitability. For ongoing education of the Company's Corporate Governance Officer, please refer to page 47 of this annual report.	No material deviation is found
V. Has the Company established a means of communicating with its Stakeholders (including but not limited to shareholders, employees, customers, suppliers, and so on) and created a Stakeholders Section on its Company website? Does the Company respond to stakeholders' questions on corporate responsibilities?	√		The Company has created a dedicated stakeholders section on its website and implemented a set of "Illegal, Unethical, or Dishonest Conduct Reporting Policy" to properly respond to key corporate social responsibility issues that are of concern to stakeholders. The Company has implemented internal communication channels for employees. Employees are able to reflect opinions through email or written correspondence.	No material deviation is found
VI. Has the Company appointed a professional registrar for its Shareholders' meetings?	√		The Company has commissioned the Transfer Agency Department of CTBC Bank Co., Ltd. to handle shareholder services.	No material deviation is found
VII. Information disclosure (I) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status? (II) Does the Company use other information disclosure channels (such as, create an English-language website, designate staff responsible for the handling of information collection and	 √ √		(I) The Company has set up an official website (http://www.cowealthholding.com) to disclose financial, business, and corporate governance-related information. Website disclosures are updated from time to time for investors' reference, and relevant disclosures are made onto MOPS according to rules. (II) The Company maintains its website in three different languages (Traditional Chinese, Simplified Chinese, and English), and has assigned dedicated personnel to gather and	No material deviation is found

Evaluation item	Current practices			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
disclosure, establish spokespersons system, webcasting investors conference and so on)? (III) Does the Company announce and register the annual financial reports within two month upon the end of a financial year, and announce and register the first, second and third quarter financial reports and the monthly operations before the required due date?		√	disclose public information. Furthermore, a spokesperson system has been implemented within the organization. Proceedings of investor conference are placed on company website for information transparency. (III) The Company complies with instructions of the authority and publishes/files annual and quarterly financial reports along with monthly business performance within the required timeframe. All above financial information is updated simultaneously onto the Company's website.	
VIII. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?	√		(I) Employee rights and employee care: The Company has human resources policies and incentives in place to care for employees. All main subsidiaries that are actually involved in business activities have implemented their own welfare systems and protected employees' interests in compliance with the laws of the respective countries. Refer to section - "Five. Operational Overview - V. Labor Relations" of this annual report. (II) Investor relations, supplier relations, and stakeholders' rights: The Company has established internal policies on corporate social responsibility, such as "Integrity Code of Conduct" and "Sustainable Development Code of Conduct," to enforce corporate governance and promote compliance with regulations. The Board of Directors Conference Rules contain clauses on directors' recusal from interest-conflicting motions, which are duly executed. (III) Ongoing education of directors and supervisors: All directors and independent directors complete at least 6 hours of training each year as required by laws. See the charts presented in pages 46-47 for details. (IV) Risk management policy and implementation of risk assessment standard: The Company devotes significant attention to maintaining robust risk management and internal audit systems. The Company complies with "Regulations Governing Establishment of Internal Control Systems by Public Companies" by presenting an annual audit plan to the board of directors and keeping the board informed on the execution progress and audit outcomes on a quarterly basis. These measures provide reasonable assurance to the effectiveness of the internal control system. (V) Execution of customer policy: The Company has established its own "Integrity Code of Conduct" to enforce integrity in business activities. Contracts have been signed with customers to outline rights and obligations with each other. (VI) Liability insurance for directors and supervisors: The US$10 million liability insurance that the Company had purchased for	No material deviation is found

Evaluation item	Current practices			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			directors, supervisors, and managers in 2025 remained active as of the publication date of annual report. The Company will renew the coverage before it expires in June 2026, and present important policy details in the upcoming board meeting.	
IX. Please explain the improvements made, based on the latest Corporate Governance Evaluation results published by TWSE Corporate Governance Center, and propose enhancement measures for any issues that are yet to be rectified. (Not required if the Company is not one of the evaluated subjects): None.				

Note 1: Assessment criteria for auditors' independence: (approved during the 21st meeting of the 8th board of directors held on March 02, 2026)

Company name:	**Cowealth Medical Holding Co., Ltd.**
Accounting period:	2026 financial statements

Independence and Competency Assessment Explanation

I. CPA independence assessment procedures have been established based on Certified Public Accountant Act, The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and Statement on Auditing Standards.

II. The terminology defined in Bulletin No. 10 - "Integrity, Objectivity and Independence" of The Norm of Professional Ethics is as follows:

Financial interest	An interest in an equity or other security, debenture, loan or other debt instrument of an entity, including rights and obligations to acquire such an interest and derivatives directly related to such interest.
Direct financial interest	▪ Owned directly by and under the control of an individual or entity (including those managed on a discretionary basis by others); or ▪ Beneficially owned through a collective investment vehicle, estate, trust or other intermediary over which the individual or entity has control, or the ability to influence investment decisions.
Indirect financial interest	A financial interest beneficially owned through a collective investment vehicle, estate, trust or other intermediary over which the individual or entity has no control or ability to influence investment decisions.
Family	A spouse (or equivalent) or dependent.
Immediate family	Lineal, immediate affinity and sibling.

III. The CPA competency assessment procedure is established in accordance with the Audit Quality Indicators (AQIs) framework specified by the FSC, including 5 main aspects of professionalism, independence, quality control, supervision, innovative capability and 13 indicators.

		Compliance with policy	
	CPA independence assessment procedures	**Yes**	**No**
1.	**Financial interest**		
	(i) Are the CPA firm's audit team members and family thereof free of direct financial interest and material indirect financial interest in the Company?	V	
	(ii) Are the CPA firm's other licensed CPAs and family thereof free of direct financial interest and material indirect financial interest in the Company?	V	
	(iii) Are the CPA firm and affiliated enterprises free of direct financial interest or material indirect financial interest in the Company?	V	
2.	**Loans and guarantees**		
	(i) Is the Company free of loan and guarantee arrangement with the CPA firm, the firm's affiliated enterprises, and members of the audit team?	V	
3.	**Business relationship**		
	(i) Are the CPA firm, the firm's affiliated enterprises, and members of the audit team free of close business relationship with the Company and its directors, supervisors, and managers? Examples of the relationship include: ■ Having a financial interest in a strategic alliance with the Company or its stockholder, director, supervisor or manager who has the controlling power. ■ Making arrangements of its services or products to form an alliance with the services or products of the Company, and marketing the allied services or products with references to both parties. ■ A firm or its affiliate receives interests by soliciting the products or services to or from the Company. Does the Company sell products or provide services to the CPA firm, the firm's affiliated enterprises, or members of the audit team within normal business conduct?	V	
4.	**Family and personal relationships**		
	(i) Do family members of the audit team abstain from serving as the Company's director, supervisor, manager, or any position that has direct and material effect on audit tasks, as of now and during the period of audit service?	V	

CPA independence assessment procedures		Compliance with policy Yes	No
	(ii) Do close relatives of the audit team abstain from serving as the Company's director, supervisor, manager, or any position that has direct and material effect on audit tasks, as of now and during the period of audit service?	V	
5.	**Employment relationship**		
	(i) Do the CPA firm and members of the audit team abstain from serving as the Company's director, supervisor, manager, or any position that has direct and material effect on audit tasks?	V	
	(ii) If any member of the audit team, CPA, or former CPA of the CPA firm is currently employed by the Company, please evaluate impacts on CPA's independence based on the following factors: ■ The position held within the Company. ■ The length of time between resignation from CPA firm and employment at the Company. ■ Importance of the individual's previous role in the CPA firm.	No such occurrence	
	(iii) To the Company's best knowledge, do all members of the audit team abstain from accepting employment at the Company in the near future?	V	
	(iii) Do the CPA firm and CPAs and employees of its affiliated enterprises abstain from rendering service as directors, supervisors, managers or equivalent position at the Company?	V	
6.	**Gifts and hospitality**		
	Does the Company offer gifts or hospitality to members of the audit team in accordance with social norms or customary business practices? Are the gifts/hospitality non-material in value and offered without any motive or intent to influence professional decision or obtain confidential information?	V	
7.	**Rotation of financial statement auditor**		
	Do CPAs serve no more than seven years as the Company's engagement partner, and are reappointed as engagement partner at least two years after rotation?	V	
8.	**Non-attest service**		
	Does the Company require CPAs to provide a detailed breakdown of non-attest services rendered, and evaluate how they affect independence?	V	
9.	**CPA statement of independence**		
	Does the Company obtain a statement of independence issued by CPAs that addresses the Audit Committee (or governance body of equivalent nature if no Audit Committee is present).	V	

	CPA suitability assessment procedure - with reference to the Audit Quality Indicators (AQIs)	Independence Yes	 No
1.	**Professional expertise**		
	(i) Whether CPA and auditor above the manager level is equipped with adequate audit experience to perform audit works? Assessment result: In 2024, the experience of the CPAs and auditors above the manager level at the individual engagement level was superior to the industry average, and they possessed sufficient audit experience.	ˇ	
	(ii) Training hours: Whether the CPAs and auditors above the manager level receive sufficient education and training each year and continuously acquire professional knowledge and skills? Assessment result: The number of training hours at the firm level in 2024 was approximately equivalent to the industry average, enabling them to continuously acquire professional knowledge and skills.	ˇ	
	(iii) Turnover rate: Whether CPA and auditor above the manager level receives sufficient education and training annually, in order to obtain professional knowledge and skills continuously? Assessment result: The turnover rate at the firm level in 2023 - 2024 was no more than 5% higher than the industry average, and sufficient senior manpower could be maintained.	ˇ	
	(iv) Professional support: Whether the firm has sufficient professionals (such as valuation personnel) to support the audit team? Assessment result: In 2023 - 2024, the proportion of support from professionals at the firm level was superior to the industry average and could support the audit team.	ˇ	
2.	**Quality control**		
	(i) CPA's burden: Whether the workload of CPA is overly heavy, including the number of public companies he/she services and the ratio of available working hours participated by the CPA? Assessment result: In 2023 - 2024, the proportion of available working hours at the individual firm level and the number of engagements served as lead signing CPA were lower than the industry average. Taking all factors into consideration, there was no concern about excessive CPA workload.	ˇ	
	(ii) Audit participation: Whether the audit team members' participation in each audit stage is appropriate? Assessment result: In 2023 - 2024, the input of CPAs and personnel above the manager level at the firm level in each stage was equivalent to the industry average	ˇ	
	(iii) EQCR review status: Whether EQCR account spends sufficient hours in executing the second review of audit case? Assessment result: In 2023 - 2024, the proportion of review hours of EQCR CPAs at the firm level was approximately equivalent to the industry average.	ˇ	
	(iv) Quality support capability: Whether the firm has sufficient quality control manpower to support the audit team? Assessment result: In 2023 - 2024, the proportion of quality control personnel at the firm level was slightly lower than the industry average, but the proportion supporting the audit department was approximately equivalent to the industry average and would not affect suitability.	ˇ	
3.	**Independence**		
	(i) Non-audit service fee: Impact of non-audit service fee ratio on the independence Assessment result: In 2025 - 2026, the proportion of non-audit service fees was 10%, mainly for the substantive review of financial statements by the competent authority, annual report for the shareholders meeting, and XBRL conversion, etc., and had no material impact on independence.	ˇ	
	(ii) Customer familiarity: Impact of audit case for the number of accumulated years of the financial report audited by the firm on its independence	ˇ	
4.	**Supervision**		
	(i) External inspection deficiency and disposition: Whether the quality control and audit case of the firm are executed according to relevant regulations and standards? Assessment result: There were no cases of material disciplines and sanctions imposed on the firm and CPAs.	ˇ	
	(ii) Competent authority's letter for improvement: Whether the quality control and audit case of the firm are executed according to relevant regulations and standards? Assessment result: Neither the firm nor CPAs received improvement letter for deficiency from the competent authority.	ˇ	
5.	**Innovation capability**		
	(i) Innovation planning and advocacy: CPA firm's commitment on improvement of audit quality, including CPA firm's innovation capability and planning	ˇ	

(IV) Disclose the composition and functioning of remuneration committee or nomination committee, if available:

1. Information of Remuneration Committee members

April 14, 2026

Role	Criteria / Name	Professional qualification and experience	Independence criteria (Note)	Number of positions as Remuneration Committee member in other public companies
Independent Director (Convener)	Ying-Tung Lau	See page 9 of this annual report for directors' professional qualification and experience.	See page 9 of this annual report for independence criteria.	0
Independent Director	Chung-Wen Tong	See page 10 of this annual report for directors' professional qualification and experience.	See page 10 of this annual report for independence criteria.	0
Independent Director	Shu-Hua Chen	See page 10 of this annual report for directors' professional qualification and experience.	See page 10 of this annual report for independence criteria.	0

Note: Compliance of independence: Independence of Remuneration Committee members is evaluated using several criteria including but not limited to: whether they or their spouse or 2nd-degree relatives or closer serve as director, supervisor, or employee in the Company or any of its related businesses; the number and percentage of Company shares held in their own names or names of spouse, 2nd-degree relative or closer (or proxy shareholder); whether they serve as director, supervisor, or employee in any entity that has certain relationship with the Company (refer to Subparagraphs 5-8, Paragraph 1, Article 6 of Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); and the amount of compensation received in the last two years for providing commercial, legal, financial, accounting or other professional services to the Company and its related businesses.

2. Information on the Operations Situation of the Remuneration Committee
   (1). Members of the Remuneration Committee, a total of 3 persons.
   (2). Duration of service: from May 24, 2023 to May 23, 2026. The Remuneration Committee held 2 meetings (A) in the last year; details of members' eligibility and attendance are as follows:

Title	Name	No. of meetings attended in person (B)	No. of proxy attendance	Attendance rate (%) (B/A)	Remarks
Convener	Ying-Tung Lau	2	0	100%	
Independent Director	Chung-Wen Tong	2	0	100%	
Independent Director	Shu-Hua Chen	2	0	100%	

Other mandatory disclosures:

I. If the Board of Directors declines to adopt or modify recommendation(s) of the Remuneration Committee, the date, period, content of the motion and the results of the resolution of the Board meeting shall be clearly stated; as well as the action(s) taken by the company in response to the recommendation(s) of the Remuneration Committee. (If the remuneration passed by the Board exceeds what the Remuneration Committee has recommended, the circumstances and causes for such difference shall be clearly stated): None.

II. Regarding matters related to the resolution of the Remuneration Committee, if member(s) has opposing or retaining opinion that has been recorded or written statement issued, the date, period, content of the proposal, and all opinions of the members and corresponding actions to these opinions of the Remuneration Committee meeting shall be clearly stated: None.

III. Discussions and resolutions of the Remuneration Committee in the most recent year, and the Company's response to committee members' opinions:

	Remuneration Committee	Motion details and subsequent actions taken	Resolution results	The Company's response to the Remuneration Committee's opinions
	The 8th board The 5th meeting March 11, 2025	1. Allocation of employee and director remuneration for 2024 2. Recommendation for directors' and managers' compensation for 2025 3. Managers' performance bonus	Supported by all members of the committee, and raised for resolution at the 15th meeting of the 8th board of directors on March 11, 2025.	Raised for resolution at board meeting and approved by all attending directors.
	The 8th board The 6th meeting November 12, 2025	Recommendation for allocation of employee remuneration for 2024	Supported by all members of the committee, and raised for resolution at the 19th meeting of the 8th board of directors on November 12, 2025.	Raised for resolution at board meeting and approved by all attending directors.

IV. Duties of the Remuneration Committee:

Members of the Committee are expected to exercise the care of a prudent manager and fulfill the following duties; the Committee reports to the board of directors and offer recommendations for discussion by the board:

(1) Review the Charter and offer amendment suggestions on a regular basis.

(2) Establish and review regularly the annual and long-term performance targets and assessment standards for the Company's directors and managers, as well as the remuneration policy, system, standard, and structure, and disclose performance assessment standards in annual reports.

(3) Evaluate on a regular basis the accomplishment of performance targets by the Company's directors and managers, and determine the details and amounts of individual remuneration based on outcomes of the performance assessment. The annual report shall disclose performance assessment outcomes of individual directors and managers, the details and amounts of remuneration, their association with performance, and rationality, which are to be reported in a shareholders' meeting.

(V) Status of the promotion of sustainable development, differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and reasons therefor:

Promoted Item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
I. Has the Company established a governance structure for promoting sustainable development, set up a dedicated (or concurrent) unit to promote sustainable development, authorized senior management by the Board of Directors to handle such matters, and does the Board of Directors supervise the implementation thereof?		√	The Company has implemented a set of "Sustainable Development Code of Conduct" to support its efforts with regards to corporate governance, sustainable development, and public welfare. Actions are also being taken to enhance disclosure of sustainability-related information. The Company has not assigned any dedicated unit to promote corporate social responsibilities under the board of directors, but makes a conscious effort to cater for CSR issues in real practice. The Company has compiled and filed its 2024 sustainability report, which was Approved by the Board of Directors on August 25, 2025. Please visit the Company's official website to access the sustainability report: https://www.cowealthholding.com/irm/esg.html. The board of directors supervises sustainable development using the principle of materiality, which involves assessing risks and exploring strategies on environmental, social, and corporate governance issues that are relevant to the Company's operations. The Company encourages the board of directors to accept shareholders' sustainability-related proposals for discussion in shareholder meetings.	No material deviation is found

Promoted Item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
II. Does the Company conduct the risk evaluation of the environmental, social and governance issues pertinent to the Company's operation based on the principle of materiality, and establishes the related risk management policies or strategies?	√		The Company assesses risk that are relevant to its operations using principle of materiality. The scope of assessment covers the Company and all subsidiaries included in the consolidated financial statements, and addresses environmental, social responsibility, corporate governance, and various issues that are of concern to stakeholders. The Company has devised its own "Integrity Code of Conduct," "Code of Ethical Conduct," "Insider Trading Prevention Policy," "Standard Operating Procedures for Resolving Directors' Requests," "Risk Management Policy and Procedures," and "Internal Control System Self-assessment Worksheet" in accordance with operational, financial, social, and stakeholder risk management policies. The terms of which are compliant with the government's regulations.	No material deviation is found
III. Environmental Issues				
(I) Has the Company established an appropriate environmental management system according to its industrial characteristics?	√		The Company is a distributor of medical equipment and related reagents, consumables, parts, and accessories. It is not involved in industrial production activities and has developed an environmental management system that is suitable given its industry characteristics.	No material deviation is found
(II) Does the Company strive to improve energy use efficiency and use renewable materials with low environmental impact?	√		The Company has established the following guidelines for electricity usage: • Control the range of air-conditioning use in office areas based on room temperature. • The last person to leave each office area shall be responsible for turning off the air conditioning and lighting, and employees shall turn off electronic equipment before leaving work each day; in each independent managerial officers' office, when leaving their own office, they shall turn off the indoor air conditioning and lighting; • All lighting in the office building uses energy-saving and environmentally friendly lamps; • All employees must strengthen their awareness of electricity conservation and electricity safety. Personnel in each area shall implement the above electricity-saving regulations and resolutely eliminate the practice of using air conditioning while windows are open. To further save energy consumption during transportation, the Company conducted a pilot for supply chain optimization, optimizing the delivery process according to route arrangement and reducing the number of supply deliveries, with dispatch frequency reduced from 7 vehicle trips per week to 4 vehicle trips	No material deviation is found
(III) Has the Company assessed the current and potential future risks and opportunities of climate change and adopted corresponding response measures?	√		The Company has identified indicators related to monitoring environmental, social, and climate-related risks, and has compiled and disclosed data, including energy (diesel, gasoline, and electricity) consumption and greenhouse gas emissions. The Company continues to promote energy	No material deviation is found

Promoted Item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
			conservation, carbon reduction, and sustainable operations, and to fulfill its corporate responsibility. A series of measures have been taken to reduce greenhouse gas emissions, such as: Reduce gasoline and diesel consumption: • Strictly control the fuel consumption of administrative vehicles, prioritize the use of electric vehicles for daily travel, and during the reporting period, the mileage traveled by electric vehicles accounted for 25% of the total mileage of all administrative vehicles • The Company strictly controls fuel consumption for administrative vehicles, and electric vehicles are prioritized for daily travel. During the reporting period, the mileage driven by electric vehicles accounted for 25% of the mileage of all administrative vehicles; • Controls over fuel vehicles have been strengthened, and several training sessions have been held requiring drivers to control vehicle engine temperature during daily driving. Supply chain optimization: • For transportation, Cowealth Group mainly uses road transport and partly uses air transport to reduce energy consumption and emissions; • Seasonal stocking and holiday stocking are adopted to reduce energy consumption arising from the supply chain. Reduce power consumption: • Cowealth Group has fully adopted energy-saving and environmentally friendly lighting fixtures and solar-powered calculators; • Restrictions on air-conditioning use in office areas; • Rational layout of office floors and environment; • Office personnel have been consolidated onto a single floor, and remote work is encouraged. Use of environmentally friendly materials: • For the renovation of the Cowealth Shanghai office building, environmentally friendly materials have consistently been used; • Finishing materials are all factory-processed before being delivered to the site for installation and use.	
(IV) Has the Company compiled statistics on greenhouse gas emissions, water consumption, and total waste volume over the past two years, and established policies for greenhouse gas reduction, water conservation, or other waste management?	√		The Company has compiled statistics on greenhouse gas emissions, water consumption, and total weight of waste, and has established reduction targets, implementation measures, and achievement status for reducing gasoline and diesel consumption and optimizing the supply chain. Please visit the Company's official website to access the sustainability report: https://www.cowealthholding.com/irm/esg.html.	No material deviation is found
IV. Social Issues				
(V) Has the Company complied with relevant laws	√		1. The Company follows internationally	No material deviation is

Promoted Item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
and regulations, and the International Bill of Human Rights, to establish the related management policies and procedures?			recognized human rights standards, including the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the Ten Principles of the UN Global Compact, and takes actions consistent with the Responsible Business Alliance Code of Conduct. 2. This policy applies to all managerial officers and employees of the Company (those employed by the Company to engage in work and receive salary or remuneration), affiliated enterprises, suppliers, customer partners, and other stakeholders, and is committed to eliminating any human rights infringements. 3. The content of the Company's human rights policy includes providing a safe and healthy working environment, with a "zero-risk" working environment for employees as the goal; eliminating unlawful discrimination and ensuring equal employment opportunities, and ensuring that human resource utilization policies are free from differential treatment; prohibiting child labor and providing working conditions and an environment in compliance with legal requirements; prohibiting forced labor; fostering an environment conducive to communication and establishing an open management model; and assisting employees in maintaining physical and mental health and work-life balance. Detailed human rights policy content and management guidelines have been published on the Company's official website: https://www.cowealthholding.com/humanRightsPolicy.html 3. The Company has established a human rights governance framework with the Board of Directors at the highest level, and a cross-departmental human rights working group has been set up. This group includes representatives from corporate information security, corporate sustainability, customer service, environmental safety and health, human resources, information technology, legal affairs, materials management, and operations, to systematically and effectively promote human rights management initiatives. Progress on implementation and the results of these initiatives are reported to the Board of Directors on a regular basis.	found
(VI) Has the Company developed and implemented reasonable employee welfare measures (including compensation, leave of absence, and other benefits), and appropriately reflected business performance or outcome in employees' compensations?	√		I. The Company establishes various salary and welfare measures in accordance with the Labor Standards Act, the local laws and regulations of each subsidiary, and the Corporate Social Responsibility Best Practice Principles. For the Company's employee welfare facilities and implementation status, as well as the retirement system and implementation status, please refer to "Five. Operating overview, V. Labor Relations" in this annual report. II. The Company's employee remuneration system adopts a design model that is "linked to operating results." (1) In accordance with the provisions for	

Promoted Item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
			employee remuneration appropriation in the Articles of Incorporation, no less than 1% of the Company's net profit before tax for the current period, before deduction of employee and director remuneration, shall be appropriated as employee remuneration. (2) The Company evaluates employee performance using a weighted system based on two quantitative indicators: "goal setting and achievement" and "annual performance appraisal." Employee remuneration is then calculated and distributed according to these weighted results, ensuring compensation reflects each employee's contribution. (3) In 2025, the proportion of employee remuneration distributed to grassroots employees was 71%. The policy for reflecting operating performance and results in employee compensation and its implementation status have been published on the Company's official website: https://www.cowealthholding.com/irm/businessPerformance.html	
(VII) Does the Company provide a safe and healthy working environment for its employees and conduct regular safety and health education for them?	√		The Company pays significant attention to the safety and health of employees' work environment, and has implemented related measures including: daily security patrol of office environment, mandatory use of identification and tour guide for visitors, controls for low voltage system, fire safety inspection, and temperature inspections at server room and cold storage. Permanent employees are entitled to complimentary health checkup, whereas fitness courses are arranged to promote exercise habit. The Company organizes various forms of safety and health education such as first-aid training, fire safety drill, earthquake drill, and emergency response on a regular basis (at least once a year). In 2025, 8 hours of training were completed. The Company has obtained ISO 45001 certification, with the certification period from June 14, 2024 to June 13, 2027. The Company had no occupational accident cases in 2025.	No material deviation is found
(VIII) Has the Company created an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills?	√		All employees of the Company undertake external training courses that are relevant to their duties in order to improve professional capacity. Internal training, on the other hand, covers basic skills that apply to all employees. By introducing courses that are relevant to employees' duties and updating the training system with online assessment features and diverse course contents, the Company hopes to help employees expand skills and knowledge continuously throughout their careers. Please refer to pages 72 of this annual report for the implementation status.	No material deviation is found
(IX) For the customer health and safety, clients' privacy, marketing and labeling of the products and services, has the Company complied with the related laws and regulations and the	√		The Company complies with laws and international standards with respect to customers' health, safety, and privacy, marketing, and labeling for all products and services offered.	No material deviation is found

Promoted Item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
international standards, and established the policies and complaint procedures to protect consumers' interests?			Policies on product recall, quality incident handling, quality complaint, abnormality reporting, environmental health, personnel health management etc. have all been established to promote protection of consumers' interests.	
(X) Does the Company have a supplier management policy that requires suppliers to follow relevant specifications and their implementation in environmental protection, occupational safety and health or labor human rights issues?	√		The Company strictly complies with applicable laws, regulations, and policies, and maintains rigorous control over the selection of business-related suppliers. The Company has established a comprehensive supplier management process to select and determine suppliers according to its business needs. The Company conducts strict supplier admission assessments to avoid transactions with parties involved in dishonest conduct. If a supplier is involved in dishonest conduct or commercial bribery, the Company adopts the countermeasure of terminating or rescinding the contract at any time. In addition, the Company requires suppliers to comply with relevant regulations in environmental protection, occupational safety and health, and labor human rights. Before commencing business dealings, it assesses in advance whether suppliers have records affecting the environment and society, so as to avoid transactions with those in conflict with corporate social responsibility policies. Suppliers' credit facilities are subject to approval and authorization by authorized management and suppliers are strictly controlled in accordance with the mandatory requirements of the local drug administration authority in the place of operation. Quality control personnel regularly organize comprehensive quality reviews of the overall procurement situation. At the same time, the Company has established a record system that sets reminders based on the validity period of evidence to facilitate evaluation. If an unqualified supplier arises during the evaluation process, the Company will provide one quarter for improvement. If the supplier remains unqualified after the improvement period, the Company will promptly eliminate the unqualified supplier and update the compliant supplier list.	No material deviation is found
V. Does the Company prepare reports disclosing non-financial information, such as sustainability reports, with reference to internationally recognized reporting standards or guidelines? Are the abovementioned reports supported by assurance or opinion of a third-party certifier?	√		The Company has compiled and filed its 2024 sustainability report, which was Approved by the Board of Directors on August 25, 2025. Please visit the Company's official website to access the sustainability report: https://www.cowealthholding.com/irm/esg.html.	No material deviation is found
VI. If the Company has established its own sustainability development code in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," please describe any differences between its operations and the established code: The Company has established the "Sustainable Development Best Practice Principles" to promote sustainable development, and there is no material difference in actual operations.				
VII. Other information useful to the understanding of sustainable practice: (I) Charity: Summary of the Company's charity involvements in 2025: In the development process of primary healthcare, Cowealth Group has fully leveraged its role as a bridge and link, actively promoted and facilitated the first Gansu Province rural doctors' training project in Shanghai, and supported rural revitalization through eastern-western collaboration. (II) Human rights due diligence: To implement its human rights policy, the Company refers to the "Human Rights Risks in Business Operations" proposed by the United Nations Development Programme (UNDP), and regularly conducts human				

Promoted Item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
rights risk identification and assessment operations to understand and manage the human rights risks that may be involved in its operating activities. (1) The scope of the Company's human rights risk assessment covers six major aspects, including labor rights, gender equality, expression and participation, environmental rights, governance and safety, and product development. The assessment targets include all employees and Tier 1 suppliers. (2) The human rights due diligence procedures are as follows: 1. Identify targets and human rights issues 2. Assess management risks 3. Adopt risk mitigation measures 4. Regularly track improvements (3) In response to potential human rights risks in 2025, the Company adopted the following risk mitigation measures: • Timely supplement manpower in response to operational needs to reduce the risk of excessive overtime caused by manpower shortages. • Regularly review and comply with labor-related laws and regulations to ensure compliance in matters such as overtime pay, insurance enrollment, and severance compensation. • Establish gender equality and friendly workplace mechanisms, and provide appropriate work adjustments and necessary support measures for employees during pregnancy to protect their labor rights and interests. • Implement occupational safety and health management. All new personnel are required to receive education and training, and safety awareness campaigns and professional seminars are conducted regularly. • Provide employees with medical insurance and accident insurance to strengthen employee protection. • Strengthen the occupational safety awareness of personnel engaged in high-risk operations, and encourage relevant personnel to obtain professional safety certifications. (4) Implementation status in 2025 • In 2025, the Company completed the human rights risk assessment operations for all employees and Tier 1 suppliers. Appropriate improvement measures have been adopted for all cases and are under continuous follow-up; based on the assessment, no material or medium-to-high human rights risk incidents occurred • No material human rights risk incidents occurred among suppliers. • All employees have completed human rights-related education and training (including occupational safety, environmental safety, and prevention of unlawful workplace infringement). (5) Detailed human rights due diligence results and measures have been published on the Company's official website:For other information useful to the understanding of corporate social responsibilities, please visit the Company's website: https://www.cowealthholding.com/social-responsibility.html				

Note 1: If Execution is specified "Yes," please explain the key policies, strategies, and measures taken and the execution progress. If Execution is specified "No," please explain deviation and cause of deviation in the field titled "Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," and provide any policy, strategy and measure planned for the future.

Note 2: Materiality principle refers to environmental, social, and corporate governance issues that are of material impact to the Company's investors and stakeholders.

Climate-related information for TWSE/TPEx listed companies:

Item	Execution
I. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	In response to the high uncertainty of climate and rapid changes in policy and markets, and in order to promptly grasp and estimate the possible impacts caused by climate change, the Company regularly convenes senior executives of various departments to identify major climate risks and opportunities. At the same time, it further assesses the risks that floods, droughts, typhoons, and high temperatures may bring to each operating site, so as to grasp climate changes in the external environment and market dynamics, and more comprehensively consider the planning of overall operating strategies. The Board of Directors is planning to adjust its functional committees in order to better incorporate climate change risk management into the Company's overall risk management process.
II. Describe how the identified climate risks and opportunities affect the business, strategy and finances of the company (short-term, medium-term, long-term).	The Company is actively developing solutions in the hope of reducing the operational and financial impacts brought by climate change and enhancing organizational climate resilience. The Company is planning to assess the potential operational and financial impacts of relevant climate risks and opportunities on the Company in order to plan various actions in response to climate-related risks and opportunities.
III. Describe the financial impact of extreme weather events and transformative actions.	The Company is planning to discuss, inventory, and assess the financial impacts of relevant extreme climate events and transition actions on the Company.
IV. Describe how the processes for identifying, assessing, and managing climate risks are integrated into the overall risk management system.	The Board of Directors is the highest decision-making body for the Company's risk control and directly supervises the Company's risk governance structure. To improve risk assessment and strengthen management functions, the Board of Directors is planning to establish a "Sustainable Development Committee" and simultaneously set up an environmental, health, and safety management task force responsible for identifying and managing the risks of corporate operations, including the physical and transition risks that climate change may bring, and leading the planning of relevant response measures. The committee regularly submits reports on management implementation status and risk control to the Board of Directors, and supervises, tracks, and reviews the implementation of risk management by the management team in order to strengthen the corporate constitution.
V. If scenario analysis is used to assess resilience in the face of climate change risks, the scenarios used, parameters, assumptions, analytical factors, and principal financial impacts shall be described.	Scenario analysis is an important tool for strategic planning, risk management, and assessing the flexibility of the Company's strategy. The Company is planning to conduct qualitative and quantitative analysis of climate models across the entire value chain to assess resilience to climate change risks under different external conditions
VI. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	The Company has formulated a low-carbon transition plan, which will separately reduce direct emissions from operating activities (Scope 1), indirect emissions from energy use (Scope 2), and indirect emissions from the value chain (Scope 3). The implementation includes: 1. Actively reducing carbon emissions independently: through supply chain management, optimize the delivery process and reduce the number of supply deliveries while meeting supply demands 2. Energy saving and emission reduction: rationally lay out office floors and the environment, and reduce electricity consumption The Company is planning to formulate corresponding carbon reduction targets as targets for identifying and managing physical risks and transition risks.
VII. If internal carbon pricing is used as a planning tool, disclose the basis for pricing.	The Company has not yet established an internal carbon pricing system. In the future, it will progressively implement and formulate relevant systems to drive low-carbon investment, strengthen energy use efficiency, and enhance internal carbon reduction action capability.
VIII. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	The Company's business has relatively little impact on the environment, but it has still long been committed to environmental protection, creating a harmonious and win-win situation for the economy and the environment. The Company is formulating specific short-, medium-, and long-term climate-related targets and will progressively implement them.
IX. GHG inventories and assurances, as well as reduction targets, strategies, and concrete action plans (complete 1-1 and 1-2 separately).	GHG inventories and assurances, as well as reduction targets, strategies, and concrete action plans For related details, please refer to the Company’s Sustainability Report.

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

Evaluation item	Current practices			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
I. Establishment of ethical corporate management policies and programs				
(I) Has the Company established a set of board-approved business integrity policy, and stated in its Memorandum or external correspondence about the policies and practices it implements to maintain business integrity? Are the board of directors and the senior management committed to fulfilling this commitment?	√		The Company has established the "Ethical Corporate Management Best Practice Principles" and has implemented them after approval by the Board of Directors on March 9, 2020. In addition to establishing the Procedures for Ethical Management and Guidelines for Conduct approved by the Board of Directors, the Company also actively promotes the core values of corporate ethics and integrity, prevents corruption, and conducts corresponding training courses, demonstrating management's commitment to actively implementing operating policies.	No deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
(II) Has the Company developed systematic practices for assessing integrity risks? Does the Company perform regular analyses and assessments on business activities that are prone to higher risk of dishonesty, and implement preventions against dishonest conducts that include at least the measures mentioned in Paragraph 2, Article 7 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"?	√		The Company has established a set of "Illegal, Unethical, or Dishonest Conduct Reporting Policy" and stated its prohibition against offering and acceptance of bribe along with associated penalties in the employee manual.	No deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
(III) Has the Company defined and enforced operating procedures, behavioral guidelines, penalties, and grievance systems as part of its preventive measures against dishonest conducts? Are the above measures reviewed and revised on a regular basis?	√		The Company has established a set of "Illegal, Unethical, or Dishonest Conduct Reporting Policy" and plans to create a unit directly under the board of directors that specializes (or is involved) in the promotion of business integrity. This unit will report its progress (regarding implementation of business integrity policy and prevention against dishonest conducts) to the board of directors on a regular basis (at least once a year). The Company specifically requires employees to uphold integrity in the employee manual, and conveys this requirement in various assemblies and training.	No material deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
II. Implementation of Ethical Corporate Management				
(I) Does the Company evaluate the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	√		The Company has established its own "Integrity Code of Conduct" and strictly prohibits dishonest commercial activities. This prohibition is specified in the employee manual. All commercial agreements signed with business partners contain an integrity clause.	No deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
(II) Does the Company have a unit that enforces business integrity directly under the board of directors? Does this unit report its progress (regarding implementation of business integrity policy and prevention against dishonest conducts) to the board of directors on a regular basis (at least once a year)?	√		1. The Company has formed the "Ethical Corporate Management Promotion Task Force" with the administrative department as the dedicated unit. Based on the duties and scope of work of each unit, it is responsible for assisting the Board of Directors and management in formulating and supervising the implementation of ethical corporate management policies and prevention plans to ensure the implementation of the Ethical Corporate Management	No material deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies

Evaluation item	Current practices			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			Best Practice Principles. This dedicated unit reported its implementation status to the Board of Directors on May 14, 2026. 2. The Company has implemented its ethical corporate management policy, and the relevant implementation status for 2025 is as follows: A. Education and training: In 2025, the Company implemented ethical corporate management training courses through online learning, covering awareness of commercial anti-bribery conduct and attention to issues such as gifts, entertainment, and donations, strictly adhering to the advocacy of ethical bottom lines through video, and educating personnel on the legal knowledge, service rules, and codes of conduct they should possess, totaling 236 hours. The courses also strengthened the concept and implementation of ethical corporate management, jointly managing and preventing the occurrence of dishonest conduct. B. Compliance communication: The administrative management team promoted advocacy and education for all colleagues. In 2025, with the theme of "Implementing integrity values and sustainable corporate development," it compiled the Ethical Corporate Management Best Practice Principles and important regulations for the handling of material internal information, and communicated matters that colleagues should pay attention to when performing business. C. Regular review: Risk assessments of corruption-related matters are conducted for the operating activities of all operating sites. Through self-inspections by the responsible business units every half year and self-assessments of legal compliance, effective control and implementation are achieved, and the audit unit conducts independent audits to ensure the operation of the overall mechanism, thereby jointly managing and preventing the occurrence of dishonest conduct. Ethical corporate management is incorporated into employee performance evaluations and human resources policies, and a clear and effective disciplinary system is established. No corruption or anti-competitive conduct occurred in 2025. E. Whistleblowing system and whistleblower protection Specific whistleblowing systems are set out in the "Corporate Governance Best Practice Principles," the "Ethical Corporate Management Best Practice Principles," and the "Procedures for Ethical Management and Guidelines for Conduct" to actively prevent dishonest conduct and encourage internal and external persons to report dishonest or improper conduct. The administrative management team is designated as the dedicated unit for receiving whistleblowing reports and receives reports involving employees' dishonest conduct. The stakeholder section on the official website provides effective communication channels for employees, shareholders, stakeholders, and external parties, and discloses an email mailbox directly sent to and received by the Audit Committee (independent directors). If a reported matter involves directors or senior executives, it will be reported to the independent directors. A whistleblower protection system has been established to keep the identity of the whistleblower and the content confidential and to undertake to protect whistleblowers	

Evaluation item	Current practices			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			from improper treatment due to whistleblowing. In 2025, a total of 0 external whistleblowing cases and 0 direct employee whistleblowing cases were received. There were no cases involving dishonest conduct, and ethical and transparent conduct has been implemented.	
(III) Does the Company have any policy that prevents conflict of interest, and channels that facilitate the report of conflicting interests?	√		The Company will require all new recruits to sign commitment to the "Employee Manual" upon commencing duty. Furthermore, all employees are required to take the initiative to report conflict of interest, which are to be handled according to the Company's ethics guidelines.	No material deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
(IV) Has the Company implemented effective accounting policy and internal control system to maintain business integrity? Has an internal or external audit unit been assigned to devise audit plans based on the outcome of integrity risk assessment, and to audit employees' compliance with various preventions against dishonest conduct?	√		The Company has implemented effective accounting policy and internal control system to maintain business integrity. It has an internal audit unit available to devise audit plans based on the outcome of integrity risk assessment, and to audit employees' compliance with various preventions against dishonest conduct.	No material deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
(V) Does the Company organize internal or external training on a regular basis to maintain business integrity?	√		In 2025, the Company conducted internal and external education and training related to ethical corporate management issues (including related courses on compliance with ethical corporate management laws and regulations, accounting systems, and internal controls), totaling 260 person-hours.	No material deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
III. Status of the Company's Whistleblower System				
(I) Does the Company provide incentives and means for employees to report misconducts? Does the Company assign dedicated personnel to investigate the reported misconducts?	√		The Office of the President and internal audit unit have been assigned to handle employees' complaints regarding disciplinary actions.	No deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
(II) Has the Company implemented any standard procedures for handling reported misconducts, and subsequent actions and confidentiality measures to be undertaken upon completion of an investigation?	√		The Company handles all misconduct reports and conducts investigations at the highest confidentiality and discretion. This requirement is stipulated as part of the internal control system.	No deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
(III) Has the Company adopted any measures to prevent whistleblowers from retaliation for filing reports?	√		The Company has established a set of "Illegal, Unethical, or Dishonest Conduct Reporting Policy" that strictly prohibits all forms of retaliation against people who raise misconduct reports out of good intention or assist in the investigation. This prohibition is stipulated as part of the internal control system.	No deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
IV. Enhancement of Information Disclosure				
Has the Company disclosed its integrity principles and progress onto its website and MOPS?	√		The Company has published the terms of its "Integrity Code of Conduct" onto the website. Implications of the code of conduct are conveyed to new recruits upon commencing duty, and relevant training courses are organized from time to time.	No deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
V. If the Company has established business integrity policies in accordance with "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies," please describe its current practices and any deviations from the Best Practice Principles: None.				
VI. Other important information helpful for understanding the operation of ethical corporate management of the Company (e.g., the status of review and amendment of the Company’s ethical corporate management code): None.				

(VII) Other information to further the understanding of the corporate governance may be disclosed altogether:

1. The Company discloses material information on the Market Observation Post System in accordance with the regulations of the competent authority.
2. Directors' continuing education in 2025: All directors have completed their training requirements in accordance with "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies." Directors' and independent directors' ongoing education is summarized below:

Title	Name	Date	Organizer	Course name	Hours
Chairman	Joyce Wang	2025/3/14	Taiwan Corporate Governance Association	Benefits of the Circular Economy and Business Opportunities in Sustainable Finance	3
		2025/4/25	Taiwan Corporate Governance Association	Design of Executive Compensation and ESG Performance Systems	3
Director	Duane Lee	2025/3/14	Taiwan Corporate Governance Association	Benefits of the Circular Economy and Business Opportunities in Sustainable Finance	3
		2025/4/25	Taiwan Corporate Governance Association	Design of Executive Compensation and ESG Performance Systems	3
Director	Chuan Chin	2025/11/18	Accounting Research and Development Foundation, Republic of China	Comprehensive Analysis of Internal Control Practices for "Sustainability Information Management"	6
Director	Kuang-Tsan Tsao	2025/5/22	Securities & Futures Institute	Dual-axis Transformation to Strengthen Organizational Resilience - AI Governance and Sustainability Governance	3
		2025/9/16	Taiwan Corporate Governance Association	Corporate Governance Officers and Members of the Board of Directors	3
Independent Director	Ying-Tung Lau	2025/3/4	Taiwan Corporate Governance Association	NVIDIA's Trillion-Dollar Breakthrough: New Thinking on the Semiconductor Industry Revolution Behind Artificial Intelligence	3
		2025/3/14	Securities & Futures Institute	Series Courses for Directors, Supervisors, and Corporate Governance Officers - 2025 Global and Taiwan Economic Outlook	3
Independent Director	Chung-Wen Tong	2025/2/21	Taiwan Corporate Governance Association	How the Audit Committee Properly Implements Financial Report Review	3
		2025/4/18	Taiwan Corporate Governance Association	Corporate Innovation Growth and Angel Investment	3
Independent Director	Kun-Chih Chen	2025/07/11	Taiwan Corporate Governance Association	NVIDIA's Trillion-Dollar Breakthrough: New Thinking on the Semiconductor Industry Revolution Behind Artificial Intelligence	3
		2025/09/16	Taiwan Corporate Governance Association	Corporate Governance Officers and Members of the Board of Directors	3
Independent Director	Shu-Hua Chen	2025/12/11	Accounting Research and Development Foundation, Republic of China	Human-machine Collaborative Control Is Not a Dream!	6

3. Ongoing education of the Company's Corporate Governance Officer:

Title	Name	Date	Organizer	Course name	Hours
Corporate Governance Officer	Li-Ching Chiao	2025/10/9	Accounting Research and Development Foundation of the R.O.C.	"IFRS 18 Newly Issued! - Practical Analysis"	6
		2025/10/23	Accounting Research and Development Foundation of the R.O.C.	"Remarks by Senior Officials · In-depth Review of Financial Reports / Loans and Credits / Endorsements and Guarantees / Acquisition and Disposal"	6

(VIII) Disclosures relating to the execution of internal control system:

1. Declaration of internal control system: Please see page 105 of this annual report.
2. If a CPA is engaged to conduct a special review of the internal control system, the CPA’s review report shall be disclosed: None.

(IX) Major resolutions passed in shareholder meetings and board of directors meetings held in the last year up until the publication date of annual report: Please see pages 112 of this annual report.

(X) Documented opinions or declarations made by directors or supervisors against board resolutions in the most recent year, up until the publication date of annual report: None.

IV. Information on CPA Fees

(I) Information on CPA Fees

Unit: NTD thousands

Name of CPA firm	Name of CPA	Period of audit service	Audit fees	Non-audit fees	Total	Remarks
KPMG	Pao-Leng Chow Chiu-Hua Hsieh	2025.1.1 - 2025.12.31	3,200	500	3,700	Non-audit fees include tax consulting, supplementary explanations requested by the competent authority, and others.

(II) Disclose the following information if the Company exhibits any of the conditions below:

1. Where the accounting firm has been changed and the audit fees paid in the year of change are lower than those paid in the preceding year, the audit fee amounts before and after the change and the reasons shall be disclosed: Not applicable.
2. When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: Not applicable.

V. Information on change of CPA:

I. Information relating to the former auditor

<table>
<tr><td>Date of reappointment</td><td colspan="4">Expected to be approved by the Board of Directors on April 28, 2026</td></tr>
<tr><td>Reasons and details of the reappointment</td><td colspan="4">In connection with the internal rotation of KPMG</td></tr>
<tr><td rowspan="3">Whether the termination of audit service was initiated by the client or by the auditor</td><td colspan="2">Parties involved / Situation</td><td>Auditor</td><td>Client</td></tr>
<tr><td colspan="2">Service terminated by</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td colspan="2">Service no longer accepted (continued) by</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td>Reasons for issuing opinions other than unqualified opinion in the last 2 years</td><td colspan="4">None</td></tr>
<tr><td rowspan="6">Any disagreement with the issuer</td><td rowspan="4">Yes</td><td></td><td colspan="2">Accounting principles or practices</td></tr>
<tr><td></td><td colspan="2">Disclosure of financial report</td></tr>
<tr><td></td><td colspan="2">Audit coverage or procedures</td></tr>
<tr><td></td><td colspan="2">Others</td></tr>
<tr><td>None</td><td colspan="3">V</td></tr>
<tr><td colspan="4">Explanation</td></tr>
<tr><td>Other disclosures (Disclosures deemed necessary under Item 1-4 to Item 1-7, Subparagraph 6, Article 10 of the Guidelines)</td><td colspan="4">None</td></tr>
</table>

II. Information relating to the succeeding auditor

Name of CPA firm	KPMG
Name of CPA	Chiu-Hua Hsieh, Cheng-Xue Chen
Date of appointment	Approved by the Board of Directors on April 28, 2026
Inquiries and replies relating to the accounting practices or accounting principles of certain transactions, or any audit opinions the auditors were likely to issue on the financial reports prior to reappointment	None
Written disagreements from the succeeding auditor against opinions made by the former CPA	None

III. Former CPA's reply to Item 1 and Item 2-3, Subparagraph 6, Article 10 of the Guidelines
None.

VI. Disclosure of any of the Company's Chairman, President, or managers responsible for financial or accounting affairs being employed by the CPA's firm or any of its affiliated company in the last year: None.

VII. Changes in Share Transfers and Share Pledges by Directors, Supervisors, Managers, and Shareholders Holding More Than 10% of Shares in the Most Recent Year and up to the Date of Publication of the Annual Report If the counterparty to a share transfer or pledge is a related party, the name of that related party, its relationship to the Company, its directors, managers, and shareholders holding more than 10% of the shares, and the number of shares transferred or pledged must be disclosed.

1. Change of shareholding of directors, supervisors, managers, and major shareholders

Unit: shares

Title	Name	2025		Current year up to March 22	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Chairman, major shareholder	Joyce Wang	0 (136,000)	0 (1,550,000)	-	775,000
Director, manager, major shareholder	Duane Lee	760,000 (136,000)	0 (2,250,000)	-	775,000
Director	Chuan Chin	-	-	-	-
Director	Kuang-Tsan Tsao	-	-	-	-
Director	Po-Chien Hu				
Independent Director	Ying-Tung Lau	-	-	-	-
Independent Director	Chung-Wen Tong	-	-	-	-
Independent Director	Kun-Chih Chen	-	-	-	-
Independent Director	Shu-Hua Chen	-	-	-	-
Head of Finance& Accounting and Acting Spokesperson	Yu-Ting Ruan (Notes 2, 3, and 4)	-	-	-	-
Chief Internal Auditor	Fang Ma (Note 2)	-	-	-	-
Head of Finance & Accounting	Ching Tian (Note 3)	-	-	-	-
Corporate Governance Officer	Li-Ching Chiao (Note 4)	-	-	-	-

Note 1: Director Po-Chien Hu resigned on June 10, 2025.
Note 2: Yu-Ting Ruan was Approved by the Board of Directors on November 12, 2025 to serve as Acting Spokesperson, and Fang Ma was concurrently removed from the position of Acting Spokesperson.

Note 3: Ching Tian was relieved of her position as Accounting and Finance Supervisor on July 16, 2025, due to resignation. On the same day, Yu-Ting Ruan assumed the role of Acting Accounting and Finance Supervisor. The Company's Board of Directors resolved on August 25, 2025, to appoint Yu-Ting Ruan as Accounting and Finance Supervisor.

Note 4: Li-Ching Chiao was relieved of her position as Corporate Governance Officer on January 29, 2026, due to resignation. The Company's Board of Directors resolved on March 2, 2026, to appoint Yu-Ting Ruan as Corporate Governance Officer.

2. Transfer of shares where the counterparty is a related party:

Unit: shares; NTD

Name	Reason for transfer	Date of transaction	Counterparty	Counterparty's relationship with the Company, its directors, supervisors, managers, and shareholders with more than 10% ownership interest	Number of shares	Transaction price
Joyce Wang	Gift	2025.05.19	Ying-Wen Lee	Director's child	136,000	17.90
Duane Lee	Gift	2025.05.19	Ying-Chieh Lee	Director's child	136,000	17.90

3. Pledge of shares where the counterparty is a related party: None.

VIII. Information on Whether the Top Ten Shareholders Are Related Parties, or Are Spouses or Relatives Within the Second Degree of Kinship

Unit: shares

Name	Personal shareholding		Shares held by spouse and underage children		Shares held in the names of others		Names and relationships of top-10 shareholders characterized as spouse or relative of second degree or closer		Remarks
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Name	Relationship	-
Joyce Wang	6,975,186	9.01%	9,177,834	11.85%	2,544,623	3.29%	Duane Lee	Spouse	
							CROWN TECHNOLOGY CO.,LTD.	Chairman	
Duane Lee	9,177,834	11.85%	6,975,186	9.01%	2,544,623	3.29%	Joyce Wang	Spouse	-
							CROWN TECHNOLOGY CO.,LTD.	The spouse serves as chairman of the related company	
Shu-Ming Tsao	2,747,887	3.55%	-	-	-	-	Kuang-Tsan Tsao	Father-son	-
CROWN TECHNOLOGY CO.,LTD.	2,544,623	3.29%	-	-	-	-	Joyce Wang	Chairman of the related company	-
CTBC Bank in Its Capacity as Master Custodian for Wang Fu Holding Co., Ltd.	2,525,361	3.26%	-	-	-	-	-	-	-
Li-Li Chang	2,277,163	2.94%					-	-	-
CTBC Bank in Its Capacity as Master Custodian for Yong Li Holding Co., Ltd.	2,103,251	2.72%	-	-	-	-	-	-	-
Chih-Liang Chao	1,797,000	2.32%	-	-	-	-	-	-	-
I-Chen Wu	1,711,776	2.21%	-	-	-	-	-	-	-
Yi Li	1,602,275	2.07%	-	-	-	-	Duane Lee	Siblings	-

IX. The Number of Shares Held in the Same Investee Company by the Company, Its Directors, Supervisors, Managers, and Enterprises Directly or Indirectly Controlled by the Company, and the Aggregated Shareholding Percentage: None.

Three. Status of Fundraising

I. Capital and Shares

(I) Source of capital

Unit: NTD/USD thousands; thousand shares

Year/month	Issued price	Authorized capital		Paid-up capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of capital	Paid in properties other than cash	Others
2005.11	US$1	50	US$50	10	US$10	Founding share capital	-	Note 1
2007.05	US$1	50,000	US$50,000	13,967	US$13,967	Cash issue US$13,957	-	Note 2
2008.09	NT$10	157,500	NT$1,575,000	43,997	NT$439,974	Conversion of fair value	-	Note 3
2009.04	NT$11	157,500	NT$1,575,000	46,280	NT$462,796	Cash issue NT$22,822	-	Note 4
2010.04	NT$18	157,500	NT$1,575,000	47,450	NT$474,496	Cash issue NT$11,700	-	Note 5
2011.04	NT$20.8	157,500	NT$1,575,000	48,570	NT$485,696	Cash issue NT$11,200	-	Note 6
2013.01	NT$63.8	157,500	NT$1,575,000	53,967	NT$539,666	Cash issue NT$53,970	-	Note 7
2014.03	NT$100	157,500	NT$1,575,000	54,599	NT$545,986	Conversion of corporate bond NT$6,320	-	Note 8
2014.04	NT$100	157,500	NT$1,575,000	54,936	NT$549,356	Conversion of corporate bond NT$3,370	-	Note 9
2014.06	NT$100	157,500	NT$1,575,000	55,716	NT$557,156	Conversion of corporate bond NT$7,800	-	Note 10
2014.06	NT$26.77	157,500	NT$1,575,000	56,064	NT$560,641	Employee share subscription NT$3,485	-	Note 11
2014.07	NT$100	157,500	NT$1,575,000	56,145	NT$561,451	Conversion of corporate bond NT$810	-	Note 12
2014.07	NT$26.77	157,500	NT$1,575,000	56,175	NT$561,751	Employee share subscription NT$300	-	Note 13
2014.08	NT$26.02	157,500	NT$1,575,000	56,185	NT$561,851	Employee share subscription NT$100	-	Note 14
2014.08	NT$100	157,500	NT$1,575,000	56,187	NT$561,871	Conversion of corporate bond NT$20		Note 15
2014.09	NT$100	157,500	NT$1,575,000	56,223	NT$562,231	Conversion of corporate bond NT$360	-	Note 16
2014.09	NT$29.69	157,500	NT$1,575,000	56,253	NT$562,531	Employee share subscription NT$300	-	Note 17
2014.10	NT$26.02	157,500	NT$1,575,000	56,263	NT$562,631	Employee share subscription NT$100	-	Note 18

Year/month	Issued price	Authorized capital		Paid-up capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of capital	Paid in properties other than cash	Others
2015.01	NT$26.02	157,500	NT$1,575,000	56,273	NT$562,731	Employee share subscription NT$100	-	Note 19
2015.06	NT$26.02	157,500	NT$1,575,000	56,288	NT$562,881	Employee share subscription NT$150	-	Note 20
2015.07	NT$26.02	157,500	NT$1,575,000	56,352	NT$563,516	Employee share subscription NT$635	-	Note 21
2015.08	NT$10.00	157,500	NT$1,575,000	57,477	NT$574,771	Capitalization of earnings NT$11,255		Note 22
2015.09	NT$24.32	157,500	NT$1,575,000	57,492	NT$574,921	Employee share subscription NT$150		Note 23
2015.10	NT$24.32	157,500	NT$1,575,000	57,507	NT$575,071	Employee share subscription NT$150	-	Note 24
2016.03	NT$27.76	157,500	NT$1,575,000	57,522	NT$575,221	Employee share subscription NT$150	-	Note 25
2016.05	NT$24.32	157,500	NT$1,575,000	57,530	NT$575,296	Employee share subscription NT$75	-	Note 26
2016.06	NT$24.32	157,500	NT$1,575,000	57,608	NT$576,081	Employee share subscription NT$785	-	Note 27
2016.08	NT$23.43	157,500	NT$1,575,000	67,668	NT$576,681	Employee share subscription NT$600	-	Note 28
2016.11	NT$23.43	157,500	NT$1,575,000	57,683	NT$576,831	Employee share subscription NT$150	-	Note 29
2017.03	NT$23.43	157,500	NT$1,575,000	57,698	NT$576,981	Employee share subscription NT$150	-	Note 30
2018.08	NT$10.00	157,500	NT$1,575,000	63,468	NT$634,679	Capitalization of earnings NT$57,698		Note 31
2018.12	NT$10.00	157,500	NT$1,575,000	61,468	NT$614,679	Retirement of bought back shares NT$20,000		Note 32
2019.08	NT$10.00	157,500	NT$1,575,000	73,761	NT$737,615	Capitalization of earnings NT$122,936		Note 33
2020.07	NT$10.00	157,500	NT$1,575,000	77,449	NT$774,496	Capitalization of earnings NT$36,881		Note 34

Note 1: November 2005 was the time when the initial board of directors meeting was held; proceeds of share capital were collected afterwards.
Note 2: May 2007 was the date when the board of directors resolved having collected capital proceeds in full and completed capital registration.
Note 3: Due to plans to apply for listing on the Emerging Stock Board and TWSE/TPEX on a later date, a resolution was passed during the shareholder meeting held on September 30, 2008 to change the face value from US$1 to NT$10 per share. The Company had 43,997,389 outstanding shares after the conversion, and the change of registration was completed on October 29, 2008.
Note 4: April 2009 was the date when the board of directors resolved having collected capital proceeds in full and confirmed the shareholder registry.
Note 5: April 2010 was the date when proceeds from employee warrants were verified and the shareholder registry was updated.
Note 6: April 2011 was the date when proceeds from cash issue were collected in full.
Note 7: January 2013 was the date when proceeds from cash issue were collected in full.
Note 8: March 2014 was the date when conversion rights can be exercised on convertible bonds.
Note 9: April 2014 was the date when conversion rights were exercised on convertible bonds.
Note 10: June 2014 was the date when conversion rights were exercised on convertible bonds.
Note 11: June 2014 was the date when employee warrants were exercised.
Note 12: July 2014 was the date when conversion rights were exercised on convertible bonds.
Notes 13-14: July 2014 to August 2014 was the time when employee warrants were exercised.

Notes 15-16: August 2014 to September 2014 was the time when conversion rights were exercised on convertible bonds.
Notes 17-21: September 2014 to July 2015 was the time when employee warrants were exercised.
Note 22: August 2015 was the effective filing date of request to Taipei Exchange.
Notes 23-30: September 2015 to March 2017 was the time when employee warrants were exercised.
Note 32: December 2018 was the date when the retirement of shares was filed to Taipei Exchange.
Notes 31, 33, and 34: August 2018 to July 2020 was the period in which filings to Taipei Exchange were effected.

Unit: shares; March 22, 2026

Share category	Authorized capital			Remarks
	Outstanding shares (Note)	Unissued shares	Total	
Registered common shares	77,449,547	80,050,453	157,500,000	

Note: Shares are listed on TPEX

(II) List of major shareholders (shareholders with more than 5% ownership interest or are among the top 10)

Unit: shares; March 22, 2026

Shares / Name of major shareholder		Number of shares held	Shareholding percentage
1	Duane Lee	9,177,834	11.85%
2	Joyce Wang	6,975,186	9.01%
3	Shu-Ming Tsao	2,747,887	3.55%
4	CROWN TECHNOLOGY CO.,LTD	2,544,623	3.29%
5	CTBC Bank in Its Capacity as Master Custodian for Wang Fu Holding Co., Ltd.	2,525,361	3.26%
6	Li-Li Chang	2,277,163	2.94%
7	CTBC Bank in Its Capacity as Master Custodian for Yong Li Holding Co., Ltd.	2,103,251	2.72%
8	Chih-Liang Chao	1,797,000	2.32%
9	I-Chen Wu	1,711,776	2.21%
10	Yi Li	1,602,275	2.07%

(III) Dividend policy and execution

1. The Company's dividend policy

According to Article 34.1 of the Articles of Incorporation, the Company shall allocate 1% of the profits concluded in a given year as employee remuneration and no more than 3% as director remuneration. However, profits must first be taken to offset against cumulative losses if any.

According to Article 34.2 of the Articles of Incorporation, the Company may distribute profits to shareholders, subject to board of directors' proposal and ordinary resolution in a shareholder meeting. The board of directors shall devise profit distribution plans according to the following principles: net income generated in a given year must first be taken to offset previous losses; the remaining surplus is then subject to a 10% provision for special reserve until the balance of special reserve accumulates to an amount equal to the Company's share capital. Any residual profit from the above may be distributed as dividends in accordance with The Companies Act and Public Company Rules of The Cayman Islands after taking into consideration the relevant financial, business, and operational factors, provided that no less than 10% of current year's after-tax earnings are paid as dividends (including cash and stock dividends) and the cash portion is no less than 10% of proposed profit distribution for the given year.

2. Dividend distribution proposed for the next shareholder meeting:

The earnings appropriation proposal of the Company for the current year was proposed by the Board of Directors on March 13, 2026, with no cash dividends to be distributed. The earnings appropriation is as shown in the table below:

(1). Change in distributable earnings

Unit: NT$

	NTD
Beginning undistributed earnings as of 2025.1.1	$ 528,633,956
Add: Net loss for 2025	(246,557,360)
Less: 10% provision for special reserve	-
Add: Other equity add provision for special reserve	(10,795,963)
Distributable earnings	$ 271,280,633

(2). Earnings Appropriation Table

	NTD
Distributions:	
Dividend to shareholders - cash dividends (NT$0.4 per share)	-
Closing undistributed earnings	$ 271,280,633

(IV) Impacts of proposed stock dividends on the Company’s business performance and earnings per share: Not applicable.

(V) Employee/director/supervisor remuneration

1. Percentage or range of employee/director/supervisor remuneration stated in the Articles of Incorporation: According to Article 34.1 of the Articles of Incorporation that the board has passed and made applicable to the current shareholder meeting, the Company shall allocate 1% of the profits concluded in a given year as employee remuneration and no more than 3% as director remuneration. However, profits must first be taken to offset against cumulative losses if any. Employee remuneration, as mentioned above, can be paid to employees of affiliated companies that satisfy certain criteria.
2. Basis of calculation for employee/director/supervisor remuneration and share-based compensations; and accounting treatments for any discrepancies between the amounts estimated and the amounts paid: Employee, director, and independent director remuneration are estimated according to the Articles of Incorporation and presented in appropriate accounts under operating expenses. If an amount different from the figure presented on financial statements is resolved in a subsequent shareholder meeting, the difference shall be treated as a change in accounting estimates and recognized as gain or loss in the year the resolution is made.
3. Remuneration passed by the board of directors:

   The estimated amount of employee remuneration for 2025 was NT$0, and there was no difference between the employee remuneration resolved by the Board of Directors for distribution and the estimated amount in the Company's 2025 consolidated financial report.

4. Actual payment of employee/director/supervisor remuneration in the previous year (including the number of shares allocated, the sum of cash paid, and the price at which shares were issued), and any differences from the figures estimated (explain the amount, the cause, and treatment of such discrepancies):

   Details of employee remuneration and director remuneration proposed in the latest board meeting:

Unit: NTD

	Amount resolved by the board of directors	Amount estimated in financial statements	Difference
Director remuneration	0	0	-
Employee remuneration	0	0	-

(VI) Buyback of company shares:

Status of the Company's repurchase of its own shares (completed)

Repurchase batch	Second repurchase
Purpose of repurchase	To maintain the Company's credit and shareholders' equity
Repurchase period	2026/03/30 - 2026/04/14
Repurchase price range	NT$18.70 to NT$20.20
Type and quantity of shares repurchased	3,872,000 common shares
Amount of shares repurchased	NT$ 76,757,898
Ratio of repurchased quantity to the planned repurchase quantity (%)	5.00%
Number of shares cancelled and transferred	0 shares
Cumulative number of the Company's shares held	3,872,000 shares
Ratio of cumulative number of the Company's shares held to the total number of issued shares	5%

II. Status of Corporate Bond Issuance: None.

III. Status of Preferred Shares Issuance: None.

IV. Status of Overseas Depository Receipts Issuance: None.

V. Status of Employee Stock Option Certificates: None.

VI. Status of Restricted Shares Issued to Employees: None.

VII. Merger, Acquisition, and Share Exchange: None.

VIII. Status of Implementation of Capital Utilization Plans: None.

Four. Operation Overview

I. Business Scope

(I) Business activities

1. Principal business activities of the Company and subsidiaries

(1) Centralized procurement service for in vitro diagnostics (equipment, reagents, and consumables)
a) Equipment, consumables, and reagents relating to automated clinical chemistry analyzers.
b) Equipment, consumables, and reagents relating to 3-part and 5-part hematology analyzers.
c) Equipment, consumables, and reagents relating to chemiluminescence immunoassay system.
d) Equipment, consumables, and reagents relating to blood coagulation analyzer.
e) Equipment, consumables, and reagents relating to blood gas analyzer.
f) Other types of in vitro diagnostic equipment, reagents, and consumables.
g) Application and maintenance service for in vitro diagnostic equipment and reagents.

(2) Medical logistics (agency sale of device and consumables)
a) Tumor treatment device and related parts and accessories
b) Applications, parts, accessories, and maintenance service for tumor treatment device.

2. Weight of business activities

Unit: NTD thousands

Item	2024		2025	
	Amount	Weight	Amount	Weight
In vitro diagnostic equipment, reagents, and consumables	4,100,155	97.8%	2,888,789	97.7%
Agency sale of device and consumables	87,852	2.1%	62,961	2.1%
Others	4,715	0.1%	4,507	0.2%
Total	4,192,722	100%	2,956,257	100%

3. Current products of the Company

The Company mainly supplies in vitro diagnostic equipment, reagents, and consumables, and provides agency service for medical devices and consumables.

4. New products planned for the future

(1) Optimize and upgrade the existing intensive operations, and promote the expansion and deepening of the Company's refined management services for in vitro diagnostic reagents and consumables.
(2) Develop other competitive medical-related therapeutic instruments and related refined logistics management services.

(II) Industry overview

1. **Current and future industry prospects**

(1) IVD industry basic characteristics

IVD industry is closely related to personal lives and health, and the industry demand rigidity is of relatively high, such that its cycle is unclear, and economic fluctuation has relatively small impact on the industry, and its resistance to risk is high. The IVD demand market in China mainly centralizes at the southeast coastal area of greater population and economic activities as well as first and second tier cities of relatively higher medical service standard, such that there is certain regional characteristic. With the increase of overall economic standard in China and complete social protection system, the regional characteristic of the industry may be reduced. The IVD industry has certain seasonal characteristic. For the first quarter, the number of holidays is relatively greater, and the number of patients choosing to receive hospitalization treatment is fewer, and the corresponding demand for reagent products is also smaller. For the 2nd and 3rd quarters, the demand increases in comparison to the 1st quarter. For the 4th quarter, due to the season change, disease occurrence is also higher, and the amount of use of IVD products is relatively greater.

(2) IVD industry development trend

The future development of the industry will present a clear "binary" landscape: one end is the highly standardized, cost-driven centralized procurement product market, competing on scale, efficiency, and supply chain management; the other end is the highly differentiated, value-driven innovation and service market, competing on technological originality, depth of clinical integration, and ecosystem empowerment capabilities. Policies will continue to reinforce this trend of differentiation.

I. In 2025, the introduction and implementation of multiple key policies profoundly reshaped the competitive logic and development path of the in vitro diagnostics industry. As centralized procurement continues to expand in coverage across regions and categories, profit margins in the distribution segment have been substantially compressed, posing extreme challenges to companies' cost control, supply chain efficiency, and integrated service capabilities. Whether value-added services can be provided has become the key to differentiated competition.

II. Against the policy backdrop of China's strong promotion of high-quality development of public hospitals, the launch of the "Economic Management Year" campaign, and the requirement to build operation and management information integration platforms, hospitals have developed rigid demand for lean operations and data-driven decision analysis. This has created a historic opportunity for service providers capable of offering corresponding digital and intelligent tools and management empowerment. Service providers capable of helping hospitals improve internal management efficiency through digital and intelligent tools (such as operation management platforms and intelligent consumables management) and professional expertise (such as department operation coaching and performance analysis) will build deeper customer relationships.

III. In the Opinions on Further Guaranteeing and Improving People's Livelihoods and Addressing the Public's Urgent Difficulties and Concerns, it is explicitly stated that the "medical and health strengthening foundation project" shall be implemented to promote the shift of urban medical resources toward county-level hospitals and urban and rural primary-level institutions. China's 15th Five-Year Plan also proposed optimizing the functional positioning and layout of medical institutions, implementing the medical and health strengthening foundation project, and advancing digital and intelligent development for national health.

IV. This series of policy directions has provided broad scope for the Company to serve the primary healthcare market through the "ACME empowerment matrix". In an environment where centralized procurement has led to a sharp narrowing of product price differentials, providing customers with irreplaceable differentiated empowerment services is the only way for distribution service providers to maintain customer relationships and achieve mutual development.

In general, the in-vitro diagnostics industry in the China region has shown positive trends in terms of market size, technological innovation, China's production substitution and industrial policies.

(3) Increasing competition for IVD reagent

The competitive landscape of the in vitro diagnostic products industry may undergo changes in various aspects in the future. These changes may be influenced by many factors such as technological progress, market demand, policy environment, and corporate strategy.

I. The industry market is fully competitive, with a wide variety of channel providers: the in vitro diagnostic and consumables product distribution and service industry is highly market-oriented, fully competitive, and features a wide variety of service providers. By business model, there are both distributors engaged purely in agency business and integrated service providers offering technical support services; by product content, there are service providers distributing multiple product categories under a single brand, a single product category under multiple brands, and multiple product categories under multiple brands; by operating area, there are regional service providers and cross-regional integrated service providers; by distribution level, there are national and provincial first-tier agents that have established strategic cooperation with domestic and overseas product suppliers, as well as a large number of smaller second-tier and third-tier agents relying on first-tier agents. At present, the concentration of China's in vitro diagnostic product distribution and service industry is relatively low.

II. Regional business competition is evident: since end users of medical products, including hospitals at all levels and medical laboratories, are distributed nationwide, service providers form different principal coverage areas based on different regions and distributed brands. At present, most domestic service providers are regional companies, with a large number of enterprises lacking scale advantages, distributing only a limited range of brands and product categories, and possessing relatively weak service capabilities, while the number of cross-regional service providers capable of offering integrated services and possessing scale advantages is relatively small.

(4) IVD product circulation and service industry development trend

As market competition intensifies, the market will gradually concentrate toward cross-regional integrated service providers with broader service networks, and industry concentration will gradually increase. Industry competition will be reflected in comprehensive competitiveness across multiple areas, including completeness of product categories, service networks and business scale, warehousing management and logistics distribution capabilities, technical support services, and customer responsiveness. The number of nationwide integrated service providers will gradually increase, and business will concentrate toward service providers with scale advantages and strong integrated service capabilities.

I. Intensive services guide the development of the in vitro diagnostic channel industry

(1) Service providers are small in scale and industry concentration is low, creating an urgent need for industry integration During the long-term development of the in vitro diagnostic industry, most in vitro diagnostic manufacturers in China have conducted sales and market expansion through multi-tier agents, and only a small number of companies have adopted direct sales in certain regions. As a result, there are a large number of in vitro diagnostic agents and channel providers of varying sizes in the industry. China's in vitro diagnostic distribution service enterprises face issues such as small scale, relatively limited distributed brands, and relatively small service market coverage, resulting in low industry concentration. Due to the wide variety of products and the relatively segmented fields involved, only intensive service providers capable of covering product categories at scale and providing comprehensive market network coverage possess stronger competitiveness in front of customers. After achieving economies of scale themselves, such enterprises can obtain lower procurement costs and more reasonable procurement credit periods through negotiations with upstream suppliers, thereby further expanding their operating scale. Therefore, intensive service enterprises characterized by large service networks and business scale, strong cross-regional integrated service capabilities, complete product categories, strong warehousing management and logistics distribution capabilities, strong customer responsiveness, and strong technical support service capabilities are expected to gradually become leading enterprises in the industry.

(2) Medical institutions have strong bargaining power, and service capabilities determine cooperative service providers Due to various reasons such as the wide variety of products in the in vitro diagnostic and consumables industry and the fact that diagnostic reagents usually need to be used together with diagnostic equipment, there is certain difficulty in implementing centralized procurement for in vitro diagnostic reagents. Service providers or agents need to bid hospital by hospital and product by product for in vitro diagnostic reagents and equipment. Medical institutions possess strong decision-making power in the procurement of in vitro diagnostic products. Medical institutions usually choose suppliers that can meet multi-level needs. Such suppliers, based on intensive services, are able to provide more and more comprehensive personalized solutions and implement them effectively, and further strengthen long-term cooperative relationships with medical institutions through other value-added services.

II. Policy support for strengthening primary healthcare services

Driven by the policy of directing high-quality resources to the primary level, demand in the primary healthcare market for appropriate technologies and digital and intelligent management tools will grow explosively. China's 15th Five-Year Plan also proposed optimizing the functional positioning and layout of medical institutions and vigorously promoting the shift of high-quality medical resources toward county-level and urban and rural primary-level institutions. This policy direction has provided broad scope for the Company to serve the primary healthcare market through the "ACME" empowerment matrix. The Third Plenary Session of the 20th Central Committee of the Communist Party of China deliberated and Approved the Decision of the Central Committee of the Communist Party of China on Further Comprehensively Deepening Reform and Advancing Chinese Modernization (hereinafter referred to as the "Decision"), making important arrangements for deepening the reform of the medical and healthcare system. The "Decision" explicitly requires "strengthening primary healthcare services". In accordance with the goal proposed by General Secretary Xi Jinping that "serious illnesses should not leave the province, common illnesses should be resolved at the city or county level, and routine illnesses should be resolved at the primary level," efforts shall focus on the primary level to review and optimize the medical and health service system, service models, concepts of seeking medical treatment, and order, implement the medical and health strengthening foundation project, further promote the expansion and shift downward of high-quality medical resources and balanced regional allocation, further promote the extension of high-quality medical resources to the central and western regions, the northeastern region, and more populous areas within provinces, further promote the shift of high-quality medical resources toward county-level and urban and rural primary-level institutions, further promote sharing and mutual recognition of medical and health services within regions, actively carry out mobile medical services and assistance to urban and rural primary-level work, enhance the capacity of primary healthcare services, and provide the people with fair, accessible, nearby, convenient, systematic, and continuous health services. The shift of medical and health services to the primary level will bring more opportunities to the industry and is expected to strengthen demand for regional linkage and the development of key departments.

2. <u>Product trend and competitive advantage</u>

(1) ACME empowerment, policy-driven quality improvement and efficiency enhancement

The Company's digitalized and intelligent "ACME ultimate empowerment" strategy has successfully achieved the effective expansion and downward extension of expert resources. They are like ice-breaking blades, breaking through the ice of geographical restrictions, promoting the extension of high-quality medical resources to more regions, enabling more patients to enjoy high-quality medical services, and truly benefiting the broader public. The Company obtained the consent of the Capacity Building and Continuing Education Center of China's National Health Commission (Party School of the National Health Commission), and the two parties jointly advanced the important research project "Research on the Application of Intelligent Technology in Continuing Medical Education". This research project focuses on precisely applying the advanced intelligent technologies embodied in "ACME ultimate empowerment," including multiple software and hardware intellectual property rights and patents, comprehensive software and hardware facilities, and mature solutions, to support the expansion of ministerial- and provincial-level expert resources in strengthening the development of primary healthcare, injecting strong momentum into primary healthcare and enhancing the overall level of medical services at the primary level. The three major scenarios developed under the project—real-time online remote surgical support by experts, cultivation of clinical thinking among primary-level physicians, and hospital business department operation management—closely align with the requirements of the 15th Five-Year Plan for health work to shift toward being "driven by technological innovation and service quality".

(2) Flexible multi-brand cooperation model

Against the backdrop of centralized procurement leading to diversified brand sources in hospital procurement catalogues, this model demonstrates unparalleled flexibility and compatibility. The Company can quickly integrate various bid-winning and non-bid-winning products to meet hospitals' actual clinical needs, avoid the risks of single-brand agency, and become hospitals' "preferred channel" in addressing the complexity of centralized procurement. This model is the cornerstone of the Company's business model, enabling the Company to break free from the constraints of traditional agency agreements and, with a neutral and open stance, integrate more than 1,000 manufacturers and nearly 38,000 product items to provide hospitals with truly one-stop, customized supply chain solutions, while maintaining its own operational flexibility and reducing customers' procurement and management costs.

(3) Centralized procurement service driven by customers' needs

By reducing intermediary agency layers and directly linking upstream brands with end hospitals, the Company has achieved the flattening and transparency of the supply chain. This customer demand-centered intensive service has significant advantages in reducing hospitals' total costs and improving procurement management efficiency. Cowealth's centralized procurement service changes the ways medical institutions purchase in vitro diagnostic products, from having to engage multiple suppliers to using a unified channel. Volume purchase combined with optimized procurement practices not only help improve operating efficiency of medical institutions in the downstream, but also eliminate intermediaries between original manufacturers and end users for effective reduction of unit purchasing cost. Using the Company as a link, direct connections are established between original manufacturers or agents and medical institutions, and through the reduction of intermediary tiers and transparent procurement, both upstream parties and end customers are assisted in achieving mutual benefits.

(4) Advantages in the introduction of high-tech instruments and localized intelligent manufacturing

Against the policy backdrop of encouraging the independent controllability of high-end equipment and the "product + service" model, the Company's upgrade from import agency to realizing localized production of "Metaverse" has not only improved profit margins, but also demonstrated the Company's ability to localize and innovatively apply advanced international technologies, in line with the direction of industrial chain upgrading. Over the past decade and more, the Company has successfully acted as agent for and introduced a number of advanced foreign medical devices, including those of overseas original manufacturers Accuray and TearScience, and during the cooperation period received awards granted by the original manufacturers such as Best Global Agent and Best Performance. The relevant agency products cover more than 70 hospitals, and the Company also provides department training and long-term maintenance services. By introducing these devices, the Company helps hospitals adopt the latest medical technologies and improve their ability to diagnose and treat complex diseases, which in turn results in stronger and longer lasting relationship.

(5) Diversified business cooperation models

The Company has flexible business model design capabilities and can provide a variety of cooperation models based on customer needs, tailoring cooperation plans for customers of different levels and different types. Whether for intensive services for hospitals, specialty empowerment projects for departments, or regional healthcare planning cooperation for governments, the Company can provide suitable business models to achieve mutual benefit and win-win outcomes. This tailored cooperation capability enables the Company to consistently maintain customer stickiness and flexibility in business expansion amid a complex and rapidly changing market environment.

(6) Advantage in experience

During the more than ten years in which the Company has provided intensive services for in vitro diagnostic products to customers, it has accumulated long-term industry experience based on the needs of different types of medical institutions in different regions, and has continuously expanded new customers based on its industry position, brand reputation, and existing customer resources. At the same time, in the process of providing value-added services to customers, the Company can serve as a bridge to promote joint progress, experience exchange, and resource sharing between medical institutions across the Taiwan Strait, further promoting the coordinated development of the medical industry.

(III) Overview of technology and R&D

Technology and R&D overview: The Company's current research and development mainly consists of developing software for refined hospital management and operation management, digital and intelligent empowerment solutions, and digital and intelligent platforms for surgery, medical education, and research.

(IV) Long and short-term business plans

1. Short-term business plans

(1) The Company creates differentiated empowerment services to enhance customer loyalty, further explore new customers, and continue increasing our customer base.

(2) The Company is actively in search of new products and cooperates with foreign original manufacturers to quickly expand product line and distribution channels.

2. Long-term business plans

The Cowealth Group uses the "ACME ultimate empowerment matrix" as its core driver to lead the Company's transformation from an "intensive service provider" to a "provider of integrated solutions for high-quality hospital development". Future development strategies mainly include:

(1) Establishing a long-term profit model and core competitiveness: continuously expanding expert resources, advancing technological iteration and upgrading, and transforming scientific research achievements into practical applications, thereby forming technological and resource barriers and establishing a long-term profit model with a moat and a difficult-to-imitate competitive advantage.

(2) Layering business and profit growth increments to expand into the primary healthcare market: taking "retaining technology, retaining physicians, retaining patients, retaining medical insurance, and improving local patient satisfaction" as the development goals for primary healthcare, and entering the primary market through ACME empowerment services to form a growth curve in which new business is layered onto existing business.

(3) Lean transformation of traditional business: using digital and intelligent tools to further enhance the operating efficiency of intensive business, tapping profit potential amid pressure on revenue scale, safeguarding stable cash flows, and supporting business transformation.

(4) Targeted expansion in the primary market: developing or integrating lightweight digital and intelligent management solutions and related technical products applicable to primary healthcare institutions, making full use of policy opportunities arising from the downward shift of resources, and promoting business expansion and market coverage.

II. Market and Sales Overview

(I) Market analysis

1. Locations where products are mainly sold

Unit: NTD thousands

Year / Product sales locations	2024		2025	
	Net sales	%	Net sales	%
China and Hong Kong	4,174,626	99.6	2,938,162	99.4
Other regions	18,096	0.4	18,095	0.6
Total	4,192,722	100.0	2,956,257	100.0

2. Product market share

A、 In vitro diagnostic medical devices

The Company is primarily engaged in refined management services for in vitro diagnostic medical devices, and its major customers are mostly secondary and tertiary medical institutions in Mainland China.

B、 Radiation oncology equipment

The "MRIdian MRI-guided radiotherapy system" represented by the consolidated company, by virtue of its differentiated technological advantages integrating real-time magnetic resonance imaging for tumor localization and tracking and automatic beam gating, can precisely target tumors while protecting surrounding normal tissues, and its clinical efficacy has been highly recognized by experts in the global radiotherapy field. The system has been introduced and put into operation by many of the world's leading oncology centers, including Stanford Health Care and MD Anderson Cancer Center in the United States.

The original manufacturer, ViewRay Technologies, Inc., was impacted by the COVID-19 pandemic on the global supply chain and, in addition, by the tightening financing environment triggered by the bankruptcy of Silicon Valley Bank in the United States, resulting in pressure on its cash flow and its filing for bankruptcy proceedings in 2023. However, this was purely attributable to the external financial environment and macro factors and does not diminish the clinical technological value of the system itself.

The MRIdian system has received high praise from medical experts, who recognize that the MRIdian system can form a technological complement to proton therapy equipment, thereby enabling medical institutions, under the current situation in which multiple medical centers in Taiwan possess proton therapy equipment, to build a precise radiotherapy system with differentiated complementary advantages. Based on this technological leadership, the consolidated company had already purchased 4 systems before the original manufacturer filed for bankruptcy. Following in-depth research by the professional team of Taichung Veterans General Hospital and its recognition of the technical advantages of the MRIdian system, the consolidated company signed the relevant property procurement contract with Taichung Veterans General Hospital in 2025, adopting a revenue-sharing cooperation model for a cooperation period of 10 years, and undertook the repair and maintenance during the cooperation period. The consolidated company has established alternative supply and backup mechanisms to ensure after-sales maintenance and parts supply for existing customers, minimizing the risk arising from changes in a single supplier. This cooperation model helps reduce the initial capital expenditure burden on medical institutions and enables the consolidated company to obtain recurring revenue during the cooperation period. Leveraging the precision radiotherapy advantages of the MRIdian system and the demonstration effect of this case, the consolidated company expects to replicate this successful model in the introduction of the remaining 3 MRIdian systems, and continue to explore business opportunities with top medical institutions at home and abroad, thereby creating long-term operating momentum for the consolidated company.

3. Future supply, demand, and growth

As competition in the healthcare industry intensifies and the volume-based procurement policy becomes normalized, the single-product-oriented business model is gradually declining, and market competition is shifting from price competition to competition in comprehensive capabilities of "products + services + solutions." In the future, the market will gradually concentrate on integrated service providers with integration capabilities, and industry concentration is expected to continue increasing.

Under this trend, corporate competitiveness will be reflected in comprehensive strengths across multiple dimensions, including completeness of product portfolio, coverage of service network, supply chain integration capability, warehousing and logistics efficiency, depth of technical support, speed of customer response, and differentiated empowerment services.

Following industry development trends, the Company continues to strengthen its three major business pillars of "intensive supply chain + medical product distribution + hospital empowerment services," and expands growth momentum through digital intelligent transformation, as explained below:(1) Intensive business

As demand from medical institutions for cost control and refined management increases, demand for intensive procurement and supply chain management services continues to grow.

Guided by end-customer needs, the Company integrates upstream supplier resources, establishes an integrated service system, and signs medium- to long-term cooperation contracts with medical institutions to provide comprehensive supply chain services such as centralized procurement, distribution, and inventory management. Through large-scale procurement and professional management mechanisms, the Company effectively assists medical institutions in reducing procurement costs, optimizing inventory structure, and improving operational efficiency.

In addition, the Company assists hospitals in demand forecasting, inventory management, and personnel training through an on-site service model, further deepening customer stickiness and driving steady business growth.

(2) Medical product distribution

Under the impact of the volume-based procurement policy, prices of medical products are generally under pressure, and the gross profit margin of traditional distribution business is constrained. However, enterprises with channel integration capabilities and service-added value still have growth opportunities.

Leveraging its existing distribution network and customer base, the Company continues to deepen its presence in fields such as radiation oncology, immunodiagnostics, and biochemical diagnostics, providing product sales and maintenance services. At the same time, it actively promotes the technological upgrading and localization development of self-developed products. Among them, the "MCCTAVIP" digital intelligent platform for medical teaching, research and development launched by subsidiary Hoyi Information is aligned with national policies promoting independent control of high-end medical equipment and the development of digital healthcare, helping enhance overall product competitiveness and added value.

(3) Hospital empowerment services

As healthcare policies continue to promote "strengthening primary care" and "digital intelligence in healthcare," the demand from medical institutions for operational management, enhancement of specialty capabilities, and data application has increased significantly, driving the rapid development of the hospital empowerment services market.

In response to industry changes, the Company launched the "ACME Ultimate Empowerment" service system. By integrating services such as clinical decision support, operational management analysis, and teaching and research platforms, it provides medical institutions with comprehensive value-added solutions and enhances customers' willingness to adopt through a "zero additional cost" model.

The main service offerings include:

A. Clinical diagnosis AI-assisted system: Integrates artificial intelligence and specialist knowledge models to help physicians improve diagnostic accuracy and treatment decision-making efficiency, and is particularly helpful in enhancing the capabilities of primary medical institutions.

B. Integrated decision analysis platform (ACME CT): Integrates data from multiple hospital systems to build an analysis mechanism integrating business and finance, assisting management in improving operational decision-making efficiency and performance management capabilities.

C. MCCTAVIP digital intelligent platform for medical teaching, research and development: Creates a digital surgery and distance teaching environment, promotes the inheritance of medical technology and cross-regional collaboration, and advances the dissemination of high-quality medical resources.

D. Cross-strait expert resource integration platform: Promotes the improvement of medical management and clinical technologies through professional exchange and training mechanisms, and strengthens the overall competitiveness of medical institutions.In summary, through supply chain integration, optimization of product distribution, and extension of empowerment services, the Company is gradually transforming from a traditional medical distributor into a provider of comprehensive healthcare solutions, and with empowerment services as its second growth curve, its future operations are expected to have continuous growth potential.Competitive advantage

(1) The Group has no obligation to promote products of any specific supplier, and is open to the concept of sourcing products from multiple competing brands

Unlike under the traditional agency model, where original manufacturers impose restrictions on agents regarding sales regions, sales targets, and the exclusion of cooperation with competing products, the Company's products can establish cooperative relationships with original manufacturers of numerous brands and major agents in a form that involves no agency obligations, no assumption of sales targets, and no exclusion of competing products, and based on this promote intensive services to end hospitals across the country.

The Company's business has fully covered nearly 37,000 product items of in vitro diagnostic products and consumables from more than 1,000 different manufacturers. It has fully grasped the product supply categories and prices of various brands, their original manufacturers, and their major agents, and can provide customized solutions for the different needs of medical institutions in the field of reagents and consumables products, effectively reducing procurement costs for medical institutions while also maintaining its own flexibility in product supply selection and reducing the resulting capital occupation costs.

During the reporting period, the Company's intensive business was mainly direct sales. Given that the Company takes intensive business directly facing end customers as its principal operating model, it has corresponding competitive advantages in terms of end-customer stickiness.

(2) Customer empowerment for quality improvement and efficiency enhancement in line with national policies

The Company makes full use of the cross-strait medical resources it has accumulated over decades. By maintaining good relations with major medical institutions in Taiwan, China, it obtains cutting-edge medical technologies and successful hospital management experience that can be referenced at the earliest opportunity, and promotes the integration, interaction, and mutual assistance of cross-strait medical resources through training exchanges between medical institutions across the Taiwan Strait, joint department development, and other means.

In recent years, in accordance with national policy requirements, the Company has made full use of its advantage in bringing together the strengths of hundreds of medical institution resources across the Taiwan Strait, actively investing in the independent research and development of copyrighted hospital department operation management software, meeting the needs of end customers for quality improvement and efficiency enhancement, assisting hospitals in cultivating seed teams for department operation management in the manner of teaching people how to fish, and implementing scientific and refined management.

(3) Centralized procurement service driven by customers' needs

The Company has created a one-stop service platform for in vitro diagnostic products and a cross-strait platform for exchange of medical knowledge. It has a proprietary system in place to provide centralized procurement and support full supply chain management of in vitro diagnostic products, and brings values to medical institutions through "improved management practice, shortfall anticipation, reduced cost, and shared resources."

Cowealth's centralized procurement service changes the ways medical institutions purchase in vitro diagnostic products, from having to engage multiple suppliers to using a unified channel. Volume purchase combined with optimized procurement practices not only help improve operating efficiency of medical institutions in the downstream, but also eliminate intermediaries between original manufacturers and end users for effective reduction of unit purchasing cost. By facilitating direct interaction between original manufacturers/distributors and medical institutions, the Company raises the transparency of purchasing decisions to the benefit of both upstream suppliers and end users that would otherwise be compromised if intermediaries were present.

Original manufacturers/distributors tend to specialize in certain sub-categories of in vitro diagnostic product, whereas end users tend to have varying needs for a variety of products. As a procurement service provider, the Company works with a great number of suppliers and customers simultaneously to resolve the mismatch between supply and demand, and by eliminating the need to go through the distribution systems of individual original manufacturers, the Company helps hospitals save cost on purchasing reagents and consumables. Overall, the Company's centralized procurement service benefits customers in a number of ways including reduced cost, absence of intermediaries, more flexible choices, reduced inventory of in vitro diagnostic reagents, and better upstream-downstream integration for improved competitive advantage.

(4) Advantage to introduce advanced technologies and devices

The Company has long been keeping track of cutting-edge technologies and devices around the world in a field that is technologically sophisticated with relatively few competing products. Through connection with medical institutions in the Greater China Region, the Company helps original manufacturers tap into the potentials of this immense market. For more than a decade, the Company has successfully introduced advanced medical equipment of offshore original manufacturers such as Accuray and TearScience into the local market, for which it was named Best Global Agent, Best Performing Partner etc. Today, the Company serves as procurement agent for more than 70 hospitals and supports them with long-term training and maintenance services. By introducing these devices, the Company helps hospitals adopt the latest medical technologies and improve their ability to diagnose and treat complex diseases, which in turn results in stronger and longer lasting relationship.

(5) Advantages of the management team

After many years of commitment, the Company is able to attract expert talents with extensive experience in the logistics and servicing of in vitro diagnostic products to assemble a highly professional and efficient management team. Most members of the management team have decades of career experience in the field of medical devices, and many of whom used to serve in the Greater China regional teams of multinational medical conglomerates such as Philips and Beckman Coulter. Together, they provide insight to the needs of the medical market as well as the prospects of various products.

The presence of a highly professional management team has enabled the Company to grow closely in line with the trends of the medical industry, monitor downstream demand in a timely manner, and stay competitive and thrive in the industry.

(6) Brand and early advantage

The Company is one of the leading providers of logistics and centralized procurement services for in vitro diagnostic products in Taiwan, and was one of the early integrated service providers to advocate centralized procurement of in vitro diagnostics. Through persistent optimization of the service model and practices, the Company is able to expand its service network and maintain close collaboration with upstream suppliers to bring high-quality services to customers and quickly respond to customers' needs. The Company currently enjoys strong brand value in the field of centralized procurement service.

(7) Channel advantage

The Company has established strategic collaboration relationship to supply in vitro diagnostic reagents to more than 100 tier-3 hospitals through centralized procurement service. Today, the Company has proven itself capable of providing long-term, consistent, and reliable services to customers with the benefit of reducing costs. Customers are generally reluctant to switch suppliers out of concern for reasonable procurement cost and long-term stability, particularly given the industry's lack of logistics service providers that have broad product access and are competent in integrated services. Through the services provided, the Company has made itself relevant in every aspect of customers' operations, and built strong collaborative relationship to the benefit of both parties.

(8) Advantage in experience

Having accumulated more than a decade of experience in centralized procurement of in vitro diagnostic products, the Company has developed comprehensive knowledge about the needs of different medical institutions at different locations, and is able to grow customer base consistently by leveraging its industry dominance, brand reputation, and referral of existing customers. While providing value-adding services to customers, the Company also hopes to bridge collaborations, knowledge exchange, and resource sharing between medical institutions, and ultimately contribute to the growth of the medical industry in the Greater China Region.

5. Advantageous and disadvantageous factors for future development and corresponding countermeasures

(1) Opportunities

A. Hospital operation performance-oriented policies continue to advance, driving increased demand for management and equipmentSince China's healthcare system reform, public hospitals have gradually shifted from government subsidies to a self-financing mechanism. Together with the implementation of the separation of prescribing and dispensing and drug price control policies, the proportion of hospital revenue from pharmaceuticals has declined. Under circumstances where medical service prices have not yet been fully market-oriented, hospitals need to improve overall operating income and efficiency by enhancing diagnosis and treatment capabilities and equipment utilization, thereby driving demand for high-quality medical equipment and related services.

On the other hand, in recent years policies have continued to strengthen requirements for the high-quality development and refined management of public hospitals. Policies including the 2021 "Opinions on Promoting the High-Quality Development of Public Hospitals," the "Economic Management Year for Public Medical Institutions" campaign from 2022 to 2025, and the "Guidance Manual for Cost Accounting of Public Hospitals" have been successively introduced, explicitly requiring hospitals to promote the integration of business and finance, strengthen cost management, establish operation management information platforms, and enhance scientific governance capabilities.

According to the policy goals, by 2025 more than half of tertiary public hospitals will have completed the construction of operation management information platforms, and full coverage will be further achieved by 2027. Under this trend, hospitals' demand for data integration, business analysis, and decision support systems continues to increase, creating favorable development opportunities for the Group to provide integrated medical equipment services and operation management solutions.

In addition, foreign medical equipment manufacturers in the China market face challenges in controlling accounts receivable risks and generally require distributors to bear credit risk, while local enterprises are constrained by insufficient financing capabilities and find it difficult to provide flexible business models. The Group has capital integration and risk control capabilities, enabling it to enter the market through cooperation plans and form differentiated competitive advantages.B. Policies promoting the sinking of primary healthcare resources drive market expansion opportunities

As China continues to promote the sinking of high-quality medical resources and balanced regional development, the need for primary medical institutions to improve their diagnosis and treatment capabilities and management standards is increasing. The "15th Five-Year Plan" and related policies clearly propose optimizing the functional positioning of medical institutions, promoting the extension of resources to county-level and urban-rural grassroots levels, and establishing a hierarchical diagnosis and treatment system.

The decisions on deepening healthcare reform adopted at the Third Plenary Session of the 20th Central Committee of China also emphasize strengthening primary healthcare services and promoting the formation of a healthcare service system in which "serious illnesses do not leave the province, common illnesses are resolved at the city and county level, and daily illnesses are handled at the primary level." Through mobile medical services, paired assistance, and regional resource integration, the service capacity of primary healthcare will continue to improve.

Driven by these policies, demand in the primary healthcare market for appropriate medical equipment, digital systems, and operation management tools is expected to grow significantly. The Group's entry into the primary market through the "ACME" empowerment system will help expand service scenarios and strengthen business opportunities in regional medical coordination and the development of key specialties.Threats and response measures

A. Compound risk of policy implementation and intensified market competition: Although the centralized procurement rules have been optimized, price pressure remains significant in specific implementation, and this may drive more competitors into innovative service tracks, resulting in intense competition for new businesses.

Response strategies:

The Group will closely monitor policy developments, continue to optimize its cost structure, accelerate the commercialization of innovative businesses, and consolidate its first-mover advantage.

B. Risk of the pace of innovation investment and output: Innovation projects have long R&D cycles, require substantial investment, and face uncertainties in approval and commercialization pathways, which may lead to a mismatch between investment and output and affect short-term performance.

Response strategies:

The Group will strengthen project management, evaluate the input-output effect in stages, prioritize projects with high maturity, and control R&D risks.

C. Data security and compliance risk: As the Company's digital and intelligent products penetrate deeper into hospitals' core data layers, and national regulation over medical data security becomes increasingly stringent, the Company faces greater pressure in data security protection and compliant operations.

Response strategies:

The Group will strictly comply with the requirements of laws and regulations such as the Data Security Law of the People's Republic of China and the Personal Information Protection Law of the People's Republic of China, strengthen the construction of its data security system, and ensure compliant operations.

D. Risk of no actual controller: During periods of rapid industry transformation, a stable governance structure is critical to rapid decision-making. Dispersed shareholding may lead to reduced efficiency in major strategic adjustments or decisions on resource investment.

Response strategies:

The Group will continue to improve its governance mechanism, strengthen communication and coordination between management and major shareholders, and ensure decision-making efficiency.

E. Inherent risks of distributors: As a distributor of medical devices and products, the Group's inherent risk lies in the possibility that suppliers, as part of their business strategies, may consider or decide, once distributors have introduced their products into the market and the timing becomes appropriate, to bypass the Group's distribution and directly enter the market to transact with end users. Should such circumstances occur, they may have a negative impact on the Group's operations.

Response strategies:

Cowealth Group has persistently taken actions to avoid this development through the use of contracts or other methods.

F. Industry policy risk: On December 23, 2024, the Anhui Provincial Healthcare Security Administration officially released the Announcement on the Inter-provincial Alliance Centralized Volume-based Procurement of In Vitro Diagnostic Reagents in 28 Provinces (Autonomous Regions and Corps) in 2024 (No. 2), marking the official launch of a new round of large-scale centralized procurement of in vitro diagnostic reagents in China. The regions involved in this centralized procurement have expanded to 28 provinces, autonomous regions, and corps. The purpose of the centralized procurement policy is mainly to compress the terminal prices of in vitro diagnostic products. After centralized procurement, the selling prices to end customers declined, partially affecting the operating revenue of corresponding products in the relevant regions, and gross margin also experienced some fluctuations. If centralized procurement is implemented nationwide and upstream suppliers are not included in the catalog while the Company fails to enhance collaboration with original manufacturers and medical institutions to include the procured items into its existing centralized procurement service, the Company may have fewer suppliers to work with and have a smaller range of products to sell, and encounter weakened competitive advantage that negatively affects business performance. In 2025, the introduction and implementation of multiple key policies profoundly reshaped the competitive logic and development path of the in vitro diagnostics industry. As centralized procurement continues to expand in coverage across regions and categories, profit margins in the distribution segment have been substantially compressed, posing extreme challenges to companies' cost control, supply chain efficiency, and integrated service capabilities. Whether value-added services can be provided has become the key to differentiated competition.

Response strategies:

The Company's "ACME empowerment matrix" has provided broad scope for serving the grassroots medical market. In an environment where centralized procurement has led to a sharp narrowing of product price differentials, providing customers with irreplaceable differentiated empowerment services is the only way for distribution service providers to maintain customer relationships and achieve mutual development.

(II) Important uses and production processes of major products

1. Main product applications

Product category	Product name	Product purpose
Radiotherapy machines	Magnetic-resonance-guided adaptive radiotherapy system (ViewRay)	This is currently the world's first and only clinical device that incorporates both MRI and radiotherapy functions. It has the capability to perform stereotactic body radiation therapy (SBRT), stereotactic radiosurgery (SRS), image-guided radiation therapy (IGRT), intensity-modulated radiation therapy (IMRT), and 3D conformal radiotherapy (conformal RT)
Clinical testing application products - fully automated biochemical analyzer	Beckman Series, Hitachi Series, Siemens Series	Automated clinical chemistry analyzers are mainly used to perform laboratory analyses at the diagnosis department of a hospital. The device analyzes blood (or urine, body fluid etc.) for presence of bio-active small molecular substances.
Clinical testing application products - fully automated hematology analyzer	Abbott Series, Siemens Series, Johnson & Johnson Series	Automated hematology analyzer, too, is used to perform laboratory analyses at the diagnosis department of a hospital. The device analyzes blood for substances such as white blood cell, red blood cell, and platelet.
Clinical testing application products - fully automated enzyme immunoassay analyzer	Roche Series, Abbott Series, Siemens Series, Beckman Series	Automated enzyme immunoassay analyzers are mainly used to perform laboratory analyses at the diagnosis department of a hospital. The device analyzes blood (or urine, body fluid etc.) for bio-active high molecular substances including immunoglobulin and hormone.
Reagents	Bio-diagnostic reagents	Bio-diagnostic reagents are mainly used with tests performed using clinical chemistry analyzers.
	Hematology diagnostic reagents	Mainly used with hematology analyzer for clinical diagnostic.

Product category	Product name	Product purpose
	Immunological diagnostic reagents	Immunological diagnostic reagents are mainly used for clinical diagnosis with automated/semi-automated immunological equipment.

2. Production process: Cowealth Group is not involved in manufacturing activities, hence not applicable.

(III) Supply of key raw materials: Not applicable as the Company is not a manufacturer.

(IV) Main suppliers/buyers list

1. Main suppliers in the last two years

Name of supplier representing more than 10% of total purchases in any year, and the amount and percentage of purchase. Describe causes of any variation

Unit: NTD thousands

	2024				2025			
Item	Title	Amount	As a percentage of annual net purchases	Relationship with the issuer	Name	Amount	As a percentage of annual net purchases	Relationship with the issuer
1	Others	3,400,200	100.00%	None	Others	2,713,961	100.00%	None

Note 1: The table lists out suppliers that represent more than 10% of purchases made in the last two years, along with individual amounts and percentages; alias is used if the underlying contract prohibits the Company from disclosing the name of the counterparty, or if the counterparty is an unrelated natural person.

Note 2: TWSE/TPEX listed companies are required to disclose the most recent audited or auditor-reviewed financial information available before the publication date of annual report.

Radiotherapy machines and accessories, clinical diagnosis instruments, and in vitro diagnostic reagents make up the majority of the Company's purchases.

No single supplier represented more than 10% of the Company's purchases in 2024 or 2025; source of supply is deemed diversified and consistent.

2. Main customers in the last two years

Name of customer representing more than 10% of total sales in any year, and the amount and percentage of sale. Describe causes of any variation:

Unit: NTD thousands

	2024				2025			
Item	Title	Amount	As a percentage of annual net sales	Relationship with the issuer	Title	Amount	As a percentage of annual net sales	Relationship with the issuer
1	Others	4,192,722	100.00%	-	Others	2,956,257	100.00%	-

Note 1: The table lists out customers that represent more than 10% of sales made in the last two years, along with individual amounts and percentages; alias is used if the underlying contract prohibits the Company from disclosing the name of the counterparty, or if the counterparty is an unrelated natural person.

Note 2: TWSE/TPEX listed companies are required to disclose the most recent audited or auditor-reviewed financial information available before the publication date of annual report.

The Group's sales regions are primarily in China. In the most recent two years, there were no customers for which net sales reached 10% or more of total revenue. The Company is committed to expanding new product items and developing new customers to diversify customer concentration.

III. Employee information in the last 2 years up until the publication date of annual report

Year		2024	2025	Current year up until April 14, 2026
Total number of employees		207	168	168
Average age		35	37	37
Average years of service		6	7	7
Academic background	PhD	0.00%	0.00%	0.00%
	Master	10.14%	11.90%	12.50%
	College	85.99%	83.93%	82.74%
	Senior High School	3.86%	4.17%	4.76%
	Below Senior High School	-	-	-

IV. Environmental Expenditure Information

Losses (including damage compensation) arising as a result of pollution in the last year up until the publication date of annual report (arising from violation against environmental protection law found during environmental inspection; explain the date of penalty, reference number, the laws violated, the violating action, and the nature of penalty). Please quantify the estimated losses and state any response actions, and state reasons if losses can not be reasonably estimated: The Company is not involved in manufacturing activities, hence not applicable.

V. Labor Relations

(I) Availability and execution of employee welfare, education, training and retirement policies; elaborate on the agreements between employers and employees, and protection of employees' rights.

1. Welfare measures and implementation

Serial No.	Welfare measures	Implementation
1	Complimentary health checkup for permanent employees	All employees are entitled
2	Commercial accident insurance with medical coverage	All employees are entitled
3	Annual gatherings	All employees are entitled
4	Paid leave of absence	All employees are entitled, and the terms are more favorable than what the local laws require
5	Employee care	Employees are offered gifts or cash for occasions such as birthday, festival, wedding, child birth, and hospitalization
6	Fitness	All employees are entitled
7	Laptop subsidy	All employees are entitled
8	Communication subsidy	Employees are entitled to communication subsidies of different amount depending on duty requirements
9	Zero interest auto loan	Employees who complete probation and convert into permanent position may apply for zero interest auto loan
10	Zero interest housing loan	Employees having completed one year of service may apply for zero interest housing loan
11	Long service award	Employees are rewarded after completing 5, 10, 15, and 20 years of service

2. Training and implementation

Training progress of existing and new employees in 2025

Serial No.	Training	Hours	Implementation
1	Orientation	35	All new recruits are required to complete the course; training coverage rate is reported at 100%.
2	Role-specific training	194	All employees are required to undergo training for skills that are relevant to their roles. These training courses are organized on an annual and unscheduled basis.
3	Environmental safety training	8	The Company promotes employees' safety awareness and trains their responses to fire, earthquake, and flood incidents. Employees are trained on the patrol and security of office and warehouse premises.
4	Training on the "Code of Business Ethics" for ethical management	236	Employees are introduced to the anti-bribery initiative and various issues concerning gift, hospitality, and donation. They are also reminded to uphold the moral baseline.
5	Training on accounting system and internal control	24	Employees are trained on new IFRS and bookkeeping practices, and are informed on issues concerning internal control and self-assessment.
6	Regulations and quality control	Online learning	All employees are trained on matters concerning the quality management system, corporate certification, regulations of the medical industry, and GSP.
7	Specialist onboard training	30	The training covers maintenance of large radiotherapy equipment, skills of accounting personnel, and use of special vehicles.
8	Influential speaking	14	Sales employees are given the training needed to improve presentation skills, such as PPT preparation, facial expression, tone, and body language.
9	Corporate governance training	24	Training is given to board secretary and shareholder service personnel.

Progress of management succession plan - 2025

Serial No.	Training	Hours	Implementation
1	2025 business planning and regional conference	136	Mid-level and senior managers and sales management personnel
2	Strategic Thinking Training	16	Mid-level and senior sales management personnel
3	Contract interpretation and risk control	12	Mid-level and senior sales management personnel
4	Delicacy management and empowerment	240	Department directors and senior managers
5	Influential presentation	14	Mid-level and senior managers and sales management personnel
6	Share incentives, performance assessment, and employees’ rights and obligations	200	Mid-level and senior managers and sales management personnel
7	Quality management regulations	15	Mid-level and senior managers
8	Business integrity and insider trading prevention	3	Department directors and internal auditors

Managers' ongoing education - 2025

Title	Name	Date	Organizer	Course name	Training hours
President	Duane Lee	2025/3/14	Taiwan Corporate Governance Association	Benefits of the Circular Economy and Business Opportunities in Sustainable Finance	3
		2025/4/25	Taiwan Corporate Governance Association	Design of Executive Compensation and ESG Performance Systems	3
Chief Internal Auditor	Fang Ma	2025/12/9	The Institute of Internal Auditors, R.O.C.	Key Practice Seminar on "Sustainability Information Management" and Internal Control & Internal Auditing	6
		2025/12/10	The Institute of Internal Auditors, R.O.C.	Audit Ethics and Professional Choices in the AI Era: Technology Risk, Ethical Dilemmas, and New Governance Challenges	6
Accounting Supervisor	Yu-Ting Ruan	2025/10/13-2025/10/22	Accounting Research and Development Foundation of the R.O.C.	Initial Education for Securities Issuers, Securities Firms, and TWSE Chief Accounting Officer	30
Corporate Governance Officer	Li-Ching Chiao	2025/10/9	Accounting Research and Development Foundation of the R.O.C.	"IFRS 18 Newly Issued Practical Analysis"	6
		2025/10/23	Accounting Research and Development Foundation of the R.O.C.	"Remarks by Senior Officials · In-depth Review of Financial Reports / Loans and Credits / Endorsements and Guarantees / Acquisition and Disposal"	6

3. Pension system and execution

The Company implements pension systems according to regulations local to the places of domicile of the respective subsidiaries. Below are the systems adopted:

Region	Taiwan	Mainland
Pension system	New scheme	Basic Endowment Insurance
Governing law	Labor Pension Act	Social Insurance Law
Contribution method	Contributions are made at 6% of employees' insured salary levels to their individual accounts held with Bureau of Labor Insurance; furthermore, employees may contribute an additional 6% into their individual accounts held with Bureau of Labor Insurance if so desired.	Contributions are made into employees' social insurance accounts based on prevailing salary basis and percentage (which differs from region to region).
Implementation status	The amount recognized for contributions to the new pension scheme in 2025 was NT$972,612.	The amount recognized for allocations to the social security special account in 2025 was RMB 6,928,892.

4. Employment agreements and enforcement of employee rights

All members of Cowealth Group have signed employment (work) agreements with every employee to outline rights and obligations between two parties. The Group also has an Employee Manual that outlines employees' rights and obligations as well as the welfare policies and training arrangements to be made by the Company.

Main operating subsidiaries have created their own unions, and are required to negotiate with the union for any change to the terms of the Employee Manual or employees' rights and obligations. Union representatives are elected by all employees; the union serves to protect employees' rights and is responsible for coordinating employment relations within the organization.

(II) Losses arising as a result of employment disputes in the last year up until the publication date of annual report (including violations against Labor Standards Act found during a labor inspection; explain the date of penalty, reference number, the laws violated, the violating action, and the nature of penalty). Please quantify the estimated losses and state any response actions, and state reasons if losses can not be reasonably estimated: The Company did not exhibit violation in any labor inspection conducted in the last year and up until the publication date of annual report.

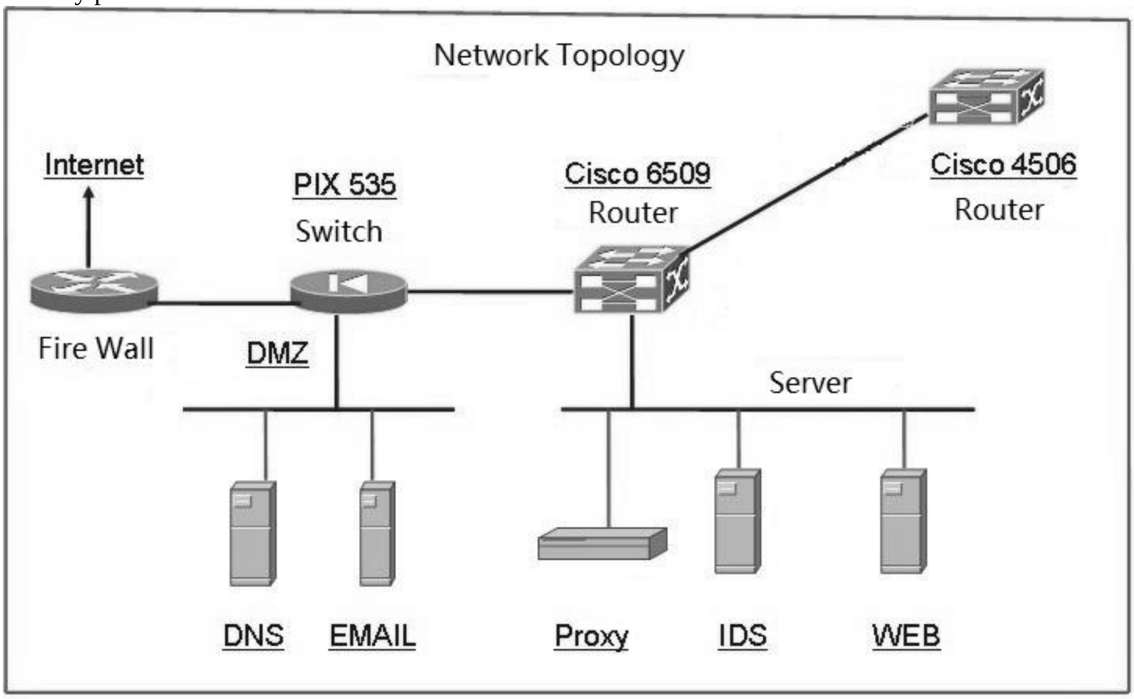
VI. Information Security Management:

(I) Cybersecurity risk management framework, cybersecurity policy, management practices, and resources committed:

The Group's cybersecurity risk management framework is implemented through the establishment of a dedicated cybersecurity unit and the appointment of a cybersecurity officer, with the manager of the information department overseeing the promotion of information security policies and resource allocation matters, and dedicated cybersecurity personnel assigned to carry out daily operational management, with external experts engaged to conduct project inspections when necessary.

The goal of cybersecurity policy is to ensure rigorous control over the flow of information through means such as system and network security hardware, firewall, intrusion detection, security scan, and anti-virus technologies. All devices connected to network (such as Web server, router, Intranet server etc.) are checked, analyzed, and evaluated to identify and report vulnerabilities and leaks in system memory. The Company also accesses security risks, recommends remedial actions, and monitors network traffic to effectively prevent hacker attack and spread of virus.

After analyzing the current state of network security within the Company and studying available security technologies, we have established enterprise cybersecurity principles and devised a network security plan as follows:



Implementation of management solutions:

1. Firewall solutions: Based on an overall assessment of network security, Cowealth Group opted to use a single Paloalto firewall server to segregate sales network from the corporate Intranet. Meanwhile, servers with Internet connection, such as DNS and email, have been configured within the DMZ with proper separation between Intranet and Internet.

   The firewall has been set up using the principles below: to create logical and effective security filtering rules that examine protocols, ports, source/destination IP, and flow of data packets and rigorously control illegal access from Internet users; to allow only necessary services such as HTTP, FTP, SMTP, and POP3 in the DMZ and prevent DDoS attack from the outside; to review firewall access log on a regular basis; and to impose rigorous control over firewall administrator's authority.

   Firewalls are extremely effective at increasing security of the Intranet, and reduces risks by blocking insecure service. Firewall rules can be configured to grant access only to selected applications and protocols, which increases security of the network environment. For example, the firewall can be configured to block insecure protocols such as NFS, so that these protocols can not be exploited by malicious outsiders to attack the Intranet. Firewall also protects the network from attacks that target the router, such as IP spoofing and ICMP redirect.
2. Intrusion detection: CA eTrust Intrusion Detection has been deployed on the monitoring port of the

core switch, whereas central workstation-controlled network intrusion detection proxies have been installed at different network segments (local or remote) to detect and respond to network intrusion.

The intrusion detection system captures all data transmissions between the Intranet and the Internet in real time, and presents them using dynamic graphs to keep the administrator informed of ongoing connections and access between the two networks. By applying protocol analysis and pattern matching, the administrator can efficiently identify network attacks and abnormal occurrences such as DDoS, unauthorized access attempts, pre-attack detection etc., and even customize the type of alarm to send if an attack occurs. In the event of a severe network intrusion, the intrusion detection engine can send a disruption signal to directly severe connection of the attacker. The system also allows dynamic adjustments of the firewall protection strategy, thereby making firewall a flexible and intelligent feature to the protection system.

3. Network security vulnerabilities: The corporate network houses servers for many different services such as website, email, segmentation, video, and more importantly, the database. The administrator alone can not fully control and resolve security flaws and vulnerabilities of each server within the entire network, and therefore relies on the use of tools to regularly scan, analyze, evaluate, and report vulnerabilities and leaks in system memory. The findings allow security risks to be thoroughly evaluated with remedial measures taken to enhance network security.
4. Anti-virus solution: Cowealth uses Kaspersky's software to build an anti-virus system for the entire organization. All servers and computer equipment within the network are fully protected against virus. A virus protection center has also been established under the network center to manage all computers within the same anti-virus segment. The anti-virus segment has a primary server that oversees virus management for the entire segment. A uniform anti-virus strategy has been implemented, and the system has been configured to scan, search, and remove virus automatically.

   This setup offers multiple advantages including: centralized monitoring of virus intrusion, virus protection, anti-virus activity across all systems; centralized management, installation, and maintenance of anti-virus software; consolidated virus intrusion reporting, notification, and outbreak alert for the entire system; consolidated access to anti-virus system log; and consolidation and analysis of system performance data by the administrator.

   System patches and virus removal tools are downloaded and executed in a timely manner as prompted by internal notification or website announcement for prevention purpose.
5. Access rights management: By implementing effective user password rules and access control, the Company ensures that only legitimate users are granted access to resources. The Intranet administrator is responsible for overseeing passwords configured on various equipment. Users are constantly reminded not to use the same password across different systems, to include a combination of capital letters, small letters, special characters, and numbers in their passwords, and to change passwords regularly.
6. Important files and internal data management: Critical data is backed up regularly to prevent major losses from software/hardware malfunction, virus infection, hacker attack, or system crash. The Company uses full-featured backup software and recovery tools and makes flexible backup arrangements to protect valuable data. The Company imposes confidentiality requirements on system software, applications, and information held on hand, and adopts tier-based management for different types of file, including write protection on system files and critical execution files. Servers of high importance are supported with enhanced data backup solutions such as RAID5 and recovery protocols. Furthermore, it is mandatory for sensitive equipment and data to be subjected to physical or logical isolation.

Commitment of cybersecurity management resources: Cowealth Group's commitments include but are not limited to the following:

1. Internal security management: This mainly involves the creation of an internal security management system, which covers server room management, equipment management, security system management, virus prevention, operational security management, and security incident response. Effective measures are also taken to ensure proper execution of the system. Internal security management mostly use a combination of administrative and technical means.
2. Network security management: After installing the router, firewall, and security detection system at the network layer, additional care is taken to ensure that ACL is correctly configured on the router and firewall, and to prohibit unauthorized changes. Security management at the network layer can be enforced using network administration, firewall, and safety detection tools.
3. Application security management: Security management of applications and systems is a complex task. Due to the differences in security mechanisms adopted by applications and systems, it is essential to create a unified application security platform to manage day-to-day tasks such as

centralized creation of user database, centralized maintenance of original directory, and centralized authorization.

4. IT budget management: All expenses required for the three aspects above and related equipment renewal costs are included as regular budgets during annual budget review. Additional budget reserves have also been made to accommodate non-regular IT projects.
5. Quantitative data on resources invested in information and communication security management: the Company conducts vulnerability scans at least quarterly on systems that have been put into operation and have established security systems, in order to promptly identify system security vulnerabilities; annually organizes reviews of the adaptability, adequacy, and effectiveness of information security principles and organizes revisions when necessary to ensure the security of information systems. The Company had a total of 3 information security professionals and convened 4 information security-related meetings in 2025.
6. Introduction of the information security management system: The Company introduced the ISO 27001 information and communication security management system in 2025 and regularly obtained ISO 27001 certification. Currently, the certificate is valid from April 29, 2025 to April 28, 2028. In addition, the Company also regularly obtains security graded protection certification in Mainland China. The Company has obtained the Level 3 certification for information security classified protection, the highest level, and the certificate is currently valid from January 1, 2026 to December 31, 2026. Through the implementation of the information and communication security management system, the Company has strengthened its incident response capabilities for information and communication security incidents and protected the security of the assets of the Company and its customers.

(II) Losses arising as a result of major cybersecurity incident in the last year up until the publication date of annual report, and possible impacts and response measures; state the reasons if losses can not be reasonably estimated: The Company did not suffer any loss from cybersecurity incident in the last year and up until the publication date of annual report.

VII. Material Contracts:

Nature of contract	Parties involved	Contract start/end date	Main details	Restrictive clauses
Sales	GWSHYY	2024/1-2026/12	Integrated logistics management service for clinical diagnosis equipment and in vitro diagnostic reagents	-
Sales	LHBTYY	2025/01-2026/01	Integrated logistics management service for clinical diagnosis equipment and in vitro diagnostic reagents	-
Sales	QYGZRM	2020/04-2032/03	Integrated logistics management service for clinical diagnosis equipment and in vitro diagnostic reagents	-
Sales	SLSDZX	2023/08-2025/08 Note 1	Integrated logistics management service for clinical diagnosis equipment and in vitro diagnostic reagents	-
Sales	RMPXYY	2021/07-2027/06	Integrated logistics management service for clinical diagnosis equipment and in vitro diagnostic reagents	-
Sales	HRSHZJ	2023/09-2026/09 Note 2	Integrated logistics management service for clinical diagnosis equipment and in vitro diagnostic reagents	-
Sales	RHTHSD	Note 3	Bulk Equipment Sales	-
Sales	JNGZDY	2014/01-2025/12	Integrated logistics management service for clinical diagnosis equipment and in vitro diagnostic reagents	-
Sales	JSSHYY	2025/08-2026/08	Integrated logistics management service for clinical diagnosis equipment and in vitro diagnostic reagents	-
Sales	SYSHGY	Note 4	Integrated logistics management service for clinical diagnosis equipment and in vitro diagnostic reagents	-
Sales	RMTWZY	2025-2035	MRI real-time navigation radiotherapy system equipment leasing	-
Sales	MJJSYY	2026/01-2034/01	Integrated logistics management service for clinical diagnosis equipment and in vitro diagnostic reagents	-
Procurement	SSJNLR	2018/11-2025/10	Procurement agreement	-
Procurement	SSZJMY	Note 5	Procurement agreement	-
Procurement	YYHPSW	Note 6	Procurement agreement	-
Procurement	MRZJSW	Note 7	Procurement agreement	-
Procurement	RSZJQX	2024/12-2027/12	Procurement agreement	-
Procurement	RDHPYL	Note 8	Procurement agreement	-
Procurement	AKSDSW	From December 2022 until the completion of the rights and obligations under this contract	Procurement agreement	-
Procurement	ZZHPSW	Note 9	Procurement agreement	-
Procurement	KLSDSM	From July 2025 until the rights and obligations under this contract have been fulfilled	Procurement agreement	-
Procurement	FJJSQX	2023/11-2028/11	Quotation Sheet	-
Credit	Cathay United Bank (China) Ltd. Shanghai Branch	2025/01 - 2026/01	Trade financing and short-term borrowing limit	Credit
Credit	Shanghai Pudong Development Bank Co., Ltd., Baoshan Sub-branch	2025/01 - 2026/01	Trade financing and short-term borrowing limit	Credit
Credit	China Everbright Bank Co., Ltd., Shanghai Branch	2025/03 - 2026/03	Trade financing and short-term borrowing limit	Credit
Credit	Industrial Bank Co., Ltd. Shanghai Hongqiao CBD Sub-branch	2025/03 - 2026/03	Trade financing and short-term borrowing limit	Credit
Credit	China Merchants Bank Co., Ltd. Shanghai Branch	2025/06 - 2026/06	Trade financing and short-term borrowing limit	Credit
Credit	China CITIC Bank Corporation Limited Shanghai Branch	2025/07 - 2026/07	Trade financing and short-term borrowing limit	Credit
Credit	Fubon Bank (China) Co., Ltd. Shanghai Lingang New Area Sub-branch	2025/11 - 2028/11	Trade financing and short-term borrowing limit	Credit
Credit	Bank Of Ningbo Co., Ltd. Shanghai Branch	2024/11 - 2025/11	Trade financing and short-term borrowing limit	Credit
Credit	Agricultural Bank of China Limited Shanghai Yangpu Sub-branch	2025/12 - 2026/12	Trade financing and short-term borrowing limit	Credit

Nature of contract	Parties involved	Contract start/end date	Main details	Restrictive clauses
Credit	Bank of China Limited Shanghai Pilot Free Trade Zone Branch	2025/12 - 2026/12	Trade financing and short-term borrowing limit	Credit

Note 1: The client's latest tender process has concluded, and the Company has been confirmed as the successful bidder.
Note 2: This is an SPD vendor, and the end customer is DSSHYY.
Note 3: This is a B2B customer, and the contract term is 2024-2025.
Note 4: This is an SPD vendor, the end customers are XKSHYY and JSSHYY, the contract term is 2023-2025, and the contract start and end dates are the start and end dates of the cooperation period between Party A and the end users.
Note 5: Several purchase contracts were signed with the counterparty, with signing dates from 2012 to 2025, and the contract terms range from 1 year to 8 years, or no start and end dates were stipulated.
Note 6: Several purchase contracts and quotations were signed with the counterparty from 2022 to 2025, and the contract terms range from 1 year to 5 years, with the cooperation period for some quotations extended to the end of 2026.
Note 7: Several purchase contracts were signed with the counterparty from 2015 to 2024, and the contracts are annual contracts, or no start and end dates were stipulated.
Note 8: Several purchase contracts and quotations were signed with the counterparty from 2011 to 2028, and the contract terms range from half a year to 8 years, or no start and end dates were stipulated.
Note 9: Several purchase contracts and quotations were signed with the counterparty from 2016 to 2025, and the contract terms are 5 years or long-term.

Five. Review and Analysis of Financial Condition and Financial Performance and Risk Matters

I. Financial Condition

Unit: NTD thousands

Item	2024/12/31	2025/12/31	Variation	
			Amount	%
Current assets	5,948,722	5,513,051	-435,671	-7%
Property, plant and equipment	424,809	581,536	156,727	37%
Intangible assets	33,554	31,398	-2,156	-6%
Other assets	551,356	916,120	364,764	66%
Total assets	6,958,441	7,042,105	83,664	1%
Current liabilities	1,753,431	1,974,743	221,312	13%
Non-current liabilities	10,699	10,672	-27	0%
Total liabilities	1,764,130	1,985,415	221,285	13%
Share capital	774,496	774,496	0	0%
Capital reserve	1,223,612	1,610,050	386,438	32%
Special reserve	477,832	360,953	-116,879	-24%
Unappropriated earnings	411,756	282,078	-129,678	-31%
Other equity items	-88,876	-157,412	-68,536	77%
Non-controlling equity	2,395,491	2,186,525	-208,966	-9%
Total equity	5,194,311	5,056,690	-137,621	-3%

Analysis and explanation to significant variations amounting to NT$10 million or 20% or above:

1. Increase in property, plant and equipment: This was mainly due to the lease agreement signed with Zhongrong for a "magnetic resonance-guided radiation therapy system (ViewRay)" during the current period, which resulted in the reclassification of the equipment from inventory to property, plant and equipment.
2. Increase in other assets: primarily due to the purchase of large-denomination bank certificates of deposit during the current period.
3. Increase in capital surplus: This was primarily due to the increase in capital surplus recognized from the difference between the actual disposal price and the book value upon the disposal of a portion of the equity interest in a significant subsidiary during the current year without loss of control.
4. Decrease in special surplus reserve: This was due to changes in the appropriation of special surplus reserve in accordance with the Company's Articles of Incorporation and Order No. 1010012865 issued by the Financial Supervisory Commission.
5. Decrease in unappropriated earnings: This was primarily due to a net loss after tax incurred during the current period, resulting in a decrease in unappropriated earnings.
6. Decrease in other equity: Primarily due to the depreciation of Renminbi during the current period.

II. Financial Performance

Unit: NTD thousands

Item \ Year	2024	2025	Variation	
			Amount	%
Operating revenues	4,192,722	2,956,257	-1,236,465	-29%
Operating costs	3,401,201	2,564,081	-837,120	-25%
Gross profit	791,521	392,176	-399,345	-50%
Operating expenses	694,389	667,600	-26,789	-4%
Operating profit	97,132	-275,424	-372,556	-384%
Non-operating income and expenses	-8,210	-9,873	-1,663	20%
Profit before tax	88,922	-285,297	-374,219	-421%
Income tax expense	40,925	45,809	4,884	12%
Current net income	47,997	-331,106	-379,103	-790%

Analysis and explanation to significant variations amounting to NT$10 million or 20% or above:

1. Decrease in operating revenue, operating costs, gross profit, operating profit, and net profit before tax: This was mainly due to the impact of the centralized procurement platform policy and the state-owned enterprise-led tender procurement model, which resulted in a decrease in terminal sales unit prices and an overall reduction in revenue scale, leading to lower profit for the period.
2. Decrease in net profit for the period: This was mainly due to the decline in revenue and gross profit for the period, leading to a substantial decrease in profit for the period.

Possible financial impacts and response plans: Please see "Report to Shareholders."

III. Cash flow

(I) Analysis of cash flow variations in the last year:

Unit: NTD thousands

Opening cash balance	Net cash inflow (outflow) from operating activities for the year	Cash flow from other activities for the year (Note 1)	Cash surplus	Financing of cash deficits	
				Investment plans	Financing plans
1,182,832	15,530	-254,867	943,495	-	-

Analysis of cash flow variations for the most recent year

Operating activities: Net inflow of NT$15,530 thousand for the year, primarily due to active collection of accounts receivable expected in the current period and an increase in notes payable resulting from negotiated changes to payment terms with suppliers.

Investing activities: The net outflow of NT$174,032 thousand for the year was mainly attributable to the acquisition of financial assets measured at amortized cost (large-denomination certificates of deposit) and financial assets at fair value through other comprehensive income during the current period.

Financing activities: Net outflow of NT$122,234 thousand for the year, primarily due to repayment of borrowings, payment of interest, and changes in non-controlling interests during the current period.

Note 1: Includes the effect of exchange rate changes of NT$41,399 thousand.

(II) Response measures and liquidity analysis for cash flow deficit: None.

(III) Liquidity analysis for the next year:

Unit: NTD thousands

Opening cash Balance (1)	Projected net cash flow from operating activities for the year (2)	Expected cash outflow for the year (3)	Projected cash surplus (1)+(2)-(3)	Financing of projected cash deficits	
				Investment plans	Financing plans
943,495	-156,159	-172,579	614,757	Not applicable	Not applicable

1. Operating activities: This was mainly due to the expected changes in the medical policy environment and related investments in AMCE personnel optimization and capability enhancement.
2. Financing activities: These were mainly due to the estimated repayment of borrowings, payment of interest expenses, and related capital expenditures for the current year.

Response measures and liquidity analysis for projected cash flow deficit in 2025: Not applicable.

IV. Impacts from Major Capital Expenditures to the Financials in the Most Recent Year: None.

V. Reinvestment Policy in the Most Recent Fiscal Year, Main Reasons for Profit or Loss, Improvement Plans, and Investment Plans for the Coming Year

The Company's reinvestment policy is guided by the long-term development strategy of its core business and is committed to the vertical integration of the medical industry chain and global channel deployment. Through strategic investments in targets with forward-looking technologies or those capable of generating high operational synergies, the Group aims to strengthen its competitive advantage and enhance its market influence. All investment projects strictly comply with the Company's "Procedures for Acquisition or Disposal of Assets" and related internal control systems, and the management team conducts detailed feasibility assessments and due diligence to ensure investment benefits and maximize shareholders' long-term interests. The Company's reinvestment businesses performed well in the most recent year, and the Company will continue to track the operating performance and financial position of its reinvestment businesses. Looking ahead to the coming year, the Company will continue to seek strategic alliances or merger and acquisition opportunities based on market dynamics and the needs of its core business to deepen its industry deployment, and will also flexibly adjust the pace of investment in response to changes in the international situation and industry environment to ensure the efficiency of the Company's use of funds.

VI. Risk management issues in the last year up until the publication date of annual report

(I) Impact of interest rate, exchange rate, and inflation on the Company’s earnings, and response measures:

1. Interest rate:

   Cowealth Group borrows from financial institutions to finance business activities, and is therefore exposed to interest rate risks as the primary form of market risk. Considering how domestic and foreign institutions have forecast medium-term and long-term interest rates to lower or level in the next few years, the Group is unlikely to suffer losses from interest rate change. Cowealth Group also negotiates interest rates with banking partners and uses a combination of fixed and floating rate borrowings to control interest rate risks.

2. Exchange rate:

   Sales of Cowealth Group are mostly denominated in RMB, followed by USD. Purchases are primarily paid in RMB, followed by USD, and foreign currency-denominated assets are slightly greater than liabilities. The Group reported NT$735 thousand of net exchange gain in 2024, representing 0.02% of net operating revenues. In 2025, the net exchange loss was NT$8,323 thousand, representing 0.28% of net operating revenues. The many restrictions that prevent the exchange of RMB into foreign currencies in China have hindered Cowealth Group's capital expenditures; further tightening of these restrictions may affect Cowealth Group negatively. Any variation of the RMB exchange rate may give rise to gains or losses on exchange, as Cowealth Group is required to convert foreign currency-denominated sales proceeds into RMB. For this reason, Cowealth Group adopts the following measures in response to exchange rate variation:

   (1) In addition to creating a natural hedge by purchasing and selling goods in foreign currencies, the

Group assigns financial specialists to gather information and evaluate trends of the foreign exchange market, and exchanges foreign currencies according to capital requirement to minimize net currency exposure.

(2) The Group maintains frequent contact with key banking partners and closely monitors changes in the foreign exchange market. This level of engagement provides employees with the reference they need to respond to exchange rate changes in a timely manner.

(3) Actions are taken as necessary depending on foreign currency position and exchange rate fluctuation to mitigate the exchange rate risks associated with business activities.

3. Inflation:

Inflation had not affected the profitability of Cowealth Group to any significant degree in the past. However, Cowealth Group will consider adjusting selling prices if cost of purchase rises due to inflation. Cowealth Group also evaluates economic statistics and reports published by government and research institutions from time to time, and gathers relevant information to support the management's decisions.

(II) Policies on Engaging in High-risk and High-leverage Investments, Lending Funds to Others, and Endorsements and Guarantees, as well as Derivative Transactions, Main Causes of Profit and Loss as well as Future Countermeasures:

1. Policies on high-risk and highly leveraged investments; describe the main causes of profit or loss incurred and future response measures:

Cowealth Group devotes all its focus on core business and does not engage in other risky activities. In addition, it adopts conservative financial practices and refrains from highly leveraged investments, and thus has limited risk exposure.

2. Policies on third-party lending; describe the main causes of profit or loss incurred and future response measures:

Apart from intra-group lending, Cowealth Group had not lent to any party outside the Group in the last year and up until the publication date of annual report. All lending of capital between members of Cowealth Group as of April 14, 2026 had been approved by the board of directors and complied with rules of the Company. These lending arrangements did not affect the profit or loss shown in the Company's consolidated financial statements.

3. Policies on guarantees and endorsements; describe the main causes of profit or loss incurred and future response measures:

Apart from intra-group endorsements/guarantees, Cowealth Group had not offered endorsement/guarantee to any party outside the Group in the last year and up until the publication date of annual report. All endorsements/guarantees between members of Cowealth Group as of April 14, 2026 had been approved by the board of directors and complied with rules of the Company. These arrangements did not affect the profit or loss shown in the Company's consolidated financial statements.

4. Policies on trading of derivatives:

The board of directors of Cowealth Group passed a resolution on August 7, 2017 to disassociate from trading of derivatives. However, having considered future operational requirements of the Company and subsidiaries as well as the need to hedge against exchange rate fluctuations and allocate capital on a short-term basis for higher yield and principal protection, the Audit Committee and the board of directors passed a resolution on March 21, 2022 to resume trading of derivatives and with the establishment of "Procedures for Financial Derivatives Transactions." As of April 14, 2026, none of the Company and subsidiaries had engaged in the trading of derivatives.

(III) Future research and development plans and projected expenses:

Cowealth Group expects to invest NT$18,900 thousand into information system upgrade and development of a hospital management platform.

(IV) Financial impacts and response measures in the event of changes in local and foreign regulations:

In 2025, the introduction and implementation of multiple key policies profoundly reshaped the competitive logic and development path of the in vitro diagnostics industry. As centralized procurement continues to expand in coverage across regions and categories, profit margins in the distribution segment have been substantially compressed, posing extreme challenges to companies' cost control, supply chain efficiency, and integrated service capabilities. Whether value-added services can be provided has become the key to differentiated competition.

Against the policy backdrop of China's strong promotion of high-quality development of public hospitals, the launch of the "Economic Management Year" campaign, and the requirement to build operation and management information integration platforms, hospitals have developed rigid demand for lean operations and data-driven decision analysis. This has created a historic opportunity for service providers capable of offering corresponding digital and intelligent tools and management empowerment. Service providers capable of helping hospitals improve internal management efficiency through digital and intelligent tools (such as operation management platforms and intelligent consumables management) and professional expertise (such as department operation coaching and performance analysis) will build deeper customer relationships.

In the Opinions on Further Guaranteeing and Improving People's Livelihoods and Addressing the Public's Urgent Difficulties and Concerns, it is explicitly stated that the "medical and health strengthening foundation project" shall be implemented to promote the shift of urban medical resources toward county-level hospitals and urban and rural primary-level institutions. China's 15th Five-Year Plan also proposed optimizing the functional positioning and layout of medical institutions, implementing the medical and health strengthening foundation project, and advancing digital and intelligent development for national health.

This series of policy directions has provided broad scope for the Company to serve the primary healthcare market through the "ACME empowerment matrix". In an environment where centralized procurement has led to a sharp narrowing of product price differentials, providing customers with irreplaceable differentiated empowerment services is the only way for distribution service providers to maintain customer relationships and achieve mutual development.

In general, China's in vitro diagnostics industry has shown positive development trends in terms of market size, technological innovation, domestic substitution, and industry policies.

(V) The impact of technological (including cybersecurity risks) and industrial changes on the Company's finance and business and the countermeasures:

Cowealth Group pays constant attention to changes in technology, information/communication systems, and market trends that are relevant to its industry, and evaluates how these changes affect business secret, the systems in use, and cybersecurity. Cowealth Group uses officially licensed software and assigns dedicated personnel to manage information systems, adopt appropriate technologies, take proper protections, and examine preventive measures on a regular basis. There had been no change in technology or industry practice in the last year and up until the publication date of annual report that significantly affected Cowealth Group's financial position or business performance.

(VI) Crisis management, impacts, and response measures in the event of a change in corporate image:

Cowealth Group encountered no significant change in corporate image in the last year and up until the publication date of prospectus. Cowealth Group has been actively building a distinctive brand image through enhanced internal management and improved quality management since inception, and believes that a strong brand is what earns customers' trust. Cowealth Group has completed the public offering of its shares according to the Securities and Exchange Act of The Republic of China. This public disclosure of information and adoption of enhanced corporate governance practice will prove favorable to the Company's image.

(VII) Expected benefits, risks, and response measures in relation to mergers and acquisitions:

Cowealth Group had not made plans to acquire or merge businesses outside the Group in the last year and up until the publication date of annual report, hence not applicable.

(VIII) Expected benefits and possible risks associated with any plant expansion, and countermeasures :

Cowealth Group had not made plant expansion plans in the last year and up until the publication date of annual report, hence not applicable.

(IX) Risks and response measures associated with concentrated sales or purchases:

1. Risks and response measures associated with concentrated purchases:

Purchases of Cowealth Group mostly comprise radiotherapy machines, clinical diagnosis equipment, and reagents. Cowealth Group continues to diversify purchasing risks by exploring opportunities to sell other medical equipment.

In the clinical diagnosis equipment and reagents segment, most of the equipment is supplied by established brands such as Hitachi, Siemens, Abbott, and Roche due to the matured nature of the underlying technology. Reagent suppliers mostly consist of original manufacturers' regional distributors or local producers in China. Due to the vast number of suppliers available and substitutable nature of the product, no single supplier accounts for any significant amount or weight in Cowealth's purchases, indicating minimal concentration risk. Furthermore, Cowealth Group maintains strong, long-lasting business relationship with each supplier to ensure stability of supply.

2. Risks and response measures associated with concentrated sales:

The Group's principal customers are second- and third-tier medical institutions under the State Council within mainland China. Cowealth Group had no single customer that accounted for more than 30% of total sales in the last year and up until the publication date of annual report. Cowealth Group will continue exploring new customers in the future to minimize risk of concentrated sales.

(X) Impacts, risks, and response measures following a major transfer of shareholding by directors, supervisors, or shareholders with more than 10% ownership interest:

There had been no change or significant transfer of shareholding by the Company's directors or major shareholders with more than 10% ownership interest in the last year and up until the publication date of annual report.

(XI) Impacts, risks, and response measures associated with a change of management:

There had been no change of management within Cowealth Group in the last year up until the publication date of annual report, hence not applicable.

(XII) Litigations or non-contentious cases List major litigations, non-contentious cases, or administrative litigations involving the Company or any of its director, supervisor, President, person-in-charge, major shareholder with more than 10% ownership interest or subsidiary, whether concluded or pending judgment. For those are likely to pose significant impact to shareholders' interest or security price of the Company, disclose the nature of dispute, the amount involved, the date the litigation first started, the key parties involved, and progress as of the publication date of annual report (with the exception of Item 6, all other amounts are denominated in RMB):

1. On August 21, 2017, Cowealth China filed a lawsuit against Beijing Guoshengheng Trading Co., Ltd. (referred to as "Beijing Guoshengheng" below) for payment of sales proceeds and against Henan Beisheng Trading Co., Ltd. (referred to as "Henan Beisheng" below) and Tung-Sen Kuo for joint guarantee liability. While the case was being reviewed, Xuhui District People's Court of Shanghai engaged Shanghai Xuhui People's Mediation Commission to mediate and resolve the dispute, through which the two parties were able to reach a settlement. According to Civil Mediation Form No. (2017)-Hu-0104-Minchu-24100 issued by Xuhui District People's Court of Shanghai, Beijing Guoshengheng agreed to make instalment payments to Cowealth China for sales proceeds totaling RMB 2,538,000 and default charges totaling RMB 466,660. In September 2022, Cowealth China applied for compulsory execution with the Shanghai City Xuhui District People's Court. During the execution process, Shanghai City Xuhui District People's Court seized the bank deposit of the party subject to execution, and after the deduction of the execution fee, an amount of RMB 112,498.25 was returned to Cowealth China. After the seizure, the party subject to execution temporarily had no property available for execution; therefore, the execution procedure was terminated. In the future, in case of discovery of executable property of the party subject to execution, execution can be re-applied again. As of March 8, 2026, BBeijing Guoshengheng had NT$ 2,017,907.75 remaining uncollected (including default interest of NT$ 466,660).
2. On August 21, 2017, Cowealth China filed a lawsuit against Beijing Guoshengheng Trading Co., Ltd. (referred to as "Beijing Guoshengheng" below) for payment of sales proceeds and against Henan Beisheng Trading Co., Ltd. (referred to as "Henan Beisheng" below) and Tung-Sen Kuo for joint guarantee liability. While the case was being reviewed, Xuhui District People's Court of Shanghai engaged Shanghai Xuhui People's Mediation Commission to mediate and resolve the dispute, through which the two parties were able to reach a settlement. According to Civil Mediation Form No. (2017)-Hu-0104-Minchu-24100 issued by Xuhui District People's Court of Shanghai, Beijing Guoshengheng agreed to make instalment payments to Cowealth China for sales proceeds totaling RMB 2,538,000 and default charges totaling RMB 466,660. In September 2022, Cowealth China applied for compulsory execution with the Shanghai City Xuhui District People's Court. During the execution process, Shanghai City Xuhui District People's Court seized the bank deposit of the party subject to execution, and after the deduction of the execution fee, an amount of RMB 112,498.25 was returned to Cowealth China. After the seizure, the party subject to execution temporarily had no property available for execution; therefore, the execution procedure was terminated. In the future, in case of discovery of executable property of the party subject to execution, execution can be re-applied again. As of March 8, 2026, BBeijing

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3. On August 21, 2017, Cowealth China filed a lawsuit against Beijing Guoshengheng Trading Co., Ltd. (referred to as “Beijing Guoshengheng" below) for payment of sales proceeds and against Henan Beisheng Trading Co., Ltd. (referred to as “Henan Beisheng” below) and Tung-Sen Kuo for joint guarantee liability. While the case was being reviewed, Xuhui District People's Court of Shanghai engaged Shanghai Xuhui People's Mediation Commission to mediate and resolve the dispute, through which the two parties were able to reach a settlement. According to Civil Mediation Form No. (2017)-Hu-0104-Minchu-24100 issued by Xuhui District People's Court of Shanghai, Beijing Guoshengheng agreed to make instalment payments to Cowealth China for sales proceeds totaling RMB 2,538,000 and default charges totaling RMB 466,660. In September 2022, Cowealth China applied for compulsory execution with the Shanghai City Xuhui District People’s Court. During the execution process, Shanghai City Xuhui District People’s Court seized the bank deposit of the party subject to execution, and after the deduction of the execution fee, an amount of RMB 112,498.25 was returned to Cowealth China. After the seizure, the party subject to execution temporarily had no property available for execution; therefore, the execution procedure was terminated. In the future, in case of discovery of executable property of the party subject to execution, execution can be re-applied again. As of March 8, 2026, BBeijing Guoshengheng had NT$ 2,017,907.75 remaining uncollected (including default interest of NT$ 466,660).
4. On March 6, 2020, Cowealth China filed a lawsuit against Shanghai Sai'an Biological Medicine Technology Co.,Ltd. (referred to as “Shanghai Sai'an” below) for payment of sales proceeds and default charges on overdue payment. Upon trial, the Xuhui District People's Court of Shanghai issued the Civil Judgment (2020) Hu 0104 Min Chu No. 3654 on February 24, 2021, ruling that Shanghai Sai'an shall, within 10 days from the effective date of the judgment, pay Cowealth China the purchase price of RMB 92,698.12 under the Supplementary Agreement with contract number WSH170906MDS-A190716, and pay liquidated damages calculated on the basis of RMB 92,698.12 from October 10, 2019 to the actual date of settlement at 1.3 times the one-year loan market quoted interest rate published by the National Interbank Funding Center; and that Shanghai Sai'an shall, within 10 days from the effective date of this judgment, pay Cowealth China the purchase price of RMB 369,000 under the Cooperation Agreement with contract number WSH170906MDS and the Supplementary Agreement with contract number WSH170906MDS-A180207, and pay liquidated damages calculated on the basis of RMB 369,000 from November 26, 2019 to the actual date of settlement at 1.3 times the one-year loan market quoted interest rate published by the National Interbank Funding Center. As of March 8, 2026, Shanghai Sai'an had not paid the sales proceeds. On December 16, 2021, the Shanghai Third Intermediate People's Court accepted the bankruptcy liquidation application of Shanghai Sai'an. As of March 8, 2026, the bankruptcy liquidation proceedings of Shanghai Sai'an (Case No.: (2021) Hu 03 Po 326) are still ongoing and have not yet been concluded.
5. On April 28, 2025, Cowealth (China) Medical Technology Co., Ltd. filed a lawsuit against Guangdong Provincial Second People's Hospital (hereinafter referred to as "Guangdong Provincial Second"), and the Guangzhou Haizhu District People's Court accepted and docketed the case. Cowealth China's claims are as follows: 1. Order the defendant to return to the plaintiff a concession payment of RMB 5,998,807.6. 2. Order the defendant to compensate the plaintiff for losses of RMB 42,799,515.42 (after deducting the concession payment of RMB 5,998,807.6 claimed by the plaintiff to be returned by the defendant in claim 1). This method of compensation shall first be implemented by having the defendant continue to engage the plaintiff to provide procurement services for designated reagent products (the reagent products shall be designated by the plaintiff, including but not limited to the reagent products listed in Attachment I to the Supply Chain Service Agreement), with an entrusted procurement term of 60 months, calculated based on the plaintiff's comprehensive gross margin (17% as of the date the plaintiff filed the lawsuit), until the aforesaid gross profit of RMB 42,799,515.42 is reached. If the defendant fails to complete the entrusted procurement volume calculated in accordance with the aforesaid method within the aforesaid period, the defendant shall directly compensate the plaintiff for the remaining losses in monetary form. 3. Order the defendant to pay the plaintiff RMB 80,000 for attorney fees incurred in protecting its rights and interests in this case. 4. The litigation costs of this case shall be borne by the defendant.

   On September 12, 2025, Guangdong Provincial Second filed a counterclaim during the court proceedings. The counterclaims are as follows: 1. Order the counter-defendant to pay the counterclaimant the discount concession of 5446146 yuan from October 2022 to September 2024, and pay capital occupation fees calculated on the basis of 5446146 yuan in accordance with the one-year loan prime rate (LPR) published by the National Interbank Funding Center under the

authorization of the People's Bank of China. 2. Order that the counterclaim costs shall be borne by the counter-defendant; 3. Order the counter-defendant to pay the counterclaimant RMB 390000 for attorney fee losses. The counterclaim case was consolidated for trial by the Guangzhou Haizhu District People's Court.
The case is currently still under trial.

6. On August 20, 2025, Cowealth (China) Medical Technology Co., Ltd. filed a lawsuit against Guangdong Provincial Second People's Hospital (hereinafter referred to as "Guangdong Provincial Second"), and the Shanghai Pudong New Area People's Court accepted and docketed the case. Cowealth China's claims are as follows: 1. Order the defendant to compensate the plaintiff for losses of RMB 50,588,474.55 (including: equipment cost loss of RMB 34,450,000, interest loss on equipment cost of RMB 7,579,000, transportation fee loss of RMB 1,426,291.09, import and export expense loss of RMB 3,840,690.78, interest loss on import and export expenses of RMB 363,043.72, warehousing fee loss of RMB 1,063,045.30, insurance premium loss of RMB 413,126.16, installation fee loss of RMB 588,728.3, CRO fee loss of RMB 675,798, and training fee loss of RMB 188,751.2). 2. The litigation costs of this case shall be borne by the defendant.
The case is currently still under trial.

7. On August 20, 2025, Cowealth (China) Medical Technology Co., Ltd. filed a lawsuit against Guangdong Provincial Second People's Hospital (hereinafter referred to as "Guangdong Provincial Second"), and the Shanghai Pudong New Area People's Court accepted and docketed the case. Cowealth China's claims are as follows: 1. Order the defendant to compensate the plaintiff for losses of RMB 50,588,474.55 (including: equipment cost loss of RMB 34,450,000, interest loss on equipment cost of RMB 7,579,000, transportation fee loss of RMB 1,426,291.09, import and export expense loss of RMB 3,840,690.78, interest loss on import and export expenses of RMB 363,043.72, warehousing fee loss of RMB 1,063,045.30, insurance premium loss of RMB 413,126.16, installation fee loss of RMB 588,728.3, CRO fee loss of RMB 675,798, and training fee loss of RMB 188,751.2). 2. The litigation costs of this case shall be borne by the defendant.
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The case is currently still under trial.

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training fee loss of RMB 188,751.2). 2. The litigation costs of this case shall be borne by the defendant.
The case is currently still under trial.

(XIII) Other key risks and response measures:

1. Risk of upstream vendor being unable to supply goods

Cowealth Group is a distributor of medical devices, reagents, and related parts and accessories. The Group does not develop or manufacture products, but purchases radiotherapy machines and clinical diagnostic products (including equipment and related accessories, consumables, and reagents) from upstream manufacturers and sells them to end users in the downstream.

As explained above in the section titled "Risks and response measures associated with concentrated purchases," clinical diagnostics have such a vast number of suppliers and are substitutable in nature that there is minimal risk of upstream vendors becoming unable to supply goods. Given the Group's advantages in medical distribution channels in China, the Group assesses that the risk of upstream manufacturers refusing to supply goods or refusing to renew contracts upon expiration is not high.

2. Inherent risks as an agent

Being an agent for medical devices, Cowealth Group faces the risk that its suppliers may decide to deal with end users directly and avoid the intermediary altogether on a later date once its products have been accepted by the market. Cowealth Group has secured its interests and taken other actions to minimize chances of the above occurrence, but is unable to fully eliminate the possibility.

3. Risk of changes in the procurement policies of Chinese medical institutions

Cowealth Group sells primarily to tiered hospitals in China. Cowealth Group can not ascertain whether the Chinese government decides to maintain, update, or adjust laws, policies, or rules that are relevant to Cowealth's business activities or services in the future.

Given the current scope of the Company's businesses, the Chinese government's pricing policy has had minimal effect on operating revenues and gross profit margin, and no significant adverse impact has occurred to date.

The Company's centralized procurement service for in vitro diagnostic products provides hospitals with greater flexibility and quality in their purchases; in return, customers' strong attachment provides the Company with more bargaining power with original manufacturers in the upstream. If centralized procurement is implemented nationwide and upstream suppliers are not included in the catalog while the Company fails to enhance collaboration with original manufacturers and medical institutions to include the procured items into its existing centralized procurement service, the Company may have fewer suppliers to work with and have a smaller range of products to sell, and encounter weakened competitive advantage that negatively affects business performance.

Cowealth Group has established a Legal Affairs Department to handle the business risks above, and retains experienced attorneys and experts in China to serve as consultants, whose responsibilities are to study possible changes in regulation and the effects they have on Cowealth Group, so that solutions can be proposed in response at an early time to mitigate the risks they pose on Cowealth Group's operations.

4. Product (merchandise) sales and inventory risk

Cowealth Group is a distributor of medical equipment, related parts and accessories, consumables, and reagents. The Group does not develop or manufacture products, but has to maintain certain level of inventory to ensure the adequacy and the quality of its supply service. The inventory also reduces risk of Cowealth Group becoming unable to meet customers' product needs in time due to supply disruption in the upstream. However, maintaining a reasonable level of inventory will inevitably increase product storage and management costs, and given the fact that most medical reagents and consumables are perishable, inability to sell inventory before expiry will lead to devaluation or obsolescence losses. To minimize risk of inventory loss, Cowealth Group persistently improves its inventory management practices and has implemented a loss provisioning policy to analyze and evaluate the possibility of closing inventory losing value or becoming obsolete in the future, with adequate amount of allowances made.

Cowealth Group has purchased all-risk insurance policies of certain amounts to protect inventory and assets held in key areas of operation against losses from natural disaster or incidents that are beyond the control or expectation of Cowealth Group.

5. Risk of unrecovered accounts receivable

Cowealth Group sells primarily to tiered hospitals in China, particularly tier-2, tier-3 hospitals that are more financially sound compared to private businesses.

Despite having taken actions to minimize non-recovery of accounts receivable, Cowealth Group is unable to eliminate such risks entirely. Inability to recover accounts receivable may affect Cowealth Group's profitability. To minimize the risk non-recoverability in accounts receivable, Cowealth Group has implemented a loss provisioning policy and adopted the practices of analyzing the recoverability of closing accounts receivable and making adequate provisions.

6. Market competition risks

Despite immense demand for medical services in China, there is such a high number of competitors that products (merchandises) without distinctive features or advantages can easily succumb to price cuts. This level of price sensitivity affects Cowealth Group's market share and profit margin to a certain degree.

However, medical institutions base their product purchasing decisions not solely on price, but more importantly on suppliers' ability to supply goods consistently and provide supporting services over time in a manner that complements and benefits the medical institution. In light of the current competitive landscape, Cowealth Group will try to avoid engaging directly in price competition, and will continually expand product line and services while at the same time develop advantages that are distinctive from other competitors, and thereby ensure growth in terms of business scale and profits.

7. Cybersecurity risk evaluation and analysis

Rapid development of online applications has resulted in a corresponding increase in the threat of network security. Today, network threats exist mostly in the forms of external attack/intrusion, internal attack or error, virus spread, and security vulnerability. Presence of the above threats makes network security an essential concern, for which the Company has developed security protection systems based on cybersecurity principles to protect its network and computer terminals, and thereby ensure proper functioning of business as well as financial information systems. For effective management of cybersecurity risk, the Company not only enforces information and communication management policies but also adopts rigorous practices including: (1) Checking system account access configurations for weak password and redundant authorizations; (2) Checking system audit logs for abnormal finding; (3) Checking network equipment configurations for proper segregation; (4) Using specialized software to check system vulnerabilities and weak passwords; and (5) Regular update of anti-virus software. In addition to the above measures, the Company also makes off-site backup arrangements for SAP database and routine system data to prevent permanent loss of valuable information. The abovementioned practices and backup arrangements are the cybersecurity risk management solutions that the Company adopts to raise the security of internal information. In 2025 and up until the publication date of annual report, the Company found no major cyber attack or incident that has or is likely to cause material adverse effect on operating or non-operating activities, and neither was the Company involved in any case of legal dispute, supervision, or investigation in this regard.

VII. Other Important Matters: None

Six. Special Notes

I. Information on Affiliated Enterprises:

(I) Consolidated Business Reports Covering Affiliated Entities:

Please refer to MOPS > Basic Information > E-books > Area for the Three Statements and Tables of Affiliated Companies

Market Observation Post System (MOPS): https://mopsov.twse.com.tw/mops/web/t57sb01_q10

(II) Consolidated financial statements of affiliated companies: Same as consolidated financial statements of parent and subsidiaries.

(III) Affiliation Report: Not applicable.

II. Status of Private Placement of Securities in the Most Recent Fiscal Year and up to the Date of Publication of the Annual Report: None.

III. Other Important Matters: None.

IV. Explanation to material differences between Articles of Incorporation and shareholder protection rules:

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
1.	(1) The Company may not reduce capital or retire outstanding shares unless resolved in a shareholder meeting; the reduction of capital must be proportional to shareholders' holding percentage. (2) The amount of reduced capital can be returned in properties other than cash. The form and equivalent value of properties returned are subject to shareholders' resolution and consent of individual shareholders who will be receiving the properties. (3) The board of directors shall engage a R.O.C-registered CPA to certify the equivalent value of the above properties and the number of shares represented prior to the convention of shareholder meeting.	Article 168 of The Company Act	Article 10.6 of the Articles of Incorporation reads: "Notwithstanding Articles 10.1 to 10.5, the Company may, without violating regulations or Public Company Rules, execute a compulsory redemption or buyback of Company shares for retirement, subject to ordinary resolution in a shareholder meeting. Unless otherwise specified in regulations or Public Company Rules, these redemptions or buybacks shall be executed according to shareholders' ownership percentages. Payment of share redemption or buyback (if any) is subject to ordinary resolution, and shall be made in the form of cash or eligible properties. In cases where (a) the redeemed or repurchased shares are to be retired and are not kept as treasury stock, and that (b) shareholders are paid properties other than cash, the type, value, and quantity of property used for payment must be: (i) audited and certified by a CPA registered in The Republic of China before shareholder meeting resolution; and (ii) agreed by shareholders who will be receiving the property." This provision differs slightly from the shareholder protection issues shown on the left, as The Companies Act of The Cayman Islands stipulates that any decision involving a reduction in the number of outstanding shares is subject to special resolution in a shareholder meeting and confirmation by the court of The Cayman Islands before proceeding. With regards to this discrepancy, Article 10.6 of the Articles of Incorporation pertains specifically to the reduction of capital through share buyback, and the discrepancy had arisen due to the terms of The Companies Act of The Cayman Islands. Nevertheless, the Articles of Incorporation does not impose restriction on the capital reduction procedures.

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
2.	(1) Procedures for signing of employee warrant contract or issuance of employee warrant with employees. (2) The share subscription warrant obtained by any employee of the issuing company shall be non-assignment, except to the heir(s) of the said employee.	Article 167-2 of The Company Act	Although Articles 11.1 to 11.4 of the Articles of Incorporation have been amended to accommodate the shareholder protection issues shown on the left, the laws of The Cayman Islands require all restrictions on the transfer of employee warrants to be specified in the employee warrant contract or printed on the warrant certificate.
3.	1. Annual general meetings shall be convened at least once a year at a time no later than six months after the end of a financial year. Shareholder meetings are to be convened by the board of directors. 2. The Company may state in its Articles of Incorporation that shareholder meetings can be held by means of video conference or other methods stipulated by the authority of The Republic of China. In the event of natural disaster, manmade incident, or force majeure, the authority of The Republic of China may issue an announcement that allows the Company to convene such meeting by way of video conference or other methods within a given period of time, without amending the Articles of Incorporation. 3. If a shareholder meeting is convened by way of video conference, shareholders who participate in the meeting using video conferencing are considered to have attended the meeting in person. 4. In circumstances where shareholder meeting is held by way of video conference, the Company shall comply with securities regulations of The Republic of China with respect to the requirements, procedures, and other compliance matters relating to such meeting. 5. Physical shareholder meetings should be convened within the borders of The Republic of China. If physical meetings were to be convened outside The Republic of China, the	(1) Article 170 of The Company Act (2) Article 172-2 of The Company Act (3) Article 172-1 of The Company Act (4) Paragraphs 1 and 2, Article 173 and Article 173-1 of The Company Act (5) Article 172 of The Company Act; Articles 26-1 and 43-6 of the Securities and Exchange Act	The Company is a Cayman Islands exempted company. Although it is not required to convene shareholder meetings on a yearly basis according to The Companies Act of The Cayman Islands, it does specify in Article 16.2 of the Articles of Incorporation that: "The Company shall convene an annual general meeting within six months after the end of an accounting year, and provide relevant details in the shareholder meeting advice. The board of directors shall make relevant reports (if any) in shareholder meetings.” Other matters are covered in Articles 16.2-16.9, 17.5, 18.9, and 35 of the Articles of Incorporation. According to "Q&A on first-time TPEX listing for foreign enterprises" published by Taipei Exchange on August 15, 2013: "Foreign issuers should specify in the Articles of Incorporation the minority shareholders' rights to convene extraordinary shareholder meetings, provided that they do not contradict the laws of the place of registration. Meanwhile, provisions concerning applicable authority for convention of shareholder meeting can be omitted.” For this reason, Article 16.8 of the Articles of Incorporation states that: "If the board does not issue an advice for the extraordinary general meeting within 15 days after requests were raised by the aforementioned shareholders, the requesting shareholders may, subject to compliance with Public Company Rules, convene the extraordinary general meeting on their own accord.”

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
	Company must notify Taipei Exchange and obtain consent within two days after board of directors' resolution or after shareholders obtain convention permit from the local authority. 6. Shareholders that own more than 1% of the Company's outstanding shares are entitled to propose, in writing or electronic form, motions for discussion in annual general meetings. The board of directors shall accept shareholders' proposals as motions unless: the proposing shareholder holds less than 1% of outstanding shares; the motion can not be resolved in a shareholder meeting; the motion is raised outside the acceptance period; the motion exceeds 300 words; or more than one motion is proposed by the same shareholder. However, shareholders' suggestions that are intended to enhance the Company's efforts toward public interest or social responsibilities may still be accepted as motions by the board of directors. 7. Shareholders who own 3% or more of outstanding shares for a continuous period of one year or longer may request to have the board of directors convene extraordinary shareholder meeting, by stating their agenda and reasons in writing. If the board of directors does not issue a meeting advice within 15 days after the request, shareholders may seek the authority's permission to convene meeting on their own accord. 8. Shareholders who collectively own more than half of outstanding shares for three consecutive months or longer may convene extraordinary general meetings in their own accord. Holding duration and the number of shares held shall be calculated based on shareholding as of book closure.		

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
	9. The following matters must be listed and explained in the shareholder meeting advice, and can not be raised in the form of special motion. The advice can be served by posting relevant details onto the website designated by the securities authority or the Company and by sharing a URL to the webpage: (1) Election or dismissal of directors or supervisors; (2) Amendments to the Articles of Incorporation; (3) Capital reduction; (4) Cessation of status as a public company; (5) Liquidation, merger, share exchange, and divestment: (6) Establishment, modification, or termination of agreements that involve the leasing, mandate, or co-management of the entire business; (7) Transfer of entire or major businesses or properties; (8) Acceptance of full business or property from another party that has significant effect on the Company's operations; (9) Private placement of securities with equity characteristics; (10) Permission for directors' competing business involvement; (11) Payment of dividends and profit sharing wholly or partially in newly issued shares; (12) Distribution of special reserve and capital reserve from shares issued at premium or gifts received to existing shareholders in the form of new shares or cash.		

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
4.	(1) The Company shall include electronic vote as one of the available voting methods in general meetings . (2) Instructions on how to exercise voting rights in writing or through electronic means shall be stated clearly in the meeting advice. Shareholders who opt to exercise voting rights in writing or using electronic method are considered to have participated in the general meeting in person. However, they are considered to have waived their rights to participate in any special motion or any amendment to the original discussion that may arise during the general meeting. (3) Shareholders' written and electronic voting instructions shall be delivered to the Company at least 2 days before the shareholder meeting. In the event of duplicate submissions, the earliest submission shall be taken into record. However, this excludes situations where a proper declaration is issued to withdraw the previous arrangement. (4) Shareholders who wish to attend the shareholder meeting in person after exercising their voting rights in writing or using electronic methods are required to withdraw their votes using the same method by which the vote was cast in the first place, and by no later than two days before the day of shareholder meeting. The written/electronic vote shall prevail if not withdrawn before the cutoff time. (5) Shareholders can not vote, or vote on behalf of other shareholders, on any motion that poses a conflict between their own interests and interests of the Company. The number of shares held	(1) Article 177-1 of The Company Act (2) Article 177-2 of The Company Act (3) Article 178 of The Company Act (4) Article 179 of The Company Act (5) Article 180 of The Company Act	According to Article 19.6 of the Articles of Incorporation: "A Member exercising voting power by way of a written ballot or by way of an electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to exercise his or her voting right at such general meeting in accordance with the instructions stipulated in the written or electronic document." Although shareholders who exercise voting right using these methods are not considered to have attended general meeting in person under the laws of The Cayman Islands, these shareholders are still entitled to the rights of written or electronic vote under the laws of The Republic of China.

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
	by shareholders who are not permitted to vote shall be excluded from the calculation of total voting rights. (6) Unless otherwise stipulated in the Articles of Incorporation, shareholders shall be entitled to one voting right for every share held. (7) Shares that meet any of the following conditions carry no voting right. Shares that do not carry voting rights are excluded from the calculation of outstanding shares when voting for the final resolution: (8) Shares of the Company that are legally held by itself. (9) Shares that are held by subordinate companies in which the Company controls more than half of voting rights or contributes more than half of total capital. (10) Shares that are held by other companies in which the Company's controlling entity and subordinate companies thereof jointly control more than half of voting rights or contribute more than half of total capital, whether directly or indirectly.		
5.	If convention or resolution of a general meeting is in violation of laws or the Articles of Incorporation, shareholders may seek the court's order to annul the resolution made during the meeting, and designate Taiwan Taipei District Court as the court of jurisdiction.	Article 189 of The Company Act	According to Article 18.7 of the Articles of Incorporation: "No part of the Articles of Incorporation shall prevent any shareholder from seeking legal intervention with a court of proper jurisdiction for improperly convened general meeting or improperly resolved resolution. Taiwan Taipei District Court shall be the court of first instance for any dispute arising in relation to the above." There is slight discrepancy with the shareholder protection issues shown on the left. The shareholder protection issues shown on the left actually pertain to shareholders' rights to lawsuit, which can only be conferred by the laws, and not through the Articles of Incorporation. Although Article 18.7 of the Articles of Incorporation is slightly discrepant from the shareholder protection issues on the left, it does not hinder shareholders' rights to file for litigation or seek remedy

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
			from court for improperly convened general meeting or improperly resolved resolution. Whether the court chooses to annul the resolutions for violation of convention procedures or for non-conformity with the Articles of Incorporation shall depend on the case (whether it falls within the jurisdiction of The Republic of China, The Cayman Islands, or other countries) and the question of whether there are laws that give shareholders the right to lawsuit. This discrepancy has arisen due to the nature of shareholders' rights to lawsuit, and the Articles of Incorporation does not restrict shareholders' rights to file for lawsuit or seek remedy with court in any way.
6.	The following motions that are significant to shareholders' interests should be resolved in a general meeting where more than two-thirds of outstanding shares are represented, and voted in favor by more than half of all voting rights represented during the meeting. If the number of represented shares falls short of the above requirement, the decision can be passed alternatively with the consent of two-thirds of voting rights represented in a general meeting where more than half of total outstanding shares are represented: (1) Company establishment; amendment or termination of any contract that involves a total lease, outsourcing, or joint management of the Company's business activities; total or major transfer of the Company's operations or properties; and acceptance for the entirety of operations or properties of an external party, which has significant effect on the Company's operations; (2) Amendments to the Articles of Incorporation (3) Any amendment to the Articles of Incorporation that negatively impacts preferred shareholders' interests will have to be resolved in a general meeting of preferred	(1) Article 185 of The Company Act (2) Article 209 of The Company Act (3) Article 227 of The Company Act (4) Article 277 of The Company Act (5) Paragraph 1, Article 240 of The Company Act (6) Article 316 of The Company Act (7) Article 43-6 of the Securities and Exchange Act (8) Article 29 of the Business Mergers And Acquisitions Act	1. Article 1.1 of the Articles of Incorporation (1) Terms of the Articles of Incorporation According to Article 1.1 of the Articles of Incorporation, a special resolution: "Refers to a resolution that is supported by at least two-thirds of voting rights represented in a general meeting. Shareholders may exercise voting rights in person or through authorized proxies (if proxies are permitted, the shareholder meeting advice must specify that the motion in question involves a special resolution. According to The Companies Act of The Cayman Islands, matters that require special resolution include, but are not limited to: (i) Change of company name, and change or exemption of company name in a second language; (ii) Amendment or establishment of the Articles of Incorporation; (iii) Amendment or addition to the outline of the Articles of Incorporation regarding the purpose, authority, or other special disclosures; (iv) Reduction of company capital and capital redemption reserve, as approved by court or authorized under the Articles of Incorporation; and (v) Voluntary liquidation for reasons other than inability to settle maturing debts. Furthermore, Article 18.1 of the Articles of Incorporation reads: "No resolution can be made in a general meeting unless the attending shareholders represent at least the minimum number of shares. Unless otherwise specified in the Articles of Incorporation, a general meeting is deemed to have reached the minimum

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
	shareholders (4) Payment of dividends and profit sharing wholly or partially in newly issued shares (5) Liquidation, merger, or divestment (6) Issuance of new employee restricted shares (7) Share exchange		representation requirement if more than half of total outstanding shares are represented on-site, whether in-person by shareholders or through proxies.” In other words, a special resolution can only be made if shareholders representing more than half of total outstanding shares have attended the meeting, whether in-person or through proxies, and where the motion is supported by at least two-thirds of voting rights from attending shareholders (including proxies). (2) Cause of difference Special resolution is a concept regulated in The Companies Act of The Cayman Islands, and the law requires certain decisions to be made only through special resolution according to the terms of the Articles of Incorporation, and any special resolution that does not meet the minimum requirements stipulated in The Companies Act of The Cayman Islands is deemed ineffective. For this reason, certain shareholder protection issues in the Articles of Incorporation that require special (super majority) resolution under The Companies Act of The Cayman Islands have been highlighted and mentioned in a separate chapter titled "Super Majority Resolution" in the Articles of Incorporation. 2. Article 14.3 of the Articles of Incorporation (1) Terms of the Articles of Incorporation: Article 14.3 of the Articles of Incorporation reads: "Subject to compliance with the minimum representation requirements stipulated in laws, the Articles of Incorporation, and Public Company Rules, liquidation of the Company shall be resolved in the following manner: (a) By way of an ordinary resolution if the Company liquidates voluntarily due to inability to settle debts upon maturity; or (b) By way of a special resolution if the Company liquidates voluntarily for reasons other than those mentioned in Subparagraph (a) of Article 14.3 above.” There is slight discrepancy from the shareholder protection issues on the left, as the Articles of Incorporation allows liquidation to be resolved by way of "ordinary resolution" or "special resolution" depending on the cause, whereas the shareholder protection issue requires "super major resolution" without

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
			exception. (2) Cause of difference: The Companies Act of The Cayman Islands requires special resolution for voluntary liquidation due to any reason other than inability to settle maturing debts, and requires ordinary resolution due to inability to settle maturing debts. The difference is given rise by The Companies Act of The Cayman Islands. Although being able to resolve "voluntary resolution for inability to settle maturing debts" involves a lower threshold than is required in the shareholder protection issue, the discrepancy is caused by laws of the Cayman Islands and applies only to special circumstances.
7.	(1) Directors (excluding independent directors) or supervisors of the Company are dismissed by default if they transfer more than half of their initial shareholding when elected at any time during the term of service. (2) Elected directors (excluding independent directors) or supervisors of the Company who is found to have transferred away more than half the quantity of the Company's shares held as of the time elected, whether before assuming duty or during the book closure period prior to general meeting, shall have their elected positions recalled.	Articles 197 and 227 of The Company Act; Article 14-2 of the Securities and Exchange Act	The Companies Act of The Cayman Islands does not specifically require directors to hold shares in the companies they serve (whether before or after election). For this reason, any rules concerning directors' shareholding requirement, recall of elected position, or dismissal of duty will have to be outlined in the Articles of Incorporation.
8.	Unless specified in the Articles of Incorporation, directors' remuneration shall be determined in a general meeting and can not be approved upfront and acknowledged on a later date.	Paragraph 1, Article 196 of The Company Act	Although the Company does not specify the level of director remuneration in the Articles of Incorporation or impose rules to have such decision resolved in a general meeting, the board of directors has assembled a Remuneration Committee in accordance with Interpretation No. Shang-09302030870 issued by the Ministry of Economic Affairs on March 8, 2004 and "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange."

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
9.	If a director is suspected to have acted against the Company's interests or performed duties in violation of laws or the Articles of Incorporation by a significant extent but no resolution is made at a general meeting to remove the director from duty, shareholders representing 3% or more of total outstanding shares may seek the court's intervention to remove the director from duty within 30 days after the general meeting, and designate Taiwan Taipei District Court as the court of jurisdiction.	Article 200 of The Company Act	Terms of the Articles of Incorporation: (1) According to Article 28.2(i) of the Articles of Incorporation: "Shareholders representing 3% or more of totaling outstanding shares may, within 30 days after the date of general meeting resolution, seek intervention from the court of appropriate jurisdiction at the Company’s expense to dismiss any director who has acted against the Company's interests by a significant degree or performed duties in severe violation of laws, policies, or summary or terms of the Articles of Incorporation but is not dismissed with a super majority resolution. If the court of appropriate jurisdiction rules in favor of the director's dismissal, the director shall be dismissed from duty with immediate effect. For the avoidance of doubt, if a court has the jurisdiction to rule over all the matters mentioned above in one single or a series of legal proceedings, the ultimate final ruling shall prevail.” There is slight discrepancy with the shareholder protection issues shown on the left. (2) Cause of difference: The Companies Act of The Cayman Islands does not specifically permit minority shareholders to seek intervention from the court of The Cayman Islands for the dismissal of directors. Since derivative suit is rarely mentioned in common law, it has been specified in the Articles of Incorporation that shareholders are required to file lawsuit with a court of appropriate jurisdiction. However, shareholders may still dismiss directors by following the procedures stated in the Articles of Incorporation.

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
10.	(1) Supervisors, if any, shall be elected in a general meeting, and at least one supervisor must have a domestic residence. (2) Supervisors shall serve a term no longer than three years. The term of service may be renewed if re-elected. (3) In the event that supervisors are entirely dismissed from duty, the board of directors shall convene an extraordinary general meeting within 60 days to elect for the shortfall. (4) Supervisors are responsible for supervising operations of the Company, and may review business and financial performance records at any time, audit/transcribe/duplicate books and documents, and request to have the board of directors or managers present reports. (5) Supervisors shall audit various reports that the board of directors prepares for general meeting, and present their opinions in the general meeting. (6) Supervisors may engage CPAs and attorneys in the Company's name to perform various audits. (7) Supervisors may be invited to present opinions in board of directors meetings. Supervisors shall notify the board of directors or directors to cease any conduct that violates laws, the Articles of Incorporation, or general meeting resolution when performing duties. (8) Supervisors may exercise supervisory duties in individual capacity. (9) Supervisors are not allowed to assume concurrent position as the Company's director, manager, or employee.	Articles 216 to 222 of The Company Act	According to Subparagraph 2, Paragraph 1, Article 14 of Taipei Exchange Rules Governing the Review of Foreign Securities for Trading on the TPEx: "The applicant company shall either assemble an Audit Committee or appoint supervisors.” The Company has already assembled an Audit Committee that consists of all of the independent directors and is not required to appoint supervisors. For this reason, the Articles of Incorporation does not address the shareholder protection issues shown on the left.

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
11.	Directors or supervisors (applicable if the Company has supervisors in place) who have pledged more than 50% of their shareholding positions as of the time elected as collaterals will not be allowed to exercise voting rights on pledged shares that exceed the 50% limit. The excess shares will also be excluded from the calculation of total voting rights represented.	Article 197-1 and Article 277 of The Company Act	Article 24.3 of the Articles of Incorporation. Furthermore, according to Subparagraph 2, Paragraph 1, Article 14 of Taipei Exchange Rules Governing the Review of Foreign Securities for Trading on the TPEx: "The applicant company shall either assemble an Audit Committee or appoint supervisors.” The Company has already assembled an Audit Committee that consists of all of the independent directors and is not required to appoint supervisors. For this reason, the Articles of Incorporation does not address the shareholder protection issues shown on the left.
12.	(1) Directors of the Company shall exercise the duty of care as prudent managers when performing duties, and be held responsible for compensating any damage caused to the Company as a result of their actions. If these actions are committed for self interest or the interest of others, shareholders may resolve in a general meeting to treat income from such actions as income of the Company. (2) Directors of the Company shall be held jointly responsible for any violation against laws committed during duty that renders the Company liable to compensate the loss of others. (3) Managers and supervisors of the Company shall be held equally liable for compensations as do the directors when performing duties.	Paragraphs 2 and 3, Article 8 and Article 23 of The Company Act	Article 26.5 of the Articles of Incorporation. Under the laws of The Cayman Islands, parties that suffer losses as a result of director's violation against legal obligations while performing duties do not always have the right to make direct claims against the director. Even if the Articles of Incorporation states that directors are jointly responsible for the Company's liabilities, it is not fully certain whether this basis of claim can be established under laws. Furthermore, although Article 26.5 of the Articles of Incorporation states that the obligation also applies to managers, the laws of The Cayman Islands require separate contracts to be established with managers on this matter. For this reason, it is essential for the Company to sign separate contracts with managers in order to enforce the shareholder protection issues shown on the left.
13.	Shareholders that are corporate entities may assign their representatives to be elected as directors or supervisors. If a corporate shareholder has multiple representatives, the corporate shareholder may assign the representatives to be elected for individual positions, but can not have representatives elected for director and supervisor roles at the same time.	Paragraph 2, Article 27 of The Company Act	Article 27.4 of the Articles of Incorporation. According to Subparagraph 2, Paragraph 1, Article 14 of Taipei Exchange Rules Governing the Review of Foreign Securities for Trading on the TPEx: "Foreign issuers shall either assemble an Audit Committee or appoint supervisors." The Company has already assembled an Audit Committee that consists of the entirety of independent directors and is not required to appoint supervisors. For this reason, the Articles

Item No.	Important issues concerning shareholder protection	Relevant rules of The Company Act or Securities and Exchange Act	Terms of the Articles of Incorporation and causes of deviation
			of Incorporation does not cover rules on supervisors.
14.	When the Company convenes a shareholders meeting, it shall prepare a shareholders meeting handbook and shall publicly announce the handbook and other meeting-related information 30 days before the annual shareholders meeting or 15 days before the special shareholders meeting.	When the Company convenes a shareholders meeting, it shall prepare a shareholders meeting handbook and shall publicly announce the handbook and other meeting-related information 30 days before the annual shareholders meeting or 15 days before the special shareholders meeting.	When the Company convenes a shareholders meeting, it shall prepare a shareholders meeting handbook and shall publicly announce the handbook and other meeting-related information 30 days before the annual shareholders meeting or 15 days before the special shareholders meeting.

V. Other Necessary Supplementary Explanations

The Company has amended its "Procedures for Acquisition or Disposal of Assets" to conform with the commitments it made to Taipei Exchange at the time of TPEX listing. Any subsequent amendments to the procedures will have to be disclosed as material information over Market Observation Post System and reported to Taipei Exchange on record. Details are as follows:

Except in the case of strategic alliance or with the consent of Taipei Exchange and approved by the board of directors in a special resolution:

I. The Company may not forgo subscription of future cash issues of the Company's subsidiaries Cowealth Holding Co., Ltd. and Cowealth Medical Science & Biotechnology Inc.;

II. Co-Wealth Holding Co., Ltd. may forgo subscription of future cash issues of the Company's indirectly held subsidiary - Cowealth Medical China Co., Ltd. (referred to as "Cowealth China" below) and in doing so reduce its shareholding position in Cowealth China, provided that the Company holds at least 51% of equity in Cowealth China and maintains substantive control over the management decisions of Cowealth China.

III. Cowealth Medical China Co., Ltd. may not forgo subscription of future cash issues of the Company's indirectly held subsidiaries, Coaim Information Technology Co., Ltd., Colab Research & Development Inc., and Royal Seal Holding Co., Limited;

IV. Coaim Information Technology Co., Ltd. may not forgo subscription of future cash issues of the Company's indirectly held subsidiary CHM Consulting Co., Limited;

V. The Company may not dispose of its equity interest, whether directly or indirectly held, in its subsidiaries, namely, Royal Seal Holding Co., Limited, Cowealth Holding Co., Ltd., Cowealth Medical Science & Biotechnology Inc., Cowealth Medical China Co., Ltd., Colab Research & Development Inc., CHM Consulting Co., Limited, and Coaim Information Technology Co., Ltd.

The Company received approval under letter Zheng-Gui-Jian-Zi No. 1140008255 from the Taipei Exchange on October 17, 2025, to adjust and add the "method for disposal of existing shareholdings in Cowealth China" to reduce its equity interest in Cowealth China to more than 51%, while maintaining substantive control and management rights over Cowealth China, and this was Approved by the 20th extraordinary meeting of the Board of Directors of the 8th Term on November 21, 2025, authorizing the Chairman, during the period from November 21, 2025 to November 21, 2030, to dispose of no more than 4% of the shares it holds based on operational needs during the aforesaid period. As of the date of printing of the annual report, Cowealth (Hong Kong) Holdings Limited has disposed of 1% equity interest in its subsidiary, Cowealth China.

Cowealth Medical Holding Co., Ltd.
Declaration of Internal Control System

Date: March 13, 2026

The following declaration was made based on the 2025 self-assessment of the Company’s internal control system:

I. The Company acknowledges and understands that establishment, implementation, and maintenance of the internal control system are the responsibility of the board of directors and managers, and that such a system has been implemented within the Company. The purpose of this system is to provide reasonable assurance in terms of business performance and efficiency (including profitability, performance, asset security etc.), reliable, timely, and transparent financial reporting, and regulatory compliance.

II. There are inherent limitations to even the most well-designed internal control system. As such, an effective internal control system can only reasonably assure achievement of the three goals mentioned above. Furthermore, changes in the environment and circumstances may all affect the effectiveness of the internal control system. However, internal control system of the Company features a self-monitoring mechanism that rectifies any deficiencies immediately upon discovery.

III. The Company evaluates the design and execution of its internal control system based on the criteria specified in "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as "The Governing Principles") to determine whether existing policies continue to be effective. Assessment criteria introduced by "The Governing Principles" consisted of five main elements, each representing a different stage of internal control: 1. Control environment; 2. Risk evaluation and response; 3. Procedural control; 4. Information and communication; and 5. Supervision. Each element further encompasses several sub-elements. Please refer to ”The Governing Principles” for details.

IV. The Company has adopted the abovementioned criteria to validate the effectiveness of its internal control system design and execution.

V. Based on the results of the aforementioned assessment, the Company believes that, as of December 31, 2025, its internal control system (including the supervision and management of subsidiaries), including those relating to the understanding of the degree of achievement of objectives concerning the effectiveness and efficiency of operations, the reliability, timeliness, and transparency of reporting, and compliance with relevant regulations and applicable laws and regulations, is effectively designed and implemented, and can provide reasonable assurance regarding the achievement of the aforementioned objectives.

VI. This declaration constitutes part of the Company's annual report and prospectus, and shall be disclosed to the public. Any illegal misrepresentation or omission in the public statement above are subject to the legal consequences described in Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

VII. This Declaration was passed unanimously without objection by all 8 directors present at the board meeting dated March 13, 2026.

Cowealth Medical Holding Co., Ltd.

Chairman: Joyce Wang

President: Duane Lee

Cowealth Medical Holding Co., Ltd.
Intellectual property management plan linked to operating objectives and implementation status

I. Background

In accordance with Article 37-2 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and related regulations such as ESG evaluation indicator S-10, the Company established an intellectual property management plan linked to operating strategies, and the Board of Directors approved the "Intellectual Property Management Regulations" on March 29, 2021.

Through five key dimensions, namely "policy objective establishment, management system establishment, resource investment and maintenance, risk and opportunity assessment, and continuous improvement mechanism," the Company has established a comprehensive intellectual property management system to ensure that the relevant systems can respond to changes in the internal and external environment, effectively protect and utilize the Company's R&D achievements, reduce operating costs and potential risks, and enhance overall competitiveness.

II. Overview of the 2025 intellectual property management plan

To strengthen the industry leadership position and safeguard the Company's key technological achievements, the Company has formulated an intellectual property management strategy integrating operating objectives and R&D resources, and has incorporated social responsibility and environmental protection into the overall planning, so as to establish an operating model that promotes sustainable development through intellectual property rights.

The Company continues to promote the development of digital and smart healthcare. In response to the trend of applying artificial intelligence in the field of medical big data, it actively invests in technological innovation, optimizes technology applications and service models, provides integrated empowerment solutions for medical institutions, and promotes the sustainable development of the healthcare industry.

In addition, through independent R&D and collaboration with cross-disciplinary experts, the Company has established the digital and intelligent platform for surgical clinical practice, education, and research, "MCCTAVIP," to achieve deep integration of information technology and medical settings. In addition to expanding the product portfolio of operating room applications, the platform also provides telemedicine and teaching support to primary healthcare institutions through a scientific research collaboration model, thereby promoting the balanced development of medical resources.

In terms of intellectual property rights management, in addition to strengthening the application, maintenance, and management of its own intellectual property, the Company also emphasizes respect for and compliance with the intellectual property rights of others, so as to reduce infringement risks and improve the operating environment.

III. Implementation linked to operating objectives

On August 24, 2025, the "Academic Conference and Surgical Salon on the Standardized System for Otorhinolaryngology Endoscopic Minimally Invasive Surgery," hosted by the Guangdong Provincial Clinical Medicine Association and co-organized by Sun Yat-sen Memorial Hospital, Sun Yat-sen University and the Company, was held in Guangzhou.

This event was broadcast live nationwide through the "MCCTAVIP" platform, attracting more than 22,000 medical personnel to participate online, effectively promoting the downward extension of technology in the field of otorhinolaryngology and the sharing of medical resources, and demonstrating the concrete results of the Company's application of intellectual property in practical settings.

Looking ahead, as multicenter research projects continue to advance and the application of the "MCCTAVIP" platform deepens, it is expected to further enhance the quality of primary healthcare services, promote the equalization of medical resources, and benefit more patients.

IV. Implementation status for 2025

1. Five new software copyrights were obtained in 2025.
2. A cumulative total of 30 software copyrights has been obtained.
3. A cumulative total of 1 patent has been obtained
4. The Company's 2025 intellectual property management plan and implementation status were submitted to the Board of Directors for reporting on May 14, 2026.

Summary of board meeting motions

Board and session/time	Major resolutions
The 8th board The 13th meeting January 14, 2025	I. Changes in the Company's head of finance and head of accounting II. Changes in the Company's acting spokesperson III. Loans to external parties by the Company and subsidiaries IV. Credit facilities for subsidiaries to engage in principal-guaranteed structured derivative products
The 8th board The 14th meeting March 05, 2025	I. Loans to external parties by the Company and subsidiaries II. Issuance of new endorsements/guarantees III. The Company's donation to related parties in 2025 IV. Changes in the Company's accounting estimates V. Assessment of the independence and competence of the attesting CPAs and appointment VI. Matters related to convening the Company's 2025 annual shareholders meeting
The 8th board The 15th meeting March 11, 2025	I. Presentation of the Company's 2024 financial statements and business report II. Presentation of the Company's 2024 earnings distribution III. The Company’s 2024 distribution of remuneration of employees and directors IV. Recommendation for directors' and managers' compensation for 2025 V. Managers' performance bonus VI. Amendments to the "Articles of Incorporation" VII. Amendments to the "Corporate Governance Best Practice Principles" VIII. Amendments to the "Procedures for Lending Funds to Others" IX. 2024 Statement of Internal Control System X. Amendments to the internal control system XI. Evaluation on whether overdue accounts receivable between the Company and subsidiaries involve lending of capital
The 8th board The 16th meeting May 12, 2025	I. The Company's Q1 2025 Consolidated Financial Statements II. Loans to external parties by the Company and subsidiaries III. Re-submission of the Company's 2024 related-party donation proposal IV. The Company's donation to related parties in 2025 V. Evaluation on whether overdue accounts receivable between the Company and subsidiaries involve lending of capital
The 8th board The 17th meeting August 25, 2025	I. 2025 second quarter consolidated financial statements II. The Company's 2024 Sustainability Report III. Changes in the Company's head of finance and head of accounting IV. Bank credit facilities for the Company and subsidiaries V. Credit facilities for loans to others by the Company and subsidiaries VI. The Company's new endorsement and guarantee proposal VII. Amendments to the internal control system VIII. 2024 Risk Assessment Report IX. Proposed investment in the equity of BenQ BM Holding Cayman Corp. X. Assessment of whether overdue accounts receivable between the Company and subsidiaries involve the nature of loans to others XI. Dissolution and liquidation of subsidiaries Cowealth Investment Co., Ltd. and Jie-Li Investment Co., Ltd. XII. Dissolution and liquidation of subsidiary Cowealth Holding Co., Ltd.
The 8th board 18th meeting October 09, 2025	I. Proposed investment in the equity of BenQ BM Holding Cayman Corp. II. Credit facilities for loans to others by the Company and subsidiaries
The 8th board 19th meeting November 12, 2025	I. The Company's Q3 2025 Consolidated Financial Statements II. Bank credit facilities for the Company and subsidiaries III. Credit facilities for loans to others by the Company and subsidiaries IV. Issuance of new endorsements/guarantees V. Assessment of whether overdue accounts receivable between the Company and subsidiaries involve the nature of loans to others VI. Remuneration of the financial statement auditor VII. 2026 audit plan VIII. Changes in the Company's acting spokesperson IX. Proposed disposal of the equity interest in material subsidiary Cowealth Medical China Co., Ltd. X. Recommendation for the issuance of the Company's 2024 employee remuneration
The 8th board 20th meeting November 21, 2025	I. Proposed disposal of the equity interest in material subsidiary Cowealth Medical China Co., Ltd. II. The Company's donation to related parties in 2025
The 8th board 21st meeting March 02, 2026	I. Appointment proposal for the corporate governance officer II. Credit facilities for engaging in principal-protected structured financial products III. Assessment of the independence and competence of the attesting CPAs and appointment IV. Amendments to the "Articles of Incorporation" V. Amendments to the "Sustainable Development Best Practice Principles" VI. Amendments to the "Procedures for Acquisition or Disposal of Assets" VII. Amendments to "Rules and Procedures of Shareholders Meeting" VIII. Matters related to convening the Company's 2026 annual shareholders meeting
The 8th board 22nd meeting March 13, 2026	I. The Company's 2025 Financial Statements and Business Report II. The Company's 2025 earnings distribution III. The Company's 2025 distribution of employee remuneration and directors' remuneration IV. Recommendation for directors' and managerial officers' compensation for 2026 V. Managerial officers' performance bonus plan VI. 2025 Statement of Internal Control System

Board and session/time	Major resolutions
	VII. The Company's application to Taishin Bank for bank credit facilities VIII. The Company's application to Taipei Fubon Bank for bank credit facilities, hedging facilities PSR, and account opening IX. The Company's application to Cathay United Bank for bank credit facilities and hedging financial transaction facilities, and account opening X. Credit facilities for loans to others by the Company and subsidiaries XI. Issuance of new endorsements/guarantees of the Company XII. Assessment of whether overdue accounts receivable between the Company and subsidiaries involve the nature of loans to others XIII. Comprehensive re-election of directors and nomination of directors and independent directors by the Board of Directors XIV. Removal of the non-competition restrictions on the Company's 9th Term directors XV. Supplementary matters regarding the Company's 2026 annual shareholders meeting for accepting shareholder nominations of directors and independent directors, and addition of matters for convening the shareholders meeting
The 8th board 23rd meeting March 30, 2026	I. The Company's second treasury share buyback II. The Company's application to CTBC Bank for bank credit facilities III. Addition of matters for convening the Company's 2026 annual shareholders meeting

Summary of Audit Committee motions

For Audit Committee meetings that meet any of the following descriptions, state the date and session of board of directors meeting held, the discussed topics, the Audit Committee's resolution, and how the Company has responded to Audit Committee's opinions:

(I) Matters listed in Article 14-5 of the Securities and Exchange Act

(II) Except for the foregoing, there were no resolutions passed by more than two-thirds of all directors without approval from the Audit Committee: None.

Session and date	Motion details	Audit Committee's resolution	Company's response to Audit Committee's opinions
The 8th board The 9th meeting January 14, 2025	I. Changes in the Company's head of finance and head of accounting II. Changes in the Company's acting spokesperson III. Loans to external parties by the Company and subsidiaries IV. Credit facilities for subsidiaries to engage in principal-guaranteed structured derivative products	Passed as proposed without objection	Approved as proposed by all attending committee members without objection
The 8th board The 10th meeting March 05, 2025	I. Loans to external parties by the Company and subsidiaries II. Issuance of new endorsements/guarantees III. The Company's donation to related parties in 2025 IV. Changes in the Company's accounting estimates V. Assessment of the independence and competence of the attesting CPAs and appointment	Passed as proposed without objection	Approved as proposed by all attending committee members without objection
The 8th board The 11th meeting March 11, 2025	I. Presentation of the Company's 2024 financial statements and business report II. Presentation of the Company's 2024 earnings distribution III. Amendments to the "Procedures for Lending Funds to Others" IV. 2024 Statement of Internal Control System V. Amendments to the internal control system VI. Assessment of whether overdue accounts receivable between the Company and subsidiaries involve the nature of loans to others	Passed as proposed without objection	Approved as proposed by all attending committee members without objection
The 8th board The 12th meeting May 12, 2025	I. The Company's Q1 2025 Consolidated Financial Statements II. Credit facilities for loans to others by the Company and subsidiaries III. Reconsideration of the Company's 2024 donation to related parties IV. The Company's donation to related parties in 2025 V. Issuance of new endorsements/guarantees	Passed as proposed without objection	Approved as proposed by all attending committee members without objection
The 8th board The 13th meeting August 25, 2025	I. The Company's Q2 2025 Consolidated Financial Statements II. Changes in the Company's head of finance and head of accounting III. Bank credit facilities for the Company and subsidiaries IV. Credit facilities for loans to others by the Company and subsidiaries V. Issuance of new endorsements/guarantees VI. Amendments to the internal control system VII. 2024 Risk Assessment Report VIII. Proposed investment in the equity of BenQ BM Holding Cayman Corp. IX. Assessment of whether overdue accounts receivable between the Company and subsidiaries involve the nature of loans to others X. Dissolution and liquidation of subsidiaries Cowealth Investment Co., Ltd. and Jie-Li Investment Co., Ltd. XI. Dissolution and liquidation of subsidiary Cowealth Holding Co., Ltd.	Passed as proposed without objection	Approved as proposed by all attending committee members without objection
The 8th board The 14th meeting October 09, 2025	I. Proposed investment in the equity of BenQ BM Holding Cayman Corp. II. Credit facilities for loans to others by the Company and subsidiaries	Passed as proposed without objection	Approved as proposed by all attending committee members without objection
The 8th board The 15th meeting November 12, 2025	I. The Company's Q3 2025 Consolidated Financial Statements II. Bank credit facilities for the Company and subsidiaries III. Credit facilities for loans to others by the Company and subsidiaries IV. Issuance of new endorsements/guarantees V. Assessment of whether overdue accounts receivable between the Company and subsidiaries involve the nature of loans to others VI. Remuneration of the financial statement auditor VII. 2026 audit plan VIII. Changes in the Company's acting spokesperson IX. Proposed disposal of the equity interest in material subsidiary Cowealth Medical China Co., Ltd.	Passed as proposed without objection	Approved as proposed by all attending committee members without objection
The 8th board	I. Proposed disposal of the equity interest in material subsidiary	Passed as proposed without	Approved as proposed

The 16th meeting November 21, 2025	Cowealth Medical China Co., Ltd. II. The Company's donation to related parties in 2025	objection	by all attending committee members without objection
The 8th board The 17th meeting March 02, 2026	I. Appointment of the corporate governance officer II. Credit facilities for engaging in principal-protected structured financial products III. Assessment of the independence and competence of the attesting CPAs and appointment IV. Amendments to "Procedures for Acquisition or Disposal of Assets"	Passed as proposed without objection	Approved as proposed by all attending committee members without objection
The 8th board 18th meeting March 13, 2026	I. Presentation of the Company's 2025 financial statements and business report II. Presentation of the Company's 2025 earnings distribution III. 2025 Statement of Internal Control System IV. The Company's application to Taishin Bank for bank credit facilities V. The Company's application to Taipei Fubon Bank for bank credit facilities, hedging facilities PSR, and account opening VI. The Company's application to Cathay United Bank for bank credit facilities and hedging financial transaction facilities and account opening VII. Credit facilities for loans to others by the Company and subsidiaries VIII. New endorsements and guarantees by the Company IX. Assessment of whether overdue accounts receivable between the Company and subsidiaries involve the nature of loans to others	Passed as proposed without objection	Approved as proposed by all attending committee members without objection
The 8th board 19th meeting March 30, 2026	I. The Company's second treasury share repurchase proposal II. The Company's proposal to apply for bank facilities from CTBC Bank	Passed as proposed without objection	Approved as proposed by all attending committee members without objection

Execution of annual general meeting resolutions

Meeting Date: May 20, 2025

Resolutions	Execution
I. Acknowledgment of 2024 financial statements and business report	Resolution was passed.
II. Acknowledgment of 2024 earnings distribution	Approved, and the Company proposed not to distribute dividends from 2024 earnings.
III. Amendments to "Articles of Incorporation"	Annual general meeting resolution was passed and executed accordingly.
IV. Amendment to the "Procedures for Loaning Funds to Others”	Annual general meeting resolution was passed and executed accordingly.

Cowealth Medical Holding Co., Ltd.
Minutes of the 2025 Annual General Meeting

Time: May 20, 2025 (Tuesday), 9:00 a.m.
Venue: 23F, No. 76, Section 2, Dunhua South Road, Taipei City (conference room at Cowealth Group's Hub Center - physical convention of shareholders' meeting)
Chairperson: Chairman Joyce Wang Minutes taker: Yu-Ting Ruan
Participants: Independent Director Kun-Chih Chen (Audit Committee convener)
President Duane Lee
CPA Pao Leng Chow, KPMG
Attorney Alex Yeh, LCS & Partners

Report on shares in attendance: The total number of shares represented by shareholders attending in person and by proxy was 45,648,180 shares (including 16,946,093 shares voted electronically), representing 58.93% of the total 77,449,547 issued shares of the Company, which met the statutory quorum. A total of 8 directors attended the annual shareholders meeting in person, including Chairperson Joyce Wang, Director Duane Lee, Director Chuan Chin, Director Kuang-Tsan Tsao, Independent Director Kun-Chih Chen (Convener of the Audit Committee), Independent Director Ying-Tung Lou, Independent Director Chung-Wen Tong, and Independent Director Shu-Hua Chen.

Commencement of meeting: The chairperson announced commencement of meeting, as the number of shares represented in-person and through proxies on site had reached the legal requirement.
Chairperson's remarks: Thank you, shareholders, for taking the time to attend this shareholders meeting. For this shareholders meeting, the proposals under matters for recognition and discussion matters will be discussed item by item and voted on item by item at the same time. Now, let's invite the master of the meeting to proceed with the agenda of the shareholders' meeting.

One. Reported matters

Motion 1: Presentation of the 2024 business report.

Description: The business report of the company for 2024 was as follows:

According to the audited consolidated financial statements, the Company reported revenues of NT$4,192,722 thousand, net income of NT$47,997 thousand, and net income attributable to parent company shareholders of NT$629 thousand for the year. Below is a comparative income statement for years 2024 and 2023:

Unit: In thousands of NTD, except earnings per share

Item	2024	%	2023	%	Variation Amount	Variation %
I. Operating revenues	4,192,722	100.0%	4,812,569	100.0%	-619,847	-12.9%
II. Operating costs	3,401,201	81.1%	3,828,116	79.5%	-426,915	-11.2%
III. Gross profit	791,521	18.9%	984,453	20.5%	-192,932	-19.6%
IV. Operating expenses	694,389	16.6%	720,281	15.0%	-25,892	-3.6%
V. Operating profit	97,132	2.3%	264,172	5.5%	-167,040	-63.2%
VI. Non-operating income and expenses	-8,210	-0.2%	-5,862	-0.1%	-2,348	40.1%
VII. Profit before tax	88,922	2.1%	258,310	5.4%	-169,388	-65.6%
VIII. Income tax expense	40,925	1.0%	119,950	2.5%	-79,025	-65.9%
IX. Net income	47,997	1.1%	138,360	2.9%	-90,363	-65.3%
X. Net income attributable to parent company	629		49,109		-48,480	
Earnings per share (NT$)	0.01		0.63			

The external environment in 2024 has been affected, and the public medical institutions have adopted policies, resulting in a decline in unit prices, which in turn affects the current revenue and profit. In the face of challenges, the Company has actively adjusted its strategy, strengthened its project and business promotion, and increased the adhesion of existing customers, while laying the foundation for future steady growth. Operating revenue in 2024 was NT$4,192,722 thousand, a decrease of NT$619,847 thousand from 2023, down 12.9%; gross profit in 2024 was NT$791,521 thousand, a decrease of NT$192,932 thousand from 2023 gross profit, down 19.6%.

The Company's operating expenses in 2024 decreased by NT$25,892 thousand or 3.6% compared to 2023. The decrease in operating expenses was lower than the decrease in operating revenue primarily because the Company has increased its investment in business promotion to establish new customer relationships. Therefore, operating expenses did not change at the same rate as operating revenue.

The Company's non-operating income and expenses in 2024 decreased by NT$2,348 thousand from 2023, mainly due to the decrease in interest income caused by the decrease in the average deposit balance.

The Company's net profit after tax in 2024 decreased by NT$90,363 thousand compared to 2023, a decrease of 65.3% compared to the previous year. The decrease in the net profit and earnings per share was mainly due to the decrease in the Company's business volume due to the external environment. The Company has made strategic adjustments for future stable growth, and strengthened its business promotion investment.

Chairman: Joyce Wang　　Manager: Duane Lee

Motion 2: Presentation of audit committee's review of 2024 final accounts report.

Description: The consolidated financial statements for the year ended December 31, 2024, along with the annual business report and statement of earnings distribution have been reviewed and approved by the company's audit committee. The review report is as follows:

Audit Committee Report

The board of directors prepared the company's business report, financial statements and earnings distribution proposal for 2024, of which the financial statements have been audited by KPMG Taiwan, who issued an auditors' report. The Audit Committee found no misstatement in the above business report, financial statements, or earnings distribution proposal, and hereby issues its report in accordance with the Articles of Incorporation, the Audit Committee Charter, and relevant laws.

Cowealth Medical Holding Co., Ltd.

Audit Committee Convener, Kun-Chih Chen 陳坤志

March 11, 2025

Motion 3: Report on the allocation of employee and director remuneration for 2024.

Description:
1. To proceed according to Article 34.1 of the Articles of Incorporation.
2. The Company's 2024 employee and director remuneration have been passed by the board of directors. Details of the remuneration are presented below:
   (1) Employees' remuneration: NT$6,554.
   (2) Directors' remuneration: NT$19,661.
3. The above remunerations are similar to the amounts previously estimated and recognized as expenses for the year, and will be entirely paid in cash.

Motion 4: Presentation of the 2024 directors' compensation report.

Description: 1. In accordance with Article 10-1 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, it is advisable that a TWSE/TPEx listed company report at a general shareholders' meeting the remuneration received by directors, including the remuneration policy, individual remuneration package, amount, and association with outcomes of performance reviews:

(1) In addition to receiving fixed pay for the responsibilities borne, directors of the Company may also take part in profit sharing. According to the Articles of Incorporation, the amount of salary paid to directors for services rendered is determined by the board of directors after taking into consideration their participation and contribution to the Company's operations, whereas the amount and extent of profit sharing are proposed by the board of directors and approved through ordinary resolution during shareholder meeting before distribution, in which directors can not be paid more than 3% of the Company's net income in the given year.

(2) Considering the professionalism and independence of independent directors, in addition to receiving fixed compensation and meeting attendance fees, the company's independent directors are not eligible to participate in the remuneration of company profits.

2. According to Article 30.2 of the company's Articles of Incorporation, the amount of directors' remuneration should consider the scope and value of services provided by directors to the company. Factors such as whether the directors serve as conveners of functional committees, the time they invest, the responsibilities they undertake, etc., should be taken into account. Additionally, reference may be made to the remuneration levels of peers in Taiwan and overseas industries. The final decision is made by the board of directors.

3. Details of the directors' compensation presented below:

Summary of shareholders' opinions:

Statement by shareholder account No. 266: Regarding the report on directors' compensation, please explain: Net income after tax for 2024 decreased significantly by 99% compared with 2023, yet the average directors' compensation under the consolidated financial statements still increased by more than NT$1 million from the previous year, an increase of 49%, and was higher than the average of TPEx-listed industry peers. Please explain the reason for and reasonableness of this adjustment, and it is recommended to evaluate whether to adjust the directors' compensation system to align with operating performance and shareholder expectations.

In response to the above shareholder inquiry, the chairperson designated the accounting officer to reply as follows: Each year when the Compensation Management Committee proposes compensation for directors, supervisors, and senior executives, the Company consistently obtains the market median compensation from the internationally renowned compensation survey firm Aon Hewitt as a reference. Taking the President compensation in China provided by Aon Hewitt as an example, the median is approximately RMB5.9 million (approximately NT$26 million). Compensation is mainly affected by regional salary levels and enterprise scale, resulting in differences from the average of Taiwan TPEx-listed industry peers. Directors' compensation is also paid in accordance with the amounts approved by the Compensation Management Committee and the Board of Directors. The payout ratios for the two years were 70% and 84%, respectively. The increase was mainly due to adjustments to the compensation structure, as the Company adjusted directors' allowances with reference to the Shanghai industry compensation levels provided by Aon Hewitt; additionally, due to an increase in directors' duties, one director was additionally appointed as a director of Cowealth Hong Kong. The shareholder acknowledged the above explanation.

December 31, 2024; unit: NT$ thousand

Title	Name	Directors' Remuneration								Sum of A, B, C and D as a percentage of net income (Note 8)		Compensation received as employee								Sum of A, B, C, D, E, F, and G and relative percentage to net income (Note 8)		Compensation from parent company or business investments other than subsidiaries (Note 9)
		Benefits (A) (Note 2)		everance pay and pensio (B)		Director remuneration (C) (Note 3)		Fees for services rendered (D) (Note 4)				Salaries, bonuses, special allowances etc. (E) (Note 5)		Severance payment and pension (F)		Employee remuneration (G) (Note 6)						
																The Company		All companies included in the financial statements (Note 8)				
		The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares	The Company	All companies included in the financial statements (Note 7)	
Chairman	Joyce Wang	0	11,744	0	0	4	4	8	8	12 1.91%	11,756 1869.00%	0	10,779	0	0	0	0	0	0	12 1.91%	22,535 3582.67%	0
Director	Duane Lee	0	9,724	0	0	4	2,699	12	12	16 2.54%	12,435 1976.95%	0	6,685	0	0	6	0	6	0	22 3.50%	19,126 3040.70%	0
Director	Chuan Chin	0	0	0	0	4	4	10	10	14 2.23%	14 2.23%	0	0	0	0	0	0	0	0	14 2.23%	14 2.23%	0
Director	Kuang-Tsan Tsao	0	0	0	0	4	4	10	10	14 2.23%	14 2.23%	0	0	0	0	0	0	0	0	14 2.23%	14 2.23%	0
Director	Po-Chien Hu	0	0	0	0	4	4	12	12	16 2.54%	16 2.54%	0	0	0	0	0	0	0	0	16 2.54%	16 2.54%	0
Independent Director	Ying-Tung Lau	600	600	0	0	0	0	6	6	606 96.34%	606 96.34%	0	0	0	0	0	0	0	0	606 96.34%	606 96.34%	0
	Chung-Wen Tong	600	600	0	0	0	0	12	12	612 97.30%	612 97.30%	0	0	0	0	0	0	0	0	612 97.30%	612 97.30%	0
	Yann-Ching Tsai	299	299	0	0	0	0	6	6	305 48.49%	305 48.49%	0	0	0	0	0	0	0	0	305 48.49%	305 48.49%	0
	Kun-Chih Chen	630	630	0	0	0	0	12	12	642 102.07%	642 102.07%	0	0	0	0	0	0	0	0	642 102.07%	642 102.07%	0
	Shu-Hua Chen	154	154	0	0	0	0	2	2	156 24.80%	156 24.80%	0	0	0	0	0	0	0	0	156 24.80%	156 24.80%	0
Total		**2,283**	**23,751**	**0**	**0**	**20**	**2,715**	**90**	**90**	2,393 380.45%	26,556 4221.94%	**0**	**17,464**	**0**	**0**	**6**	**0**	**6**	**0**	2,399 381.40%	44,026 6999.36%	**0**

Two. Acknowledgments

Motion 1 Proposed by the board of directors

Summary: The agenda item for 2024 financial statements and business report; the motion is submitted for approval.

Description: 1. The Company's 2024 consolidated financial statements (including the balance sheets, income statements, statements of changes in equity, and cash flow statements) have been audited by Sandra Chou CPA and Eponine Hsieh CPA from KPMG Taiwan, who issued an unqualified opinion. The independent auditors' report has been reviewed by the audit committee and approved by the board of directors.

2. Please refer to page 3 for the business report.
3. Please refer to page 4 for the Audit Committee's Review Report.
4. Please refer to Attachment 1 (pages 10-17) for independent auditor's report and the 2024 financial statements.
5. Submitted for approval.

Resolution: Vote outcome of the motion is as follows:

Voting rights represented by attending shareholders (including electronic votes) at the time of voting: 45,648,180

Vote outcome (including electronic votes)	**As a percentage of voting rights represented by attending shareholders (%)**
44,727,351 votes in favor	97.98%
20,148 votes against	0.04%
0 votes voided	0.00%
900,681 votes abstained	1.97%

Motion was passed as proposed through vote.

Motion 2 Proposed by the board of directors

Summary: Acknowledgment of the 2024 earnings distribution.

Description: 1. The Company proposes not to distribute dividends from its 2024 earnings

2. The 2024 earnings distribution table is attached as follows:

Unit: NT$

	NT$
Balance of undistributed earnings as of January 1, 2024	$ 417,726,250
Less: Correction of prior period financial statement discrepancies.	(6,600,000)
Adjusted balance of undistributed earnings as of January 1, 2024	411,126,250
Add: Net profit in 2024	629,006
Less: 10% provision for special reserve	(62,901)
Add: Other equity add provision for special reserve	116,941,601
Distributable earnings	$ 528,633,956
Distributions:	
Dividend to shareholders - cash dividends (NT$0.4 per share)	-
Closing undistributed earnings	$ 528,633,956

Chairman: Joyce Wang Manager: Duane Lee

3. Submitted for approval.

Resolution: Vote outcome of the motion is as follows:

Voting rights represented by attending shareholders (including electronic votes) at the time of voting: 45,648,180

Vote outcome (including electronic votes)	**As a percentage of voting rights represented by attending shareholders (%)**
44,719,261 votes in favor	97.96%
22,148 votes against	0.04%
0 votes voided	0.00%
906,771 votes abstained	1.98%

Motion was passed as proposed through vote.

Three. Discussion items

Motion 1 Proposed by the board of directors

Summary: Amendments to the "Articles of Incorporation"; the motion is available for discussion.

Description: 1. Propose to amend some articles of the Articles of Incorporation of the Company in part in accordance with the Checklist of Shareholders' Rights Protection Items amended in May 2024.

2. Refer to Attachment 3 Pages 18-19 for Comparison Table of Before and After Amendments.

3. Submitted for resolution.

Resolution: Vote outcome of the motion is as follows:

Voting rights represented by attending shareholders (including electronic votes) at the time of voting: 45,648,180

Vote outcome (including electronic votes)	As a percentage of voting rights represented by attending shareholders (%)
44,728,465 votes in favor	97.98%
20,210 votes against	0.04%
0 votes voided	0.00%
899,505 votes abstained	1.97%

Motion was passed as proposed through vote.

Motion 2 Proposed by the board of directors

Summary: Amendment to the "Procedures for Loaning Funds to Others”.

Description: 1. In line with the company’s operational needs, we plan to amend the company’s "Procedures for Loaning Funds to Others".

2. Refer to Attachment 3 Pages 20 for Comparison Table of Before and After Amendments.

3. Submitted for resolution.

Resolution: Vote outcome of the motion is as follows:

Voting rights represented by attending shareholders (including electronic votes) at the time of voting: 45,648,180

Vote outcome (including electronic votes)	As a percentage of voting rights represented by attending shareholders (%)
44,719,199 votes in favor	97.96%
28,300 votes against	0.06%
0 votes voided	0.00%
900,681 votes abstained	1.97%

Motion was passed as proposed through vote.

Two. Extemporary Motions:

None

Three. Adjournment: 9:45 a.m. on the same day.

(Note: The content of the shareholder's speech recorded in the minutes of the annual general meeting of shareholders is only a summary; the actual speech is based on the on-site audio and video recording.)

合富集團
CoWealthGroup

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