Stock Code：4737

Taiwan Stock Exchange Market Observation Post System：https://mops.twse.com.tw

Company website：http://www.bionime.com.tw

# BIONIME

## Bionime Corporation

# 2024 Annual Report

Published on May 7, 2025

**1. Company Spokesman:**

Spokesman

Name: Huang, Chun-Mu

Title: Chairman

Tel: (04) 2369-2388

Email: investor@bionime.com

Acting Spokesman

Name: Huang, Chien-Yu

Title: Manager

Tel: (04) 2369-2388

Email: investor@bionime.com

**2. Address and telephone number of the Company:**

Address: No. 100, Section 2, Daqing Street, Southern District, Taichung

Tel: (04)2369-2388

Fax: (04)2261-7586

**3. Name, address and telephone number of the stock transfer agency:**

Agency: Transfer Agency Department, CTBC Bank Co., Ltd.

Address: 5F., No. 83, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei City 100, Taiwan (R.O.C.)

Tel: +886-2-6636-5566

Website: https://www.ctbcbank.com

**4. CPAs certifying the latest financial statements**

Names of CPAs: Chen Yen- Hui, Kuo Shyh-Huar

Name of CPA firm: KPMG Taiwan

Address: 68th Floor, No. 7, Section 5, Xingyi Road, Xingyi District, Taipei

Website: www.kpmg.com.tw

Tel: (02) 8101-6666

**5. Venue for trading the Company's listed overseas securities and inquiry method for such overseas securities: None.**

**6. Company website:** http://www.bionime.com.tw

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# I. Letter to Shareholders

Dear Shareholders：

We sincerely thank our shareholders for their support of Bionime over the past year. Bionime is pushing its efforts to obtain certification in the U.S. and European markets, striving to provide high-quality and affordable blood glucose management solutions globally. Our innovative product, the “Rightest iFree Continuous Glucose Monitoring System (CGM)” was officially launched through Taiwan's medical device distribution channels in September 2024. It has received the Gold Award for Innovative Award in the Medical Device Category of the Taipei Biotech Awards, which is often referred to as the “Oscars of Taiwan's Biotech Industry”. It has also received the Gold Award at the Taiwan Excellence Awards, demonstrating our strong R&D capabilities in cross-disciplinary integration and technological innovation.

**1. 2024 Annual operating report**

**(1) 2024 Business result:** (Unit: NT$ thousand)

| Annual | 2024 | 2023 | Increase/Decrease |
|---|---|---|---|
| Net Operating Revenue | 1,933,746 | 1,755,567 | 178,179 |
| Gross Profit | 768,383 | 715,650 | 52,733 |
| Operating Expenses | 923,570 | 728,989 | 194,581 |
| Operating Income | (155,187) | (13,339) | (141,848) |
| Income after Tax | (125,999) | 6,531 | (132,530) |

Note：Operating income in 2024 increased by 10.1% compared to 2023; operating expenses increased by 26.7% compared to 2023; income after tax decreased by 132,530 thousand compared to 2023. The decline was primarily attributable to increased expenses for international hospital clinical trials and marketing costs, leading to negative growth and marking the company’s first loss since its public listing.

**(2) The analysis of 2024 and 2023 financial structure and profitability**:

| Items \ Annual | | 2024 | 2023 |
|---|---|---|---|
| Financial Structure | Debts ratio(%) | 67.32 | 62.39 |
| | Long Term Funds to Fixed Assets(%) | 134.05 | 148.86 |
| Profitability | Return on Assets(%) | -1.37 | 0.87 |
| | Return On Equity(%) | -6.49 | 0.32 |
| | Profit Margin(%) | -6.51 | 0.37 |
| | Earnings Per Share | -2.09 | 0.10 |

Note：Strategic investments in automated production equipment and international clinical trial expenses for the CGM product have led to an increase in the debt ratio, impacting the company’s profitability. Earnings per share decreased from NTD$ 0.10 in 2023 to NTD$-2.09 in 2024.

**(3) Budget implementation:** The execution of budget is not disclosed, as the 2024 financial forecast was not publicly released.

**(4) Status of research and development:**

(a). The ratio of research and development fee in net amount of revenue and the result of research and development in last 3 years

| Annual / Items | 2024 | 2023 | 2022 |
|---|---|---|---|
| R&D Expenses | 322,326 | 242,338 | 201,977 |
| R&D Expenses to Net Operating Revenue ratio | 16.67% | 13.80% | 9.14% |

(b). Machine types expected to be developed in 2024:

A. The wireless network-enabled touchscreen blood glucose meter (BGM), GM777.
It obtained FDA certification in the United States in November 2024. This model is capable of uploading data to a cloud-based system via the GSM network, and is expected to attract more business collaboration opportunities with third-party remote healthcare platform providers.

B. Bionime's miniaturized CGM. Following improvements in the manufacturing process and enhancements to CGM specifications, the warm-up time has been reduced from 2 hours to 1 hour, and the duration of use has been extended from 10 days to 15 days. In 2024, a plan for improved specifications has been proposed in Taiwan and the international clinical trials. It is expected to obtain the clinical trial report to verify the new specifications in 2025.

C. Bionime has developed the CGM Partner App and Diabetes Management System (DMS), both of which received certification in June 2024. The CGM Partner App allows users' family members to remotely and simultaneously receive real-time CGM data, enabling family support and collaborative care; The DMS provides comprehensive blood glucose management reports, enabling medical professionals to deliver more accurate, timely, and effective care plans, ultimately helping more patients receive better treatment.

D. To meet the needs of hospitalized patients or single-use scenarios, and to address concerns about cross-contamination from repeated use, a single-use CGM paired with a disposable transmitter was developed in 2024. This design also streamlines transmitter maintenance procedures for medical personnel.

E. By the end of 2024, regarding CGM, we had applied for 443 Taiwanese and international patents in total.More than 265 patent applications have passed Taiwanese and international reviews and obtained patent certificates.

(c) Product technology development in 2025

A. To meet the needs of users who do not typically use smartphones, such as the elderly and children, a new generation of dedicated CGM data display receivers will be developed in 2025. Unlike smartphone-based CGM displays, this receiver will be paired with Bionime's miniaturized CGM and developed on the Android platform, offering display functionality similar to that of a smartphone and providing users with an enhanced experience.

B. It is an international trend to use continuous glucose monitors (CGM) with insulin pumps to achieve the AID (Automated Insulin Delivery) system. The Company will also develop the CGM software and hardware framework matched with the insulin pump. In the future, it will be able to cooperate with relevant companies to expand the CGM market.

C. Bionime has independently developed its first-generation automated equipment and intelligent control system, which has already been implemented in CGM production. This has improved and refined production technology and automation. The company is continuing to develop second-generation automated equipment, which is expected to significantly enhance production efficiency.

**2. 2025 Business Plan**

**(1) Operating Strategies**

(a). Create high-quality and affordable Continuous Glucose Monitors (CGM) devices to make CGM accessible to those in need of them.

(b). "Led by Healthcare, Originated from the Heart" — Promoting the widespread acceptance of CGM in Taiwan allows users to easily understand their overall blood glucose trends, identify the underlying causes of spikes and drops, and gradually adjust their lifestyle. This helps them achieve both reassured glucose control and a carefree life.

(c). Actively promoting CGM clinical trials and obtaining certifications in Europe, the United States, and Mainland China, while also applying for sales licenses in multiple countries.

(d). Actively participating in major international exhibitions and implementing various online and offline marketing proposals to increase brand visibility and corporate recognition, thereby expanding brand influence. Meanwhile, the sales team is engaging with major manufacturers and distributors in the medical sector across various countries to increase market share.

(e). Bionime utilizes the CDMO business cooperation model to collaborate with multiple international manufacturers through resource sharing. This approach reduces construction costs for both our partners and us while increasing the chances of successful business cooperation. It enables both parties to quickly secure a large number of orders and benefit from the economies of scale.

(f). In response to customer demand following the attainment of international certifications for its CGM, Bionime has proactively established an intelligent, automated CGM production line. Guided by the 6σ corporate culture, the Company is committed to delivering high-quality and affordable CGMs.

(g). ESG social corporate responsibility is one of the important criteria for product design. The CGM transmitter manufactured by Bionime is rechargeable and can be used repeatedly. Compared with the one-time use design by international manufacturers, each user can reduce wastes of up to 180 transmitter electronic parts in 5 years, and jointly protect the earth.

**(2) Sales volume and estimations**

The Company's estimated sales volume is based on the following conditions: sales performance in past years, references to the industrial environment, market demands, and considerations of the Company's production capacity and future requirements of customers.As for CGM, we must wait for the product to be launched before it can contribute to the revenue.

**(3) Production and sales policy**

(a). Through the Customer Relationship Management (CRM) system, the Company actively wins new customers while closely monitoring the order status of existing customers. By utilizing the order management system and holding regular production and sales meetings, the company can promptly adjust production plans and expand capacity mechanisms to meet market demand and enhance customer satisfaction.

(b). By utilizing an effective quotation database system, the Company reduces the time required for price inquiries and negotiations, thereby strengthening its bargaining position to obtain more favorable pricing. Through supplier management planning, inventory control is enhanced and delivery becomes more stable, ensuring a stable and efficient supply chain to meet customer demands and maintain a competitive edge in the market.

(c). In response to the price trend of international raw materials and the yearly rising cost of domestic labor, the selling price will be moderately adjusted to stabilize the gross profit margin of sales.

(d). Inventory management is optimized by analyzing the inventory status of raw materials, semi-finished products, and finished products, as well as adjusting purchase and production quantities for high-value items to achieve optimal inventory levels.

**(4) The Expected Development Strategy**

(a). To meet the functional requirements of different markets, the Company continues to develop and refine its Continuous Glucose Monitors (CGM), while executing international clinical trials and obtaining certifications across various countries.

(b). The Company continues to develop automated machinery and intelligent control systems, establishing high-output, high-efficiency automated production lines to meet future customer demand following the attainment of international certifications.

(c). The Company develops various business models, including the adoption of the CDMO (Contract Development and Manufacturing Organization) model with major international manufacturers to accelerate business development. Meanwhile, the Company continues to strengthen long-term partnerships with distributors in over 100 countries to expand its market share.

(d). Implementation of ESG sustainable management practices: In 2024, the Company obtained ISO 14064-1 for greenhouse gas inventory and verification. Other international certifications, including ISO 50001 for energy management and ISO 14067 for product carbon footprint, are scheduled for completion in 2025–2026.

**3. External competition environment, Legislation and the influence of Overall Management**

(1). External competition environment

In recent years, continuous glucose monitors (CGM) have gradually replaced blood glucose meters (BGM) in Europe and America, leading to the shrinking of the BGM market year by year. Professional investment institutions predict that the production value of CGM factories will surpass the historical record value of BGM in 2025, marking a paradigm shift in the industry. This trend is also irreversible. Currently, the three international giant manufacturers Abbott, Dexcom, and Medtronic have dominated the global CGM market, with a combined market share of over 99%.

Facing the formidable barrier of nearly 7,000 international patents held by major CGM (Continuous Glucose Monitoring) manufacturers, Bionime has independently developed full R&D and manufacturing technologies for its CGMs. The Company is now approaching the benchmark of applying 500 international patents, ranking fifth globally in CGM-related patent count. In addition to filing proprietary patents, Bionime actively mitigates the risk of patent infringement by implementing intellectual property (IP) management and adopting patent family networks to safeguard its intellectual property rights. Over the years, Bionime has collaborated with numerous international clients to conduct comparative patent infringement analyses on its CGM products. These analyses have involved internal teams from both sides, as well as external international law firms, to ensure Freedom To Operate (FTO) — the practice of manufacturing and selling products without infringing existing patents.

Bionime is aiming to cut costs by establishing a highly automated production line.It plans to collaborate with established international BGM manufacturers and adopts a low-price strategy to jointly occupy the international CGM market. The goal is to make affordable CGM devices accessible to those in need of CGM.

(2). Legislation

The medical equipment industry is strictly regulated and controlled by laws. In each country, medical devices must be registered with the respective national food and drug administration before they can be sold in the market and used. The registration process for medical devices involves submitting relevant product information, including the name of the product, classification, specifications, usages, structure, performance, and testing reports. Bionime is committed to upholding the quality of its products and quality systems, and conducts regular verifications on various laws and regulations, as well as quality systems, so that it can be ensured that the products and quality management systems meet all regulatory requirements.

(3). The influence of Overall Management

The global business environment is facing a multitude of challenges and opportunities. Geopolitical instability, climate change, and extreme weather events are having profound impacts on the global economy. In particular, climate change has become a critical issue for corporate sustainability, requiring companies to proactively respond by integrating sustainability strategies into operations, reducing carbon footprints, and advancing green transformation.

In the medical device industry, these external factors have intensified market competition. In response, Bionime enhances its competitiveness through innovative R&D, cost optimization, brand development, and regulatory compliance, ensuring its leading position in a rapidly evolving market. While pursuing corporate growth and maximizing shareholder value, the Company also emphasizes environmental protection, social responsibility, and corporate governance (ESG). Bionime is committed to fulfilling its corporate responsibilities and striving for long-term sustainable operations.

We would like to thank our Shareholders, for your persistent efforts in upholding the strategic goal of the company, and to the shareholders, for your supports and encouragements. Looking ahead, through augmented hard-work and competitiveness, we relish the sustainable prospect of our business playing the international leading role in the industry of medical measurement devices. We shall not fail your expectation and concern.

Best Regards.
Chairman and General Manager: Huang, Chun-Mu
Accounting Manager: Chen, Ya-Wen

# II.Corporate Governance Report

1. Information of Directors, Supervisors, General Managers, Deputy General Managers, Assistant General Managers and other Departments and Branch Managers

(1) Information of Directors

April 19,2025; Unit: share

| Title (Note 1) | Nationality or Place of Registration | Name | Gender Age (Note 2) | Elected Date | Term | Date First Elected (Note 3) | Shareholding when Elected | | Current Shareholding | | Spouse & Minor Children Current Shareholding | | Current Shareholding in the name of others | | Experience (Education) (Note4) | Current Positions at the Company and other Companies | Executives, Directors or Supervisors who are spouses or within two degrees of kinship | | | Remarks (Note5) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Shares | Ratio | Shares | Ratio | Shares | Ratio | Shares | Ratio | | | Title | Name | Relations | |
| Chairman | R.O.C | Huang, Chun-Mu | Male 61~70 years | June 22 2022 | 3 | April 14 2003 | 2,474,492 | 4.08% | 2,510,692 | 4.11% | 1,120,380 | 1.83% | 0 | 0% | General Manager of MS Tech.<br>National Taipei University of Technology | Note 6 | - | - | - | Note 6 |
| Director | China | Tonghua Dongbao Pharmaceutical co., Ltd. | - | June 22 2022 | 3 | Feb. 5 2016 | 12,000,000 | 19.80% | 12,000,000 | 19.64% | 0 | 0.00% | 0 | 0% | - | - | - | - | - | - |
| | | Representative: Leng, Chun-Sheng | Male 41~50 years | June 22 2022 | 3 | June 22 20222 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0% | General Manager of Tonghua Dongbao Pharmaceutical CO.<br>Ph.D. in Cell Biology from Liaoning Normal University | Vice Chairman and General Manager of Tonghua Dongbao Pharmaceutical Co., Ltd.<br>Executive Director and Manager of Beijing Dongbao Biotechnology Co., Ltd.<br>Executive Director and General Manager of Tonghua Tongbo Biopharmaceutical Co., Ltd.<br>Manager and Director of Hangzhou Zigang Enterprise Management Co., Ltd. | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Representative: Zhang,Wen Hai | Male 41~50 years | June 22 2022 | 3 | June 20 2019 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0% | Deputy General Manager of Tonghua Dongbao Pharmaceutical CO.<br>Chinese medicine program, Harbin University of Commerce | Director and Vice President of Tonghua Dongbao Pharmaceutical Co., Ltd.<br>Legal representative and executive director of Shanghai Juyi Network Technology Co., Ltd. | - | - | - | - |
| Director | R.O.C | Hua Eng wire & cable co., ltd. | - | June 22 2022 | 3 | March 25 2010 | 7,807,900 | 12.88% | 7,004,900 | 11.47% | 0 | 0.00% | 0 | 0% | - | - | - | - | - | - |
| | | Representative: Liou, Xiu-Mei | Female 61~70 years | June 22 2022 | 3 | Feb. 1 20222 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0% | Vice President at Hua Eng Wire & Cable Co., Ltd<br>Master of Accounting, Long Island University, New York, USA | Note 7 | - | - | - | - |
| Director | R.O.C | Yanben Investment Co., Ltd. | - | June 22 2022 | 3 | June 22 20222 | 1,500,000 | 2.47% | 1,500,000 | 2.46% | 0 | 0.00% | 0 | 0% | - | Corporate Director at Advantech Co., Ltd.<br>Corporate Director at Thuncloud Innovation Co., Ltd. | - | - | - | - |
| | | Representative: Liou,Ke-Chen | Male 61~70 years | June 22 2022 | 3 | June 22 20222 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0% | Founder and chairman of Advantedch Co.,Ltd<br>Telecommunications Engineering,National Chiao Tung University | Note 8 | - | - | - | - |
| Independent Director | R.O.C | Zeng,Hui-Jin | Female 61~70 years | June 22 2022 | 3 | June 22 20222 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0% | Partner, Deputy Director, Chief Operating Officer, Chief Strategy Officer of PricewaterhouseCoopers Taiwan<br>NTU-Fudan EMBA Program<br>Master of Accounting, National Chengchi University | Note 9 | - | - | - | - |

| | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Independent Director | R.O.C | Liu,Mei-An | Female 61~70 years | June 22 20222 | 3 | June 22 20222 | 96,171 | 0.16% | 96,171 | 0.16% | 0 | 0.00% | 0 | 0% | Executive Vice President of Fubon Financial Holding Venture Capital Co., Ltd.<br>General Manager of Fubon Health Management Consulting Co., Ltd.<br>General Manager of Fuyimed Health Management Consulting Co., Ltd.<br>Vice President of Technology at Uni-President Life Sciences Co., Ltd.<br>Executive Vice President of TSC BioSystems Co., Ltd.<br>Ph.D. in Cell Biology from Harvard University, USA<br>M.S. in Entomology from the University of Massachusetts, USA<br>B.S. in Plant Pathology and Entomology from National Taiwan University | None | - | - | - | - |
| Independent Director | R.O.C | Chen, Rui-Xin | Male 61~70 years | June 22 2022 | 3 | June 22 2022 | 20,000 | 0.03% | 21,000 | 0.03% | 10,000 | 0.01% | 0 | 0% | Senior Examination Financial Personnel Legal Group Passed<br>Former Deputy Director at the Trademark Division, Bureau of Standards, Metrology and Inspection, MOEA | None | - | - | - | - |
| Independent Director | R.O.C | Lai, Chun-Ling | Male 71~80 years | June 30 2023 | 3 | June 30 2023 | 272,000 | 0.45% | 272,000 | 0.45% | 0 | 0.00% | 0 | 0% | Chairman of Thuncloud Inc.<br>Founder and chairman of Thunder Tiger Corporation<br>Chairman of TTBio Corporation.<br>Graduated from the Department of Law, National Chung Hsing University | Chairman of Thuncloud Inc.<br>Chairman of Thuncloud Innovation Co., Ltd. | - | - | - | - |

Note1：The corporate shareholders shall list the names of the corporate shareholder and the name of the representative of the corporate shareholder (if a representative, the names of the corporate shareholder shall be listed) separately and shall be stated in the following Table 1.

Note2：Please list the actual age and express it in a range, such as 41~50 years old or 51~60 years old.

Note3：If there is an interruption during the first elected term of the directors or supervisors, it shall be stated.

Note 4：The experience related to the current position, has held a position at the accounting firm or its affiliates before disclosure, the titles and responsibilities shall be stated.

Note 5：If the general manager or the equivalent (top management) are the chairman are the same person or spouses or the relative within the first degree of kinship, it shall disclosure the related information such as the cause, rationality, necessity and measures taken (such as adding the seats of independent directors, and requiring more than half of the directors not serving as employees or managers concurrently).。

Note 6：Huang,Chun-Mu , the Current Positions at the Company and other Companies： Chairman and General Manager of Bionime Corporation 、Corporate chairman of Bionime Inc、Corporate chairman of Bionime (Shenzhen)、Corporate chairman of Bionime (Pingtan) Corporate chairman of Bionime GmbH、Corporate chairman of Bionime USA Corp.、Director at Bionime(Malaysia) SDN BHD 、Director at Bionime Australia Pty Ltd、Corporate director representative at Bonraybio Co., Ltd.

(1).The Chairman also concurrently serves as the general manager of the Company. It aims to improve the operation efficiency and the decision execution, and make the Board know the operation condition of the Company better. However, to enhance the independence of the Company, the Company already plans to recruit excellent talents externally and also train competent candidates internally.

(2). At present, the company has taken the following specific measures: (a) The knowledge, skills, literacy and overall competency of the current three independent directors shall be professional to perform the business and effectively play their supervisory functions. (b) More than half of the directors don’t serve as employees or managers concurrently.

Note 7：Liou, Xiu-Mei, The Current Positions at the Company and other Companies：Vice President at Hua Eng Wire&Cable Co., Ltd., Director at China Ecotek Corporation, Director at Wafer Works Corp. Director at Co-Tech Development Corporation, Director at Savior Lifetec Corporation, Supervisor at Hua Ho Engineering Co., Ltd.

Note 8：Liou,Ke-Chen, Simultaneously act as the chairman of the following companies: Advantech Co., Ltd, Advantech Investment Co., Ltd., Kecheng Investment Co., Ltd., Advantech Foundation, Advantech Technology (China) Company Ltd. (AKMC) ,Shanghai Advantech Intelligent Services Co., Ltd. (AiSC), Advantech Japan Co., Ltd.、Jayan Intelligent Co., Ltd. Liou,Ke-Chen, Simultaneously act as the director of the following companies: Yanben Investment Co., Ltd.,Yancheng Investment Co., Ltd., Advantech Huisheng Intelligent Technology (Shanghai) Co., Ltd., Advantech Software Co., Ltd. (Xi’an), Advantech Technology Co., Ltd., Advantech Corp., HK Advantech Technology Co., Ltd., Advantech Automation Corp. (HK) Limited, Advantech KR Co., Ltd., Liou, Ke-Chen, Simultaneously act as the Supervisor of the following companies: Chuanfei Investment Co., Ltd.

Note 9：Zeng,Hui-Jin ,the Current Positions at the Company and other Companies：Advisory Committee Member, Executive Yuan Biotechnology and Pharmaceutical Industries Promotion Office (BPIPO),Independent Director of Delta Electronics, Inc.,Independent Director of ASUSTeK Computer Inc.,Independent Director of Epistar Corporation.Independent Director of Onward Therapeutics SA (Switzerland),Director of St.Shine Optical Co.,Ltd.,Director of Foresee Pharmaceuticals Co., Ltd.,Corporate Representative Director of Ever Supreme Bio Technology Co., Ltd.,Supervisor of Taiwan Bio-Manufacturing Corporation.

Table 1: Major Shareholders of Institutional Shareholders

April 19, 2025

| Name of Institutional Shareholder (Note 1) | Major Shareholders (Note 2) |
|---|---|
| Hua Eng Wire & Cable Co., Ltd. | First Copper Technology Co., Ltd. (32.96%), Huahong Investment Co., Ltd.(7.39%), Wang Yang Bi-E(5.24%), Wang Feng-Shu(2.55%), Wang Wen-Ling(2.20%), Wang Hong-Ren(2.12%),Wang Hong-Ming(1.46%), Chen Kun-Rong(0.80%),Meta Corporation(0.62%), Wang, Chun-Hsiung(0.48%) |
| Tonghua Dongbao Pharmaceutical Co., Ltd. | Dongbao Industrial Group Co., Ltd. (30.26 %), Tianjin Zhenyi Equity Investment Partnership (Limited Partnership) (9.24%),Abu Dhabi Investment Authority (1.61%),Bank of China Limited – China Merchants National Biopharmaceutical Index Fund (1.16%),Agricultural Bank of China Limited – CSI 500 ETF (0.98%),Bank of Shanghai Co., Ltd. – Yin Hua CSI Innovative Pharmaceutical Industry ETF (0.80%),Hong Kong Securities Clearing Company Limited (0.71%), Li Yikui (0.57%),China Securities Co., Ltd. – Tianhong CSI Biopharmaceutical ETF (0.40%), Bank of China Limited – Cathay CSI Biopharmaceutical ETF (0.38%) |
| Yanben Investment Co., Ltd. | Liou, Ke-Chen (18.77%)、Advantech Foundation (10.08%)、Chang, Mei-ling(5.08%)、Liou, Wei-Chih(1%) |

Note 1: If the Director or Supervisor is the representative of a corporate shareholder, please fill in the name of the corporate shareholder.

Note 2: Please fill in the name of the major shareholder of the corporate shareholder (top 10 in shareholding) and the shareholding ratio. If the major shareholder is a corporate shareholder, please also fill in Table 2.

Table 2: Major shareholders of the major shareholders in Table 1 who are Institutional shareholders

April 28, 2025

| Name of Institutional Shareholder | Major Shareholder |
|---|---|
| First Copper Technology Co., Ltd. | Hua Eng Wire&Cable Co.,Ltd (39.44%),Wang, Yang-Bi-E (10.49%),Wang, Wen-Ling (1.82%),Ms. Wang, Feng-Chuan (0.67%) International Ship Dismantling Co., Ltd. (0.50%), Wang, Feng-Shu (0.43%), Wang, Feng-Chin (0.23%), Wang, Wei-Chun (0.20%), Wang, Tzu-Chia (0.20%), Wang, Hung-Jen (0.19%) |
| Huahong Investment Co., Ltd. | Hong Kong Gongsheng Industrial Company(79.79%),Wang Wen-Ling (3.19%),Wang Feng-Juan(3.19%),Wang Feng-Shu(3.19%),Wang Hong-Ren(3.19%),Wang Hong-Ming(2.87%),Wang Yu-Ting (2.13%),Wang Yang Bi-E (1.60%)、Wang Feng-Qin(0.85%) |
| Meta Corporation | Wang Yang Bi-E (41.05%), Wang Wen-Ling (16.32%),Wang Feng-Chuan (15.79%),Wang Feng-Shu (15.79%),Wang Hung-Jen (5.26%),Wang Hung-Ming (5.26%),Wang Yu-Ting (0.53%) |
| Dongbao Industrial Group Co., Ltd. | Tonghua Shenghui Enterprise Management Center (Limited partnership) (35.91%)、Sao,Fu-Po (7.98%)、Cheng Jian-Chiu (7.00%)、Hsing,Cheng (7%)、Sun,Shiao-Ling (6.69%)、Cheng Jian-Hua(6.40%)、Hsu,Ning (6.35%)、Leng,Chun-Sheng (6.23%)、Wang,Jun-Ye(5.93%)、LI,YI-KUEI (4.47%)、Li Chia-Wei(3.20%)、Li Chia- Hong (2.84%) |

Note 1: If the major shareholder in Table 1 is a corporate shareholder, please fill in its name.

Note 2: Please fill in the name of the corporate shareholder's major shareholder (top 10 in shareholding) and the shareholding ratio.

Note 3: For the institutional shareholder that is not a company, the names of shareholders and shareholding ratios shall be . disclosed above, namely, names of investors or donors and their capital contribution or donation ratios.

## (a)Professional Qualifications and Independence Analysis of Directors:

| Criteria / Name | Meet one of the Following Professional Qualification Requirements, together with at Least Five Years Work Experience (Note1) | Independence Attribute (Note 2) | Number of holding concurrent independent director position in other public companies |
|---|---|---|---|
| Director<br>Huang,Chun-Mu | Mr. Huang is the founder of Bionime and has served in the Company since its establishment in 2003. Mr. Huang is the chairman and general manager of Bionime Corporation.<br>He does not constitute the circumstances defined in Article 30 of the Company Act. | An employees of the Bionime Corp. | None |
| Director<br>Yanben Investment Co., Ltd.<br>Representative：Liou,Ke-Chen | Yanben Investment Co., Ltd. Representative：Liou,Ke-Chen，Mr.Liou is the founder of Advantech Co.,Ltd.<br>He does not constitute the circumstances defined in Article 30 of the Company Act. | Not an employees of the Bionime Corp.or a subsidiaries | None |
| Director<br>Hua Eng wire&cable co.,ltd.<br>Representative：Liou,Xiu-Mei | Hua Eng wire&cable co.,ltd.<br>Representative：Liou,Xiu-Mei,She is the Vice President of Management Department at Hua Eng Wire & Cable Co., Ltd. She does not constitute the circumstances defined in Article 30 of the Company Act. | Not an employees of the Bionime Corp.or a subsidiaries | None |
| Director<br>Tonghua Dongbao Pharmaceutical co., ltd. Representative：Leng, Chun-Sheng | Tonghua Dongbao Pharmaceutical co., ltd.<br>Representative：Leng, Chun-Sheng<br>He is the Vice chairman and General manager of Tonghua Dongbao Pharmaceutical Co., Ltd.<br>He does not constitute the circumstances defined in Article 30 of the Company Act. | Not an employees of the Bionime Corp.or a subsidiaries | None |
| Director<br>Tonghua Dongbao Pharmaceutical co., ltd. Representative：Zhang,Wen Hai | Mr. Zhang serves as the deputy general manager of Sales in Tonghua Dongbao Pharmaceutical co., ltd. He has been designated as the representative of Tonghua Dongbao which is one of the directors of the Company since June 22, 2019.<br>He does not constitute the circumstances defined in Article 30 of the Company Act. | Not an employees of the Bionime Corp.or a subsidiaries | None |
| Independent Director<br>Zeng,Hui-Jin | She was a partner and Vice President of PricewaterhouseCoopers Taiwan, Chief Operating Officer of the Audit Department, Chief Strategy Officer, and the convener of the company's audit committee, with expertise in accounting and taxation. Currently an advisory member of the Bio Taiwan Committee of the Executive Yuan.<br>She does not constitute the circumstances defined in Article 30 of the Company Act. | In the two years before the election and during the term of office,they have met the independence assessment conditions of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”. | 3 |

| | | | |
|---|---|---|---|
| Independent Director<br>Liu,Mei-An | Ph.D. in Cell Biology, Harvard University. He was the Executive Vice President of Fubon Financial Holding Venture Capital Co. and Head of Direct Investment Function of Fubon Financial Holding Investment Management Headquarter.<br>As the company's audit committee, with financial expertise.<br>She does not constitute the circumstances defined in Article 30 of the Company Act. | In the two years before the election and during the term of office,they have met the independence assessment conditions of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”. | None |
| Independent Director<br>Chen,Rui-Xin | He is a law graduate of Chung Hsing University, former Deputy Chief of Trademark Office of Central Bureau of Standards, MOEA, and former Director of Intellectual Property Office, MOEA. As the company's audit committee, with legal expertise.<br>He does not constitute the circumstances defined in Article 30 of the Company Act. | In the two years before the election and during the term of office,they have met the independence assessment conditions of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”. | None |
| Independent Director<br>Lai,Chun-Ling | He is Chairman of Thuncloud Inc. He was Founder and chairman of Thunder Tiger Corporation. As the company's audit committee，He does not constitute the circumstances defined in Article 30 of the Company Act. | In the two years before the election and during the term of office,they have met the independence assessment conditions of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”. | None |

(b). Diversity and independence of the board of directors:

A. Member Composition Diversity Policy: In nominating and qualifying directors (including independent directors), the Board of Directors considers the professional background of the directors (including independent directors) and the knowledge, skills and qualities necessary to perform their duties. The Company has implemented a policy of diversifying the Board of Directors with the "Code of Corporate Governance Practices". The Board of Directors should have the following competencies: operational judgment, accounting and financial analysis, operational management, crisis management, industry knowledge, international market perspective, leadership, and decision-making ability.

B. Diversity objectives of the Board and implementation status

The Company currently has 9 board members (including 4 independent directors), of which 1 is an employee (11% of the total number of directors); The four independent directors are all new for this term.

The Company is also mindful of the gender equality of its board of directors, and currently there are three female directors among the nine directors (33% of the total number of directors). The Board of Directors is comprised of members with expertise in industrial management, technology research and development, marketing management, finance, accounting and taxation, and law, and are industry operators. With their diverse backgrounds in industry, academia and knowledge, the board members are able to provide professional advice from different perspectives, which is of great benefit to the Company's operational performance and management.

| Diversity management objectives | Achievement Status |
|---|---|
| It is advisable that the number of the director who concurrently serve as the managers of the Company should not exceed one-third of the bard seats | Done |
| At least on female director | Done |
| The number of independent directors exceeds on third of the bord seats | Done |
| The independent directors shall not hold office for more than 3 terms. | Done |

| Diversification Item / Director Name | Gender | Nationality | Also an employee of the company | Years served as an independent director | Professional knowledge and skills | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Industrial Management | Technology Research And Development | Marketing Management | Finance | Accounting And Taxation | Law |
| Huang,Chun-Mu | Male | R.O.C | V | | V | V | V | | | |
| Director Yanben Investment Co., Ltd. Representative：Liou,Ke-Chen | Male | China | | | V | V | V | | | |
| Director Hua Eng wire&cable co.,ltd. Representative：Liou,Xiu-Mei | Female | China | | | V | | V | | | |
| Director Tonghua Dongbao Pharmaceutical co., ltd. Representative：Leng, Chun-Sheng | Male | R.O.C | | | | | | V | V | |
| Director Tonghua Dongbao Pharmaceutical co., ltd. Representative：Zhang,Wen Hai | Male | R.O.C | | | V | V | V | | | |
| Zeng,Hui-Jin | Female | R.O.C | | Less than 3 years | | | | V | V | |
| Liu,Mei-An | Female | R.O.C | | Less than 3 years | | | | V | | |
| Chen,Rui-Xin | Male | R.O.C | | Less than 3 years | | | | | | V |
| Lai,Chun-Ling | Male | R.O.C | | Less than 3 years | V | V | V | | | |

(2) Information of General Managers, Deputy General Managers, Assistant General Managers and other Department and Branch Managers:

April 19, 2025; Unit: Share

| Title | Nationality | Name | Gender | Date Effective | Shareholding | | Spouse & Minor Children Shareholding | | Current Shareholding in the Name of others | | Experience (Education) | Current Positions at the Company and Other Companies | Executives, Directors or Supervisors who are spouses or within two degrees of kinship | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Share | Ratio | Share | Ratio | Share | Ratio | | | Title | Name | Relations |
| Chairman and General Manager | R.O.C. | Huang, Chun-Mu | Male | July 9, 2010 | 2,510,692 | 4.11% | 1,120,380 | 1.83% | 0 | 0% | National Taipei University of Technology<br>MS Tech General Manager | Note1 | - | - | - |
| Deputy General Managers of New Business Division | R.O.C. | Chen, Chieh-Shing | Male | May14, 2016 | 75,250 | 0.12% | 17,489 | 0.03% | 0 | 0% | Master of Bio-Industry Mechanical and Electrical Engineering Institute from National Chung Hsing University | - | - | - | - |
| Deputy General Managers of R&D Division | R.O.C. | Chen, Bi-Hsuan | Female | Feb.1, 2016 | 105,582 | 0.17% | 0 | 0.00% | 0 | 0% | Master of Biotechnology from National Cheng Kung University | - | - | - | - |
| Deputy General Managers of IOT Technology Division | R.O.C. | Yeh, Zhi-Long | Male | Nov.7, 2018 | 45,000 | 0.07% | 0 | 0.00% | 0 | 0% | Department of Information Management at Chaoyang University of Technology | - | - | - | - |
| Administration Division Officer & Corporate Governance Officer | R.O.C. | Tang, Wei | Female | Feb.8, 2024 | 0 | 0.00% | 0 | 0.00 | 0 | 0% | Special Assistant of Bionime Corp.<br>Master of Business Administration in Management at National Cheng Kung University | Note2 | - | - | - |

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Financial Officer | R.O.C. | Huang, Chien Yu | Female | Feb.8, 2024 | 21,000 | 0.03% | 0 | 0.00 | 0 | 0% | Manager of Bionime Corp.<br>Master of Business Administration in Enterprise Management at National Chung Hsing University | | | | |
| Accounting Officer | R.O.C. | Chen, Ya-Wen | Female | Feb.1, 2021 | 9,000 | 0.01% | 0 | 0.00 | 0 | 0% | Accounting Manager of Bionime Corp.<br>Department of Accounting Information, National Taichung Institute of Technology | - | - | - | - |

Note 1： Mr. Huang Chun-Mu the Current Positions at the Company and other Companies：Chairman and General Manager of Bionime Corporation、Corporate chairman of Bionime Inc、Corporate chairman of Bionime (Shenzhen)、Corporate chairman of Bionime (Pingtan) Corporate chairman of Bionime GmbH、Corporate chairman of Bionime USA Corp.、Director at Bionime(Malaysia) SDN BHD、Director at Bionime Australia Pty Ltd、Corporate director representative at Bonraybio Co., Ltd.

Note 2：Ms.Tang Wei the Current Positions at the Company and other Companies：Corporate director representative at Bionime(Malaysia) SDN BHD、Corporate director representative at Bionime Australia Pty Ltd.

## (3).Remuneration for Directors (including Independent Directors), Supervisors, General Managers, Deputy General Managers

### (a) Most Recent (2024) Traveling Expenses and Remuneration of the Directors

Unit: NT$ thousand

| Title | Name | Directors Compensation | | | | | | | | Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 10) | | Relevant remuneration received by directors who are also employees | | | | | | | | Ratio of total compensation (A+B+C+D+E+F+G) to net income (%)(Note 10) | | Compensation paid from an invested company other than the company's subsidiary(Note11) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Base Compensation（A）(Note2) | | Severance Payment（B） | | Directors Compensation（C）(Note 3) | | Business Execution Expenses（D）(Note 4) | | | | Salary, Bonuses and Allowances（E）(Note 5) | | Severance Payment（F） | | Employee Compensation（G）(Note 6) | | | | | | |
| | | The Company | All companies in the consolidated financial statement (Note 7) | The Company | All companies in the consolidated financial statement (Note 7) | The Company | All companies in the consolidated financial statement (Note 7) | The Company | All companies in the consolidated financial statement (Note 7) | The Company | All companies in the consolidated financial statement (Note 7) | The Company | All companies in the consolidated financial statement (Note 7) | The Company | All companies in the consolidated financial statement (Note 7) | The Company | | All companies in the consolidated financial statement (Note 7) | | The Company | All companies in the consolidated financial statement (Note 7) | |
| | | | | | | | | | | | | | | | | Cash | Stock | Cash | Stock | | | |
| Chairman | Huang,Chun-Mu | 0 | 0 | 0 | 0 | 0 | 0 | 300 | 300 | 300<br>-0.24% | 300<br>-0.24% | 3,060 | 3,060 | 0 | 0 | 0 | 0 | 0 | 0 | 3,360<br>-2.64% | 3,360<br>-2.64% | None |
| Director | Hua Eng Wire & Cable Co., Lt | 0 | 0 | 0 | 0 | 0 | 0 | 240 | 240 | 240<br>-0.19% | 240<br>-0.19% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 240<br>-0.19% | 240<br>-0.19% | None |
| | Hua Eng Wire & Cable Co., Lt Representative: Liou,Xiu-Mei | 0 | 0 | 0 | 0 | 0 | 0 | 50 | 50 | 50<br>-0.04% | 50<br>-0.04% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50<br>-0.04% | 50<br>-0.04% | None |
| Directo | Tonghua Dongbao Pharmaceutical Co., Ltd. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | None |
| | Tonghua Dongbao Pharmaceutical Co., Ltd Representative: Leng, Chun-Sheng | 0 | 0 | 0 | 0 | 0 | 0 | 290 | 290 | 290<br>-0.23% | 290<br>-0.23% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 290<br>-0.23% | 290<br>-0.23% | None |

| | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| r | Tonghua Dongbao Pharmaceutical Co., Ltd. Representative :Zhang,Wen-Hai | 0 | 0 | 0 | 0 | 0 | 0 | 290 | 290 | 290<br>-0.23% | 290<br>-0.23% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 290<br>-0.23% | 290<br>-0.23% | None |
| Director | Yanben Investment Co., Ltd. | 0 | 0 | 0 | 0 | 0 | 0 | 290 | 290 | 290<br>-0.23% | 290<br>-0.23% | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 290<br>-0.23% | 290<br>-0.23% | None |
| | Yanben Investment Co., Ltd. Representative：Liou,Ke-Chen | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | None |
| Independent director | Zeng, Hui-Jin | 0 | 0 | 0 | 0 | 0 | 0 | 370 | 370 | 370<br>-0.29% | 370<br>-0.29% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 370<br>-0.29% | 370<br>-0.29% | None |
| Independent director | Liu,Mei-An | 0 | 0 | 0 | 0 | 0 | 0 | 370 | 370 | 370<br>-0.29% | 370<br>-0.29% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 370<br>-0.29% | 370<br>-0.29% | None |
| Independent director | Chen,Rui-Xin | 0 | 0 | 0 | 0 | 0 | 0 | 370 | 370 | 370<br>-0.29% | 370<br>-0.29% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 370<br>-0.29% | 370<br>-0.29% | None |
| Independent director | Lai,Chun-Ling | 0 | 0 | 0 | 0 | 0 | 0 | 370 | 370 | 370<br>-0.29% | 370<br>-0.29% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 370<br>-0.29% | 370<br>-0.29% | None |

1. Please explain the policy, system, criteria and structure of remuneration paid to independent directors, and describe the correlation with the amount of remuneration based on the factors such as responsibilities, risks, and time spent.

Explanation：Remuneration to the Company's directors is paid in accordance with the Company's Articles of Incorporation and the Company's "Regulations Governing Payment of Remuneration of Directors, Functional Committees ". 。

1). Directors' remuneration: According to Article 28 of the Company's Articles of Association, directors' remuneration is distributed based on the current year's profits, with no more than 3% of the annual profits.

(1) Directors (including independent directors): The Company will provide a fixed monthly allowance of 20,000 NTD.

(2) Attending the Board of Directors Meetings. Each director will be paid 10,000 NTD each time (including video attendance and proxy attendance).

(3) Attending the Shareholders' Meetings: Each director will be paid 10,000 NTD each time.

(4) Attending the Functional Committee Meeting: Members of the Functional Committee do not receive additional remuneration. Only traveling allowances will be provided, which are the same as those provided for attending the Board of Directors Meetings. Each director will be paid 10,000 NTD each time (including video attendance and proxy attendance)

2. The remuneration to all the directors served for all the companies within the consolidated financial statement (such as a consultant not an employee) in the most recent fiscal year: None.

* It shall separately disclose the related information about the directors (general directors rather than the independent directors) and the independent directors.

## Range of Remuneration

| Range of Remuneration | Names of Directors | | | |
|---|---|---|---|---|
| | Total of (A+B+C+D) | | Total of ( (A+B+C+D+E+F+G) | |
| | The Company (Note 9) | All Companies in the Consolidated Financial Statement (Note 10) I | The Company (Note 9) | All Companies in the Consolidated Financial Statement (Note 10) J |
| Under NT$1,000,000 | Huang,Chun-Mu,<br>Hua Eng Wire & Cable Co., Ltd,<br>Liou,Xiu-Mei,<br>Tonghua Dongbao Pharmaceutical Co., Ltd.,<br>Leng, Chun-Sheng,<br>Zhang,Wen-Hai,<br>Yanben Investment Co., Ltd.,<br>Liou,Ke-Chen,<br>Zeng,Hui- Jin,<br>Liu,Mei-An,<br>Chen,Rui-Xin,<br>Lai,Chun-Ling. | Huang,Chun-Mu,<br>Hua Eng Wire & Cable Co., Ltd,<br>Liou,Xiu-Mei,<br>Tonghua Dongbao Pharmaceutical Co., Ltd.,<br>Leng, Chun-Sheng,<br>Zhang,Wen-Hai,<br>Yanben Investment Co., Ltd.,<br>Liou,Ke-Chen,<br>Zeng,Hui- Jin,<br>Liu,Mei-An,<br>Chen,Rui-Xin,<br>Lai,Chun-Ling. | Hua Eng Wire & Cable Co., Ltd,<br>Liou,Xiu-Mei,<br>Tonghua Dongbao Pharmaceutical Co., Ltd.,<br>Leng, Chun-Sheng,<br>Zhang,Wen-Hai,<br>Yanben Investment Co., Ltd.,<br>Liou,Ke-Chen,<br>Zeng,Hui- Jin,<br>Liu,Mei-An,<br>Chen,Rui-Xin,<br>Lai,Chun-Ling. | Hua Eng Wire & Cable Co., Ltd,<br>Liou,Xiu-Mei,<br>Tonghua Dongbao Pharmaceutical Co., Ltd.,<br>Leng, Chun-Sheng,<br>Zhang,Wen-Hai,<br>Yanben Investment Co., Ltd.,<br>Liou,Ke-Chen,<br>Zeng,Hui- Jin,<br>Liu,Mei-An,<br>Chen,Rui-Xin,<br>Lai,Chun-Ling. |
| NT$1,000,000 (included）～NT$2,000,000(excluded) | | | | |
| NT$2,000,000 (included）～NT$3,500,000 (excluded) | | | Huang,Chun-Mu | Huang,Chun-Mu |
| NT$3,500,000 (included）～NT$5,000,000 (excluded) | | | | |
| NT$5,000,000 (included）～NT$10,000,000 (excluded) | | | | |
| NT$10,000,000(included）～NT$15,000,000 (excluded) | | | | |
| NT$15,000,000 (included）～NT$30,000,000(excluded) | | | | |
| NT$30,000,000 (included）～NT$50,000,000(excluded) | | | | |

| | | | | |
|---|---|---|---|---|
| NT$50,000,000 (included）～ NT$100,000,000(excluded) | | | | |
| Over NT$100,000,000 | | | | |
| Total | 12persons | 12 persons | 12 persons | 12 persons |

Note1: The Directors' names should be listed separately (if a corporate shareholder, the corporate name and the representative's name should be listed separately), and the payments should be consolidated for disclosure. The amount of cash payment is disclosed in a summary. If the director is also the general manager or deputy general manager, this table and the following table (3-1) or (2-2) shall be filled in.

Note2: The Director's remuneration for the most recent year (including salary, job allowances, Retirement Pension, various bonuses and incentives).

Note3: The latest amount of Director's remuneration as passed by the board of directors.

Note4: The latest annual business execution expenses of the Director (including transportation costs, special expenses, various subsidies, dormitory expenses, car expenses and other physical provisions). In case of the provision of expenses for housing, cars and other means of transportation or exclusive personal expenses, please disclose the nature and cost of the assets provided, the actual or fair market price of the rent, gasoline and other payments. If a driver is provided, please indicate the Company's relevant remuneration to the driver, but the amount should not be included in the remuneration.

Note5: The latest salary, job allowances, Retirement Pension, various bonuses, incentives, car expenses, special expenses, various subsidies, dormitory expenses, car expenses and other physical provisions for the Director's other jobs (including the positions of General Manager, Deputy General Manager, Manager and other positions). In case of the provision of expenses for housing, cars and other means of transportation or exclusive personal expenses, please disclose the nature and cost of the assets provided, the actual or fair market price of the rent, gasoline and other payments. If a driver is provided, please indicate the Company's relevant remuneration to the driver, but the amount should not be included in the remuneration. According to IFRS 2's recognition of remuneration in "Share-Based Payments", the remuneration shall include employee stock options, restricted-right employee shares and share subscription from participation in cash capital increase.

Note6: If a Director receives employee remuneration (including stock and cash) on his/her other job(s) (including the positions of General Manager, Deputy Manager, Manager and other positions) in the latest year, please disclose the amount of employee remuneration as passed by the board of directors in the latest year. If the amount cannot be estimated, it should be calculated based on the percentage of the actual amount distributed last year, and Appendix 1-3 should be filled out.

Note7: The total remuneration paid by all the companies (including the Company) in the consolidated report to the Company's Director.

Note8: The total remuneration paid by the Company to each Director; the Director’s name should be disclosed in the respective tier.

Note9: The total remuneration paid by all the companies (including the Company) in the consolidated report to each of the Company's Directors should be disclosed, and the Director's name s should be disclosed in the respective tier.

Note10: Net profit after tax refers to the net after-tax profit for the latest year. If the International Financial Reporting Standards have been adopted, then it is the net after-tax profit of the individual company or the respective financial statement.

Note11:a. In this field the amount of remuneration paid to the Director by the Company's re-invested businesses other than the subsidiaries should be clearly indicated.

b. If the Director receives remuneration from the Company's re-invested businesses other than the subsidiaries, such remuneration should be incorporated into column I of the Remuneration Tiers Table, and the name of the field should be changed to "All re-invested businesses".

c. Remuneration refers to the compensation, reward (including that for an employee, director or supervisor) and business execution expenses received by the Company's Director for acting as a director, supervisor or manager of the Company's re-invested businesses other than the subsidiaries.

* The contents of the remuneration disclosed in this table are different from those in the Income Tax Law. Therefore, this statement is for the purpose of disclosure but not for taxation.

(b).Most Recent (2024) Remunerations of the General Manager and Deputy General Manager (Including Independent Director):

Unit: NT$ thousand

| Title | Name | Salary (A) (Note 2) | | Severance Payment (B) | | Bonus and Special Fees (C) (Note 3) | | Employee Remuneration (D) (Note 4) | | | | The Sum of A, B, C and D as a percentage of After-tax Net Profit (%) (Note 6) | | Remuneration from Reinvested Business other than Subsidiaries (Note 7) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | The Company | Companies in the Consolidated Financial Statements (Note 5) | The Company | Companies in the Consolidated Financial Statements (Note 5 | The Company | Companies in the Consolidated Financial Statements (Note 5) | The Company | | Companies in the Consolidated Financial Statements (Note 5) | | The Company | Companies in the Consolidated Financial Statements (Note 5) | |
| | | | | | | | | Cash | Stock | Cash | Stock | | | |
| General Manager | Huang, Chun-Mu | 3,060 | 3,060 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,060<br>-2.41% | 3,060<br>-2.41% | None |
| Deputy General Manager | Chen, Chieh-Shing | 2,549 | 2,549 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,549<br>-2.00% | 2,549<br>-2.00% | None |
| | Chen, Bi-Hsuan | 2,414 | 2,414 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,414<br>-1.90% | 2,414<br>-1.90% | None |
| | Yeh, Zhi-Long | 2,309 | 2,309 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,309<br>-1.82% | 2,309<br>-1.82% | None |

Range of Remuneration

| Range of Remuneration (NT$) | Name of General Manager and Deputy General Manager | |
|---|---|---|
| | The Company (Note 6) | Companies in the Consolidated Financial Statements (Note 7)E |
| Under NT$1,000,000 | | |
| NT$1,000,000 (included）～NT$2,000,000(excluded) | | |
| NT$2,000,000 (included）～NT$3,500,000 (excluded) | Huang, Chun-Mu<br>Chen, Chieh-Shing<br>Chen, Bi-Hsuan<br>Yeh, Zhi-Long | Huang, Chun-Mu<br>Chen, Chieh-Shing<br>Chen, Bi-Hsuan<br>Yeh, Zhi-Long |
| NT$3,500,000 (included）～NT$5,000,000 (excluded) | | |
| NT$5,000,000 (included）～NT$10,000,000 (excluded) | | |
| NT$10,000,000(included）～NT$15,000,000 (excluded) | | |
| NT$15,000,000 (included）～NT$30,000,000(excluded) | | |
| NT$30,000,000 (included）～NT$50,000,000(excluded) | | |
| NT$50,000,000 (included）～NT$100,000,000(excluded) | | |
| Over NT$100,000,000 | | |
| Total | 4 persons | 4 persons |

Note1: The General Managers and Deputy General Managers’ names should be listed separately, and the payments should be consolidated for disclosure. If the Directors are also General Managers or Deputy General Managers, this table and the table above (1-1) or (1-2) shall be filled in.

Note2: The latest amount of the General Manager’s and the Deputy General Managers’ remunerations (including salary, job allowances and severance payment).

Note3: The latest annual business execution expenses of the General Manager and the Deputy General Managers (including transportation costs, special expenses, various subsidies, dormitory expenses, car expenses and other physical provisions). In case of the provision of expenses for housing, cars and other means of transportation or exclusive personal expenses, please disclose the nature and cost of the assets provided, the actual or fair market price of the rent, gasoline and other payments. If a driver is provided, please indicate the Company's relevant remuneration to the driver, but the amount should not be included in the remuneration. According to IFRS 2's recognition of remuneration in "Share-Based Payments", the remuneration shall also include employee stock options, restricted-right employee shares and share subscription from participation in cash capital increase.

Note4: The employee remuneration (including stock and cash) distributed to the General Manager or Deputy General Manager as passed by the board of directors in the latest year. If the amount cannot be estimated, it should be calculated based on the percentage of the actual amount distributed last year, and Appendix 1-3 should be filled out. Net profit after tax refers to the net after-tax profit for the latest year. If the International Financial Reporting Standards have been adopted, then it is the net after-tax profit of the individual company or the respective financial statement.

Note5: The total remuneration paid by all the companies (including the Company) in the consolidated report to the Company's General Manager and Deputy General Managers.

Note6: The total remuneration paid by the Company to each General Manager and Deputy General Manager; the General Manager’s and the Deputy General Managers' names are to be disclosed in the respective tiers

Note7: The total remuneration paid by all the companies (including the Company) in the consolidated report to each of the Company's General Manager and Deputy General Managers should be disclosed, and the General Manager’s and the Deputy General Managers’ names should be disclosed in the respective tier.

Note8: Net profit after tax refers to the net after-tax profit for the latest year. If the International Financial Reporting Standards have been adopted, then it is the net after-tax profit of the individual company or the respective financial statement.

Note9: a. In this field the amount of remuneration paid to the General Manager or the Deputy General Managers by the Company's re-invested businesses other than the subsidiaries should be clearly indicated.

b. If the General Manager and Deputy General Managers receive remuneration from the Company's re-invested businesses other than the subsidiaries, such remuneration should be incorporated into column D of the Remuneration Tiers Table, and the name of the field should be changed to "All re-invested businesses".

c. Remuneration refers to the compensation, reward (including that for an employee, director or supervisor) and business execution expenses received by the Company's General Manager or Deputy General Manager for acting as a director, supervisor or manager of the Company's re-invested businesses other than the subsidiaries.

* The contents of the remuneration disclosed in this table are different from those in the Income Tax Law. Therefore, this statement is for the purpose of disclosure but not for taxation.

### (c).Managers with Employee Remuneration Distribution

Unit: NT$ thousand; Date: April 30, 2025

<table>
<tr><th>Title</th><th>Name</th><th>Stock Bonus</th><th>Cash Bonus</th><th>Total</th><th>Ratio of Total Amount to Net Income (%)</th></tr>
<tr><td>Chairman as well as General Manager</td><td>Huang, Chun-Mu</td><td rowspan="7">0</td><td rowspan="7">0</td><td rowspan="7">0</td><td rowspan="7">0%</td></tr>
<tr><td rowspan="3">Deputy General Manager</td><td>Chen, Chieh-Shing</td></tr>
<tr><td>Chen, Bi-Hsuan</td></tr>
<tr><td>Yeh, Zhi-Long</td></tr>
<tr><td rowspan="2">Assistant General Manager as well as Corporate Governance Officer Financial Officer</td><td>Tang, Wei</td></tr>
<tr><td>Huang, Chien-Yu</td></tr>
<tr><td>Accounting Officer</td><td>Chen, Ya-Wen</td></tr>
</table>

Note1:The names and titles should be listed separately, and the remuneration distribution may be consolidated for disclosure.

Note2:The latest amount of the manager’s employee remuneration as passed by the board of directors (including shares and cash) in the latest year. If the amount cannot be estimated, it should be calculated based on the percentage of the actual amount distributed last year. Net profit after tax refers to the net after-tax profit for the latest year. If the International Financial Reporting Standards have been adopted, then it is the net after-tax profit of the individual company or the respective financial statement.

Note3:The definition of manager, as governed by the letter of the SFC on March 27, 2003 with a reference no. of Tai-Tsai-Cheng III 0920001301, is as follows:
(1) General Manager and equivalent.
(2) Deputy General manager and equivalent.
(3) Associate and equivalent.
(4) Head of financial department.
(5) Head of accounting department
(6) Other people who have the right to manage the company's affairs and are the company's authorized signatories.

Note4:If the Directors, General Managers and Deputy General Managers have received employee compensation (including stocks and cash), they shall fill in Table 1 (2) and this table.

## (4).Analysis of the Proportion of the Total Remuneration, Directors, Supervisors, General Managers And Deputy General Managers of the Company Paid the Company and all Companies in the Consolidated Financial Statement to Net Profit After Tax in Individual Financial Statements of the Recent Two Years. Explanation of Remuneration Policies, Standards and Packages, the Procedure for Determining Remuneration, and its Linkage to Operating Performance and Future Risk Exposure:

### (a)Analysis of the proportion of the total remuneration of directors, supervisors, general managers and deputy general managers of the Company paid the Company and all companies in the consolidated financial statements to net profit after tax in individual financial statements of the recent two years:

| Proportion of the Total Remuneration of Directors, Supervisors, General Managers and Deputy General Managers | 2023 | | 2024 | |
|---|---|---|---|---|
| | The Company | All Companies in the Consolidated Financial Statements | The Company | All Companies in the Consolidated Financial Statements |
| | 201.55% | 201.55% | -10.45% | -10.45% |

(b) Explanation of remuneration policies, standards and packages, the procedure for determining remunerations, and its linkage to operating performance:

A. Directors

Directors' remuneration: According to Article 28 of the Company's Articles of Association, directors' remuneration is distributed based on the current year's profits, with no more than 3% of the annual profits. The performance of the Company's Board of Directors as a whole, functional committee, and individual directors are evaluated once a year based on the "Regulation on the Performance Evaluation of the Board of Directors and the Functional Committee". The remuneration distribution proposal of each director is determined by taking into account their tenure, performance evaluation results, and operating performance of the Company. Before distributing the remuneration, the proposal shall be submitted to the Remuneration Committee and the Board for resolution, and shall also be submitted to the Shareholders' Meeting for reporting.
Since there was a pre-tax loss in 2024, the Board of Directors passed a resolution on March 13 2025 that employee remunerations and directors' remuneration will not be distributed. The company has not issued other alterations in remuneration, except for the payment of the directors' attendance fees and the distribution of directors' remuneration which is based on the results of directors' performance evaluation.

B. General Managers and Deputy General Managers

Remuneration to general managers and deputy general managers includes wages, various bonuses, and employees' compensation, and the negotiated remuneration is considered the salary standard of same business; bonuses are highly related to the company's operating results and performance. Based on the company's OKR indicators each year (indicators include revenue, net profit, new products, management, etc.) and the manager's personal performance to determine remuneration proposal, the proposal is submitted to the board of directors for resolution after deliberation by the remuneration committee. The distribution standard for employee remuneration follows the company's articles of association and is issued after the resolution and approval of the board of directors.

(c) Linkage to Future Risk: The performance of the Company's important decisions refers the Company's profitability, so there is a positive correlation between the remuneration to directors, supervisors and managers.

3. Implementation of Corporate Governance

(1) Operation of the board meeting

(a) A total of 5 board meetings were held in 2024, and the attendance of Directors (including independent Directors) is as follows:

| Title | Name (Note 1) | Actual no. of Meetings Attended (B) | No. of Meetings with Entrusted Attendance | Actual Attendance Rate (%) 【B/A】 (Note 2) | Remarks |
|---|---|---|---|---|---|
| Chairman | Huang,Chun-Mu | 5 | 0 | 100% | |
| Director | Hua Eng Wire & Cable Co., Ltd. Representative: Liou, Xiu-Mei | 5 | 0 | 100% | |
| Director | Tonghua Dongbao Pharmaceutical Co., Ltd. Representative: Chang Wen-Hai | 5 | 0 | 100% | |
| Director | Tonghua Dongbao Pharmaceutical co., ltd. Representative：Leng, Chun-Sheng | 5 | 0 | 100% | |
| Director | Yanben Investment Co., Ltd. Representative：Liou, Ke-Chen | 1 | 4 | 80% | |
| Independent Director | Zeng, Hui-Jin | 5 | 0 | 100% | |
| Independent Director | Liu, Mei-An | 5 | 0 | 100% | |
| Independent Director | Chen, Rui-Xin | 5 | 0 | 100% | |
| Independent Director | Lai, Chun-Ling | 4 | 1 | 100% | |

Other matters to be recorded:

1. If any of the following circumstances occurs in the operation of the board meeting, please indicate the date of the board meeting, the session number, the contents of the resolution, the opinions of all independent directors and the Company's handling of the opinions of the independent directors:

(1) Matters listed in Article 14-3 of the Securities Exchange Act.
5 Board meetings were held in the year of 2024. The contents of the resolution are on pages 73 to 75 of the annual report. All independent directors had no objections to the matters listed in Article 14-3 of the Securities Exchange Act.

(2) Other than the aforementioned matters, the board resolutions which independent directors object to or have reservations about and there are records or written statements for them: None.

2. To avoid conflict of interest among directors, the Director's name, meeting content, and reason for avoiding conflict of interest and participation in the voting process must be properly recorded:

(1) 2024/01/23 Board meeting-motion: The proposal on the regular review of manager remuneration (including new managers), managers' year-end bonus in 2023, and the bonus for the launch of CGM in 2024:
Resolution: The director Huang,Chun-Mu who acts as the manager of the Company concurrently didn't participate in the voting due to the conflict of interest. The acting chairman Lui,Mei-Ann who was elected by the directors consulted the opinion of other attending directors, and all of them approved the motion unanimously.

(2) 2024/3/14 Board meeting-motion: Proposal on the list of employees who will be issued stock options in 2024 and the details of the distribution to managers:
Resolution: The director Huang,Chun-Mu who acts as the manager of the Company concurrently didn't participate in the voting due to the conflict of interest. The acting chairman Lui,Mei-Ann who was elected by the directors consulted the opinion of other attending directors, and they approved the motion unanimously.

3. The TWSE/GTSM Listed Companies shall disclose the evaluation cycles, evaluation periods, scope, method and content of the board of directors' self-evaluation by the board members of themselves or peers and fill in the attached Table 2 (2) Board of Directors' Evaluation Implementation Status.

4. The goals for strengthening the board's functions in the current and the previous year (e.g., establishment of an audit committee, promotion of information transparency, etc.):

(1) On March 13, 2025, the board of directors resolved to pass the 2024 board members , board and functional committee performance evaluation results.

(2) The Company had purchased the liability insurance for all directors, which have been filed as required.

(3) The company has established an audit committee on June 22, 2022.

Note 1: If a director or supervisor is a legal entity, please disclose the name of the corporate shareholder and of its representative.

Note 2: (1) If there is a director or supervisor leaving the company before the end of the year, please indicate the date of departure in Remarks field. The actual attendance rate (%) is calculated based on the number of board meetings held and the actual number of meetings attended during the tenure.

(2) If there is a director or supervisor election before the end of the year, please list both the new and the old directors and supervisors, and indicate in the Remarks field whether the director or supervisor is old, new or re-elected and the date of election. The actual attendance rate (%) is calculated based on the number of board meeting held and the actual number of meeting attended during the tenure.

(b). Board of Directors' Evaluation Implementation Status

| Evaluation cycles (Note1) | Evaluation periods (Note2) | Evaluation scope (Note3) | Evaluation method (Note4) | Evaluation content (Note5) |
|---|---|---|---|---|
| Once a year | January 1, 2024 to December 31, 2024 | All Board of Directors' | Internal self-evaluation of the board of directors | Board performance evaluation items:<br>A. Participation in the operation of the company.<br>B. Improving the quality of decision-making of the board of directors.<br>C. Composition and structure of the board of directors.<br>D. Election and continuing education of the directors.<br>E. Internal control. |
| Once a year | January 1, 2024 to December 31, 2024 | Individual directors | Self-evaluation of the board of directors | Performance evaluation projects for individual directors:<br>A. Alignment of the goals and missions of the company.<br>B. Awareness of the duties of a director.<br>C. Participation in the operation of the company.<br>D. Management of internal relationship and communication.<br>E. The director's professionalism and continuing education.<br>F. Internal control. |
| Once a year | January 1, 2024 to December 31, 2024 | Audit Committee | Self-evaluation of the functional committee | Performance evaluation items for the functional committee:<br>A. Participation in the operation of the company.<br>B. Awareness of the duties of the functional committee.<br>C. Improving the quality of decision-making by functional committees<br>D. Composition and structure of the functional committee<br>E. Internal control. |
| | January 1, 2024 to December 31, 2024 | Remuneration Committee | | |

Evaluation results:

A. The overall results of the internal performance self-evaluation of the company's board of directors in 2024 were scored as 4.70 (The full score is 5), which means "excellent"

B. The overall results of self-evaluation of individual directors in 202 were scored as 4.66 (The full score is 5), which means "excellent"

C. The overall results of the internal performance self-evaluation of the company's Audit Committee in 2024 were scored as 4.82 (The full score is 5), which means "excellent"

D. The overall results of the internal performance self-evaluation of the company's Remuneration Committee in 2024 were scored as 4.83 (The full score is 5), which means "excellent"

The conclusion: The company's board of directors is operating well as a whole.

(2) Information on the operation of the Audit Committee

A total of 5 Audit Committee meeting was held in 2024, and the attendance of Independent Director is as follows:

| Title | Name | Actual no. of Meetings Attended (B) | Actual Attendance Rate【B/A】(Note) | Remarks | Title |
|---|---|---|---|---|---|
| Independent Director | Zeng,Hui-Jin | 5 | 0 | 100% | |
| Independent Director | Liu,Mei-An | 5 | 0 | 100% | |
| Independent Director | Chen,Rui-Xin | 5 | 0 | 100% | |
| Independent Director | Lai,Chun-Ling | 4 | 1 | 100% | |

Other matters to be recorded

1. If any of the following circumstances occurs in the operation of the Audit Committee meeting, please indicate the date of the Audit Committee meeting, the session number, the contents of the resolution, the opinions of all independent directors and the Company's handling of the opinions of the independent directors:
   (1) Matters listed in Article 14-5 of the Securities and Exchange Act => From June 22, 2024 to December 31, 2024 Total five audit committee meetings were held, and all independent directors did not object to the matters listed in Article 14-5 of the Securities and Exchange Act and approved them.
   (2) Except for the aforementioned matters, other matters not approved by the Audit Committee and approved by two-thirds or more of all directors => None.
2. To avoid conflict of interest among Independent Directors, the Independent Director's name, meeting content, and reason for avoiding conflict of interest and participation in the voting process must be properly recorded: None
3. Communication between the independent directors and the chief of internal audit and the accountant (should include the significant matters, methods and results of communication regarding the Company's financial and business status).
   (1) The chief of the Company's internal audit regularly conducts audits operations, and reports audit results and their tracking status to the independent directors at the audit committee meetings held quarterly.
   (2) The CPA attends the quarterly audit committee meetings to explain the process of reviewing the Company's financial statements, the scope of issues and the update of related regulations in the quarterly and annual financial reports, and discusses fully with the independent directors.
   (3) The Company's CPA reports the results of the quarterly financial statement audits at the Audit

Committee meetings and other communication matters required by the relevant laws and regulations, and the communication between the members of the Company's Audit Committee and the certified public accountant is good.

| Date | Nature | Significant item communicated with internal audit supervisor | Significant item communicated with the accountant | Communication Results |
|---|---|---|---|---|
| Jan 23, 2024<br>The 8th Meeting of the 1st Term | Audit Committee | Audit Operations Execution and Communication. | - | No Opinion |
| March 14, 2024<br>The 9th Meeting of the 1st Term | Audit Committee | Audit Operations Execution and Communication. | The accountants conducted a presentation and communication regarding the 2024 consolidated financial statements. | No Opinion |
| May 9, 2024<br>The 10th Meeting of the 1st Term | Audit Committee | Audit Operations Execution and Communication. | The accountants conducted a presentation and communication regarding the consolidated financial statements for the first quarter of 2024. | No Opinion |
| Augest 8, 2024<br>The 11th Meeting of the 1st Term | Audit Committee | 1. Audit Operations Execution and Communication.<br>2.Revise the company's internal control system | The accountants conducted a presentation and communication regarding the consolidated financial statements for the second quarter of 2024. | No Opinion |
| Nov. 6, 2024<br>The 12th Meeting of the 1st Term | Audit Committee | 1.Audit Operations Execution and Communication.<br>2.Audit plan for 2025<br>3. Establishment and revision of the Company's management operating procedures | The accountants conducted a presentation and communication regarding the consolidated financial statements for the third quarter of 2024. | No Opinion |

Note: If there is any Independent Director leaving the Company before the end of the year, please indicate the date of departure in the Remarks field. The actual attendance rate (%) is calculated based on the number of board meetings held and the actual number of meetings attended during the tenure.

If there is a Independent Director election before the end of the year, please list both the new and the old supervisors, and indicate in the Remarks field whether the Independent Director is old, new or re-elected and the date of election. The actual attendance rate (%) is calculated based on the number of board meetings held and the actual number of meetings attended during the tenure.

(3). The state of the Company's implementation of corporate governance, any departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the reason for any such departure:

| Evaluation Item | Implementation Status (Note 1) | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| 1. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"? | ✓ | | The Company approved the establishment of the "Corporate Governance Best-Practice Principles" at the Board of Directors' Meeting on March 14,2024 and disclosed it on the company website. | No difference. |
| 2. Shareholding structure & shareholders' rights | | | | |
| (1) Has the company established an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure? | ✓ | | (1) The Company has spokespersons, legal and shareholder personnel and other relevant departments to deal with shareholders' suggestions, disputes and other issues. | No difference. |
| (2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares? | ✓ | | (2) With the management of dedicated personnel, the Company is able to keep track of the major shareholders and the relationship with them remains sound. | No difference. |
| (3) Has the company established and implemented risk management and firewall mechanisms with its affiliates? | ✓ | | (3) The Company has established relevant systems in the internal control system in accordance with the law. | No difference. |
| (4) Has the Company established internal rules against insiders trading with | ✓ | | (4) The Company has established "Procedures for Handling Material Inside Information" in order to avoid improper disclosure of information. It is explicitly stated that insiders of | No difference. |

| Evaluation Item | Implementation Status (Note 1) Yes | No | Description | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| undisclosed information? | | | the Company are prohibited from using undisclosed information in the market to buy or sell securities. Regulatory measures are established to restrict insiders from trading stocks from the day they become aware of the financial report or relevant performance data. Directors are not allowed to trade stocks 30 days before the publication of the annual financial report, as well as during the closed period of 15 days before the publication of each quarterly financial report. At the beginning of the month of the closed period, emails are sent to remind insiders to pay attention and avoid accidentally violating this regulation. | |
| 3.Composition and Responsibilities of the Board of Directors<br>(1) Does the board of directors formulate a diversity policy, specific management objectives and implement it in terms of membership? | ✓ | | (1) The Company has seven directors, including three independent directors, three of whom is a female. The professional background to the members covers business management, finance, accounting and law. The board members have a diverse background in industry, profession and knowledge, and provide professional advice from difference perspectives with their experiences, which shall greatly enhance the Company's business performance and management efficiency. The Company has established "Regulations of the Board of Directors" and | No difference. |
| (2) Has the company voluntarily establishes other functional committees in addition to the Remuneration Committee and the Audit Committee? | | ✓ | | It will be determined according the operation status and scale in the future. |

| Evaluation Item | Implementation Status (Note 1) | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| (3) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis, reported the result of performance evaluation to the Board as reference for remuneration paid to the directors and their nomination for succession?<br><br>(4) Does the Company regularly evaluate the independence of CPAs? | ✓<br><br>✓ | | "Regulations on the Election of Directors and Supervisors".<br>(2) Except for Compensation Committee, there are no other functional committees yet as there is currently no requirement.<br>(3) The Company has established a regulation on evaluating Board performance, and the evaluations are all conducted in form of surveys. The performance of the Board is evaluated by the meeting administrative office, which collects relevant data to assess the overall operations of the Board. The performance of individual members and functional committees is self-evaluated by each director and committee member. The results are submitted and approved at the Board Meeting on March 14, 2024, and are used as a reference for determining individual directors' salaries and remuneration.<br>(4) The Company evaluates the independence and suitability of its Certified Public Accountants (CPAs). In addition to requiring a "Declaration of Complete Independence" and "Audit Quality Indicators (AQIs)," CPAs are evaluated based on the standards of Remark 1 and 13 AQI indicators. The evaluation results for the most recent year were approved by the Audit Committee on May 7, 2025 and were subsequently submitted to the | No difference.<br><br>No difference. |

| Evaluation Item | Implementation Status (Note 1) | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| | | | Board of Directors on the same day for resolution. The evaluation of the independence and suitability of the accountants was approved. | |
| 4. Has the Company established adequate and competent corporate governance personnel, and assigned a corporate governance manager in charge of corporate governance affairs (including but not limited to provision of information required by directors and supervisors for business execution, by laws for matters relating to board meetings and shareholders' meetings, and information on corporate registration and amendment registration, as well as record minutes of board meetings and shareholders meetings, etc.)? | ✓ | | The company appoints the corporate governance officer who are responsible for related matters regarding corporate governance, including providing the directors and supervisors with required information to carry out their business, handling matters related to board of directors and shareholders according to the law, handling corporate registration and change of corporate registration related matters, taking the minutes of board meeting s and shareholders' meetings. The Company has set up "Standard Operating Procedures for Handling Directors' Requirements." | No difference. |
| 5. Has the Company established communication channels and dedicate section for stakeholder (including but not limited to the shareholders, employees, clients and suppliers) on its website to respond to important issues of corporate | ✓ | | The Company's website has a stakeholder section, and dedicated personnel responds to important corporate social responsibility concerns. | No difference. |

| Evaluation Item | Implementation Status (Note 1) | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| social responsibility concerns? | | | | |
| 6. Has the Company appointed a professional shareholder service agency to deal with shareholder affairs? | ✓ | | In 2008, the Company appointed Chinatrust Commercial Bank as the stock agency to handle shareholders' related affairs. | No difference. |
| 7. Disclosure of information<br>(1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance? | ✓ | | (1)The Company has set up both Chinese and English websites to provide information related to financial business and corporate governance. The website: http://www.bionime.com.tw; Dedicated personnel is responsible for maintenance of the website and immediate updates are available for shareholders and interest parties. | No difference. |
| (2) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information on collection and disclosure, creating a spokesperson system, webcasting investor conferences)? | ✓ | | (2) The Company has spokespersons and acting spokespersons according to the regulations. It has appointed dedicated personnel to collect company information and put onto MOPS on a regular basis. | No difference. |
| (3) Did the company announce and file its annual financial reports within 2 months from the end of the fiscal year? Did the company announce and file the financial reports for Q1, Q2 and Q3, as well as the operation status of each month before the due date? | | ✓ | (3) Except for the annual financial reports announced within 3 months after the end of the fiscal year, the Company has announced and filed the financial reports for Q1, Q2 and Q3, as well as the operation status of each month before the due date. | It will be determined according the operation status and scale in the future. |
| 8. Is there any other important information | ✓ | | (1) The status of directors and supervisors' | No difference. |

| Evaluation Item | Implementation Status (Note 1) | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| to facilitate a better understanding of the Company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)? | | | further training: It has been disclosed in the "Corporate Governance Section of the MOPS".<br>(2)The Company has purchased Liability Insurance for Directors, Supervisors and Important Managers to strengthen the protection of shareholder's equity. | |
| 9. Please state the improvements made to the items in the corporate governance evaluation results issued by the Corporate Governance Center of the Taiwan Stock Exchange Co., Ltd., and indicate the enhancement and improvement measures for the items not yet improved (not applicable if not included as a company to be evaluated).<br>The Company carries out self-evaluation of corporate governance according to the regulations of the competent authorities, and gradually improves the corporate governance, in order to enhance the corporate governance image:<br>Improvements: The company conducts corporate governance evaluation and self-evaluation in accordance with the regulations of the competent authority, and improves the corporate governance situation gradually to enhance the corporate governance image. | | | | |

Note1：Assessment criteria of accountant's independence

| Evaluation Item | Evaluation Result |
|---|---|
| 1.Does the CPA have a direct or indirect financial interest in Bionime. | ■YES □NO |
| 2.Does the CPA have a significant-close business relationship with Bionime. | ■YES □NO |
| 3. Is the CPA entering into potential employment negotiations with Bionime. | ■YES □NO |
| 4. The CPA has not had any monetary borrowings with the Company. | ■YES □NO |
| 5. The CPA has not received any gifts or presents of significant value (the value of which exceeds normal standards of social etiquette) from the Company, its directors or managers. | ■YES □NO |
| 6. The CPA has not provided audit services to the Company for seven consecutive years. | ■YES □NO |
| 7. The CPA does not hold any shares of the Company. | ■YES □NO |
| 8. The CPA, his or her spouse or dependent, and his or her audit team did not hold any position as a director, manager, or officer of the Company during the audit period or within the last two years that has significantly affected the audit case, and has determined that he or she will not hold any such position during the future audit period. | ■YES □NO |
| 9. Whether the CPA has complied with Accountants Code of Ethics Statement No. 18 on Independence and obtained a "Statement of Independence" from the CPA. | ■YES □NO |

(4) If the Company has a Remuneration Committee, Please Disclose its Composition, duties and Operation:

(a) Remuneration Committee Member Information

April 30 ,2025

| Title (Note 1) | Criteria / Name | Meet one of the Following Professional Qualification Requirements, together with at Least Five Years Work Experience(Note2) | Independence Attribute (Note3) | Concurrent members of the compensation and remuneration committees of other public offering companies (Number of companies) |
|---|---|---|---|---|
| Independent Director (Chairman) | Liu,Mei-An | Please refer to the information disclosed on directors and supervisors on page 12-13, 1. Professional Qualifications and Independence Analysis of Directors and Supervisors | | 0 |
| Independent Director | Zeng,Hui-Jin | | | 3 |
| Independent Director | Chen,Rui-Xin | | | 0 |
| Independent Director | Lai,Chun-Ling | | | 0 |

Note1: Please specify in the form the relevant working years, professional qualifications and experience, and independence of the members of the Compensation Committee. If they are independent directors, please refer to Table 1 Information of Directors and Supervisors (1) on page 00 for remarks. Please fill in the Title as an independent director or others (if one is an organizer, please add a note).

Note2: Professional qualifications and experience: please state the professional qualifications and experience of each compensation committee members.

Note3: Condition of independence: please state that the members of the Compensation Committee meet the conditions of independence, including but not limited to whether they, their spouse, or relatives within the second degree of kinship serve as directors, supervisors, or employees of the company or its affiliated companies; The number and proportion of the company's shares held by the person, spouse, relatives within the second degree of kinship (or in the name of another person); Whether one is a director, supervisor or employee of a company that has a specific relationship with the (Refer to 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, Article 6, Item 1, Subparagraphs 5 to 8); The amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years.

(b)Remuneration Committee Operation Status

A.The Company's Remuneration Committee is composed of four people.

B. Term of the Fifth Committee :2022/6/22~2025/6/21

The Remuneration Committee held two meetings (A), and the member qualifications and attendance are as follows:

| Title | Name | Actual No. of Meetings Attended (B) | No. of Meetings with Entrusted Attendance | Actual Attendance Rate (%) (B/A) | Remarks |
|---|---|---|---|---|---|
| Convener | Liu,Mei-An | 2 | 0 | 100% | |
| Member | Zeng,Hui-Jin | 2 | 0 | 100% | |
| Member | Chen,Rui-Xin | 2 | 0 | 100% | |
| Member | Lai,Chun-Ling | 2 | 0 | 100% | |

Other matters to be recorded:

1. If the board of directors did not adopt or amend the suggestion of the remuneration committee, please indicate the date and session number of the board meeting, the contents of the motion, the result of the resolution and the Company's handling of the suggestion of the remuneration committee (if the remuneration passed by the board is better than the suggestion of the remuneration committee, please state the difference and the reasons): None.
2. If any member had objections or reservations about the resolution of the remuneration committee and there is a record or a written statement please indicate the date and session number of the remuneration committee meeting, the contents of the motion, all the opinions of the members and how the opinions were handled: None.

Notes:

(1) If any remuneration committee member leaves the company before the end of the year, please state in the Remarks field the departure date, the actual attendance rate (%) calculated based on the number of remuneration committee meetings and the number of the actual meetings attended during the tenure.

(2) If there's a remuneration committee member election before the end of the year, please list both the new and the old members, and indicate in the Remarks field whether the member is old, new or re-elected and the date of election. The actual attendance rate (%) is calculated based on the number of remuneration committee meetings held and the atual number of meetings attended during the tenure.

C. Content of motions, resolution results and the Company's handling of the opinion of the remuneration committee members in the most recent year：

| Remuneration committee meeting /date | Motion | Results of the resolutions | The Company's handling of the opinion of the remuneration committee members |
|---|---|---|---|
| The 6th meeting of the 5rd remuneration committee held on January 23, 2024 | The proposal is to regularly review the remuneration of managers (including new managers), the year-end bonus for 2023, and the details of the distribution of the CGM product launch bonus to managers in 2024. | After the chairman consulted the opinion of committee members, the motion was approved upon the consent of all attending members. | Approved by the Board of Directors with the consent of all directors present. |
| The 7th meeting of the 5rd remuneration committee held on March 14, 2024 | 1. Proposal on the list of employees who will be issued stock options in 2024 and the details of the distribution to managers.<br>2.Performance evaluation results of the company's 2024 board members and board of directors. | | |

(5). The implementation status of promoting sustainable development initiatives and the deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons.

| Evaluation item | Implementation status (Note1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |
| 1. Does the company establish a management structure to implement the sustainable development initiatives and set up a dedicated (part-time) unit to implement, which shall be handled by senior management authorized by the board of directors, and the board of directors supervises the situation? | ✓ | | Under the President's Office, a Sustainable Development Office is set up, which is authorized by the Board of Directors to be handled by senior management. Regularly reports to the Board of Directors on a quarterly basis on the results of the implementation of sustainable development and future work plans, and the Board of Directors regularly receives reports from the management team on a quarterly basis to monitor the implementation of sustainable management issues and evaluate the implementation status.<br>In addition, the company has formulated "Management Procedures for Preventing Insider Trading", "Code of Ethical Conduct" and "Internal Control System", etc. With the continuous operation of various management systems and procedures, the company can immediately detect and respond to risks associated with the operating environment, employee safety, customers, suppliers, and various stakeholders. | No difference. |
| 2. Does the company proceed the risk assessments on environmental, social and corporate governance issues associated with company operations according to the principle of materiality, and formulate the relevant policies | ✓ | | (1) Environmental protection: The company is committed to environmental restoration and energy conservation improvement in the factory area, and has formulated management strategies for "energy conservation and carbon reduction", "greenhouse gas reduction", and "reduction of water or other waste": | No difference. |

| Evaluation item | Implementation status (Note1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |
| or strategies of risk management? (Note 2) | | | (a) Promote various energy-saving and carbon-reducing measures: including implementing paper reuse, garbage classification, turning off lights when leaving a room, and building energy-saving facilities to reduce greenhouse gas emissions and the impact on the natural environment.<br>(b) Greenhouse gas reduction measures: equipment is changed to high-efficiency and variable frequency regulation. (3) Water-saving and other waste reuse measures: continue to invest in reducing process water consumption and using rainwater recycling to effectively reuse water resources.<br>(2) Social norms: The company's daily business follows legal regulations such as the Company Law and the Securities Exchange Act. All production activities and business behaviors require employees and suppliers to follow regulations. The company also promotes regulations in internal meetings or courses.<br>(3) Corporate governance: The company has established a code of conduct for integrity management, a code of ethics, operating procedures for integrity management, and behavioral guidelines as the basis for daily ethical behavior and business compliance by the company's management and employees. By regulating internal controls, authorization systems, functional division of labor, etc., it strengthens the company's operational efficiency and effectiveness, | |

| Evaluation item | Implementation status (Note1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
| --- | --- | --- | --- | --- |
| | Yes | No | Description (Note 2) | |
| | | | protects asset security and compliance with laws and regulations, in order to implement the execution of corporate law. | |
| 3. Environmental issues<br>(1) Does the Company establish proper environmental management systems based on the characteristics of its businesses? | ✓ | | (1)The Company conducts EHS (Environment Health and Safety) promotion and auditing to all major suppliers, and conducts implementation on the employees' physical health examinations, occupational injury prevention, fire safety, environmental health, etc. Suppliers shall fully cooperate with requirements and improve to achieve the implementation of corporate social responsibility. | No difference. |
| (2) Is the Company committed to improving the efficiency in the use of resources, and the use of recycled materials with low environmental impact? | ✓ | | (2) The Company has a recycling area, which regularly recycles re-usable resources, and has also set up wastewater and rainwater recycling for re-using. | No difference. |
| (3) Does the Company evaluate the current and future potential risks and opportunities brought by the climate change, and take measure to respond to the climate related issues? | ✓ | | (3) The company pays great attention to issues related to climate change, so employees are asked to start from daily works. For example, double-sided printing is adopted for document printing, and a recycling box is set next to the photocopier for reuse of recycled paper. The company uses electronic invoices and implements an online approval system to reduce paper waste. Install power-saving devices in the new plant area, strengthen the maintenance of the air-conditioning system, and install a solar power generation system on the roof. Employees are responding | No difference. |

<table>
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<tr><th>Yes</th><th>No</th><th>Description (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>to the company's policy to develop the good habit of turning off the lights and saving energy in order to slow down global warming.</td><td></td></tr>
<tr><td>(4) Does the company calculate the greenhouse gases (GHG) emission, water consumption and total weight of wastes for the past two years, and formulated the strategies for energy conservation, carbon reduction, GHG emission reduction, water saving and management of other wastes?</td><td>✓</td><td></td><td>(4) There are statistics on greenhouse gas emissions, water consumption, waste water and total waste weight every year. The company also formulates energy saving, carbon reduction, greenhouse gas reduction, and water consumption policies to achieve the goal of reducing emissions by 1% per year. The solar power generation system on the top floor of the plant was completed in 2019, in response to the green energy saving policy.
<table>
<tr><td colspan="2">Our Daqing plant and Dawei plant</td><td>2023</td><td>2024</td></tr>
<tr><td colspan="2">Total water consumption (kilowatt hour)</td><td>25,985</td><td>29,526</td></tr>
<tr><td rowspan="2">Greenhouse Gas (Note)</td><td>Type 1: Common services (direct emissions)</td><td>294.4033 (tons) CO2 e</td><td>315.8705 (tons) CO2 e</td></tr>
<tr><td>Type 2: Electricity (indirect emissions) (kg CO2 e/kWh)</td><td>5,895.5566 (tons) CO2 e</td><td>6,371.0596 (tons) CO2 e</td></tr>
<tr><td></td><td>Type 3:Other (indirect emissions) (kg CO2 e/kWh)</td><td>1510.2712 (tons) CO2 e</td><td>1,502.6039 (tons) CO2 e</td></tr>
</table></td><td>No difference</td></tr>
</table>

<table>
<tr><td rowspan="2">Evaluation item</td><td colspan="3">Implementation status (Note1)</td><td rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</td></tr>
<tr><td>Yes</td><td>No</td><td>Description (Note 2)</td></tr>
<tr><td></td><td></td><td></td><td><table><tr><td>Waste (tons) - Non-hazardous waste</td><td>4.74</td><td>5.18</td></tr><tr><td>Waste (tons) - Hazardous waste</td><td>26.02</td><td>55.01</td></tr><tr><td>Wastewater (tons)</td><td>4,661</td><td>5,795</td></tr></table>Note: The data for 2023 years has been verified by a third-party impartial unit (TUV).</td><td></td></tr>
<tr><td>4. Social issues<br>(1) Has the Company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</td><td>✓</td><td></td><td>(1) The Company’s implementation of human rights protection policies is as follows:<br>The Company complies with local applicable laws and international standards.<br>The Company and its subsidiaries abide by the relevant local laws and regulations of each operating site, support and respect relevant international labor human rights norms, including the ILO Tripartite Declaration of Principles and the United Nations Global Compact.<table><tr><th>Human Rights Management Policy</th><th>Specific Solutions</th></tr><tr><td>Provide a safe and healthy work environment to</td><td>➢ Quality staff restaurant, balanced diet and good food.<br>➢ We promote the "Sunshine Workplace Program" to enable our management</td></tr></table></td><td>No difference</td></tr>
</table>

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Implementation status (Note1)</th><th rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Description (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>help employees maintain physical and mental health and work-life balance</td><td>staff to create a good working atmosphere while pursuing organizational goals, so that all colleagues can work happily.<br>➢ Regular employee health checkups, from caring about the results to developing actions.<br>➢ Monthly on-site doctor visits to provide the most professional health consultation.</td></tr>
<tr><td>Prohibit forced labor and comply with local government labor laws</td><td>Implement a leave system to encourage colleagues to focus on work-life balance.</td></tr>
</table>
<br>In 2024, we implemented human rights protection-related training for employees, with a total of 2,814 hours and 683 employees (1,602 attendances) completing the training, accounting for 66% of the total number of employees. In the future, the Company will continue to pay attention to human rights protection issues and promote related education and training to raise awareness of human rights protection</td><td></td></tr>
</table>

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<tr><th>Yes</th><th>No</th><th>Description (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>and reduce the possibility of related risks.
<table>
<tr><th>Course Name</th><th>Total Attendance</th><th>Total Training Hours</th></tr>
<tr><td>【Newcomer Training】<br>Newcomer Education and Training</td><td>110</td><td>381</td></tr>
<tr><td>【Occupational safety and health】<br>Occupational safety and health education and training (including on-the-job training and retraining for operation supervisors)</td><td>565</td><td>1,542</td></tr>
<tr><td>【Occupational Safety and Health】<br>Safety Education and Training on Workplace Injury Prevention</td><td>620</td><td>309</td></tr>
<tr><td>【Occupational Safety and Health】<br>Emergency Response Drill Training</td><td>149</td><td>73</td></tr>
<tr><td>【Occupational Safety and Health】<br>First responder and occupational nursing related education and training</td><td>16</td><td>53</td></tr>
</table></td><td></td></tr>
</table>

<table>
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<tr><th>Yes</th><th>No</th><th>Description (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td><table>
<tr><td>【Corporate Governance】<br>International trends and experience sharing on corporate integrity management and high-level accountability system</td><td>16</td><td>48</td></tr>
<tr><td>【Corporate Governance】<br>Actual case study: Fraud prevention and fraud risk management</td><td>20</td><td>60</td></tr>
<tr><td>【Information Security】<br>Information Security Promotion</td><td>106</td><td>348</td></tr>
<tr><td>Total</td><td>1,602</td><td>2,814</td></tr>
</table></td><td></td></tr>
<tr><td>(2) Does the Company formulate and implement reasonable policies of staff welfare (including compensation, vacation and other welfares), and reflect the operating performance or achievement in the compensation of the employees properly?</td><td>✓</td><td></td><td>(2)Employee benefit measures and remuneration policies are implemented in accordance with the Company's "Work Rules", "Payroll Cycle - Benefit Operations", "Payroll Cycle - Evaluation Operations" and "Performance Evaluation Management Regulations", The Company implements performance management through a performance evaluation system that does not differ by gender or age. Through performance management operations, the Company hopes to integrate the Company's overall operational objectives with the individual work goals of employees, which will serve as the basis for annual performance evaluation and feedback, as well as subsequent</td><td>No difference</td></tr>
</table>

| Evaluation item | Implementation status (Note1) | | | Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons |
|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |
| | | | employee training and development. In addition, the Company's Articles of Incorporation stipulate that employees of the Company and its subsidiaries shall be compensated at a rate of not less than 1.5% of the Company's profit for the year. | |
| (3) Does the Company provide employees with a safe and healthy working environment, with regular safety and health training? | ✓ | | (1). In order to prevent the occurrence of occupational disasters, the Company spares no effort to improve the working environment to ensure the safety of employees (including all partners). Moreover, it has passed ISO 45001 occupational health and safety management system certification to provide a safe Working environment for the employees.<br>(2). The Company provides employees with safety and health work relevant items as follows:<br>(a). Regularly conduct employee health checks every year.<br>(b). Schedule safety and health education and training courses every year.<br>(c). Carry out inspections in the operating environment every six months.<br>(d). Build diverse communication channels for employee suggestions and complaints.<br>(e). Formulate “Appeal and Punishment Measures for Prevention and Control Measures of Sexual Harassment in the Workplace”, provide complaint channels and keep the working environment | No difference |

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|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |
| | | | in order<br>(f). Purchase accident and medical insurance for employees.<br>(g).Formulate precautions for emergency response countermeasures, hold fire drills and lectures every six months, and regularly hold safety maintenance meetings.<br>(h). There was no fire incident in 2024 | |
| (4) Does the Company provide a safe and healthy working environment for employees and regularly carry out safety and health education for employees? | ✓ | | (4) The Company's talent cultivation strategy takes "function-oriented performance training", "class-specific training system" and "function-specific training academy" as the main projects, training and developing value chain management processes, inputting and connecting organizations as the strategic goal, and find out the functional gap and performance gap of human resources. Through systematic training course design, strengthen and upgrade staff's job functions to achieve organizational, departmental and personal performance.<br>We provide every colleague with a comprehensive education and training program: from 90-day training for new employees to progressive professional training for each unit. Through systematic unit training and irregular cross-departmental general education courses, we aim to improve the work efficiency and performance of our colleagues. The details of each training program, category and hours are as follows: | No difference |

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|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |
| | | | (a). General training: The Company pays attention to the details of its employees in the workplace, such as labor and workplace safety drills, the creation of a friendly workplace, the identification and avoidance of illegal infringements, and other general concepts or norms. We will provide sufficient publicity and education training to convey and create a safe, friendly and compliant employment environment.<br>(b). New employee experience training: From the beginning of work, each new employee will be assigned a dedicated counselor to lead and help the new employee to familiarize themselves with the work environment, strengthen their identification with the company, adapt to the company life and integrate into the company culture. Each department also arranges "New Employee Basic Training" courses to help new employees learn relevant professional knowledge for their work.<br>(c). Professional training: The Company has always been committed to cultivating professional talents. To this end, each unit regularly organizes various professional trainings to achieve knowledge sharing and enhance work functions.<br>(d). Management training: The Company arranges managers at all levels to participate in management training to help them improve their management capabilities, and provide them with efficient management tools to more effectively manage the overall team | |

<table>
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<tr><th>Yes</th><th>No</th><th>Description (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>and enhance cohesion and competitiveness.
<table>
<tr><th rowspan="2">Employee type</th><th rowspan="2">Total training hours</th><th colspan="2">General training</th><th colspan="2">Newcomer training</th><th colspan="2">Functional professional training</th><th colspan="2">Management talent training</th></tr>
<tr><th>Total number of participants</th><th>Total hours</th><th>Total number of participants</th><th>Total hours</th><th>Total number of participants</th><th>Total hours</th><th>Total number of participants</th><th>Total hours</th></tr>
<tr><td>Direct employees</td><td>7,256</td><td>216</td><td>102</td><td>388</td><td>676</td><td>4,106</td><td>6,469</td><td>9</td><td>9</td></tr>
<tr><td>Indirect employees</td><td>6,091</td><td>383</td><td>347</td><td>343</td><td>997</td><td>1644</td><td>4,712</td><td>11</td><td>35</td></tr>
<tr><td>Management position</td><td>1195</td><td>103</td><td>81</td><td>37</td><td>87</td><td>260</td><td>779</td><td>83</td><td>248</td></tr>
<tr><td>Total</td><td>14,542</td><td>702</td><td>530</td><td>768</td><td>1,760</td><td>6,010</td><td>11,960</td><td>103</td><td>292</td></tr>
</table></td><td></td></tr>
<tr><td>(5) Does the Company follow regulations and international standards in the customer health, safety, customer privacy, marketing and labeling of its products and services, and set polices and appeal procedures for protection of consumer’s rights and interests?</td><td>✓</td><td></td><td>(1) The Company sets up a toll-free customer service hotline of 0800, which provides services including customer complaints, dispute resolution and after-sales service mechanism. Customer information is managed as confidential files in accordance with the "Personal Data Protection Act" and is strictly prohibited for non-relevant business personnel to access. The sales department also formulates a "Customer Complaints Handling Procedure" to directly carry out customer service, feedback reception and improvement operations. There is also a consumer contact mailbox</td><td>No difference</td></tr>
</table>

| Evaluation item | Implementation status (Note1) | | | Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons |
|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |
| | | | where you can provide feedback or complaints via email to protect the rights and interests of customers.<br>Complaint hotline: 0800-371-688<br>Consumer contact email: info@bionime.com<br>(2) Product labeling is particularly important for protecting consumer rights and health. The Company's "Packaging Material Review Operation Standards" strictly abide by local government laws and regulations on medical device products to implement the control of product labeling by governments of various countries.<br>(3) The Company has passed the "ISO-13485 certification" to ensure that all operations in the entire life cycle of products from manufacturing, service to marketing activities meet quality, safety and standardization. In terms of information security management and customer privacy protection, it has also passed the four international information security certifications of "ISO/IEC 27001:2022 (Information Security Management), ISO/IEC 27701:2019 (Privacy Information Management), ISO/IEC 27017:2015 (Cloud Service Information Security Management) and ISO/IEC 27018:2019 (Public Cloud Personal Data Protection)" by an impartial third-party certification unit, becoming the first full-scale blood glucose management manufacturer in Taiwan's biotechnology industry to have four "ISO Information Security | |

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|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |
| | | | Certifications". This once again proves that the Company has implemented information security and personal data protection management systems into its internal control, medical device software development, and customer service processes through the PDCA cycle, with the ultimate goal of providing users with a safer, more stable, and more attentive medical care experience. | |
| (6) Does the Company formulate the supplier management policies and require suppliers to follow relevant norms on environmental protection, occupational safety and health, or labor's human rights, and disclose the implementation? | ✓ | | The Company established the "Regulations on Safe Supply Chain Management", "Supplier Management Procedures", and "Supplier Code of Conduct and the Letter of Commitment" to require suppliers to adhere to relevant standards on issues such as environmental protection, occupational safety and health, and labor rights.<br>1. Method of supplier evaluation by the Company<br>Bionime values cooperation and growth with suppliers, with sustainable procurement as its foundation, encompassing quality performance and implementation, technical process capabilities, operational management, local supply chain priority, and sustainability. We control the benchmarks and processes for selecting suppliers, and conduct risk assessments, performance evaluations, and audit counseling, implementing sustainability requirements into the daily management of the supply chain.<br>(1) Supplier screening mechanism | No difference |

| Evaluation item | Implementation status (Note1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |
| | | | ➢ Based on the supplier's operating conditions, level of compliance, product capabilities, quality, and environment, it is ensured that each item meets Bionime's standards, and procurements will undergo preliminary selection and other risk assessments.<br>➢ Once the standards are met and the materials used are specified by Bionime, on-site factory inspection and evaluation will be conducted jointly by the Department of Quality Control and the Research and Development Unit.<br>(2) Suppliers who obtain an additional environmental management system/occupational health and safety management system/hazardous materials management system or other sustainable environment management system can have additional points on the evaluation form.<br>(3) Supplier Code of Conduct<br>Suppliers are required to agree to and sign the "Supplier Code of Conduct and the Letter of Commitment". In 2024, 87% of Bionime's s current transaction suppliers have completed signing. Expected to be fully signed by 2025.<br>2. Method of supplier audit by the Company | |

| Evaluation item | Implementation status (Note1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
| --- | --- | --- | --- | --- |
| | Yes | No | Description (Note 2) | |
| | | | (1) Supplier performance assessment<br>Supplier performance assessments are conducted monthly based on indicators such as the number of qualified batches of incoming materials, on-time rate, abnormal response rate, and degree of cooperation. Those with a grade of C or below need to be counseled and develop improvement plans.<br>(2)Supplier audit/counseling<br>➢After the purchase of materials from the supplier, if substantial quality abnormalities are found during incoming inspection or when the production line starts operation, in addition to informing the supplier immediately to correct the defect and develop correction and prevention measures, audits and quality counseling at the supplier are required when necessary.<br>➢Regular audit schedules are arranged annually to conduct factory inspections and on-site assessments following the listed items. If a supplier regularly gets a score below the requirements, a fault report is issued, and the supplier is required to reply according to its improvement status and correctional measures within one month.<br>➢Arrange on-site inspections and audit of AEO safety supply chain assessments at the suppliers annually.<br>➢Arrange on-site inspections of safety and health assessments at | |

| Evaluation item | Implementation status (Note1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |
| | | | the suppliers annually.<br>➢ According to the monthly quality report, the top three suppliers with the most quality abnormalities will be scheduled for meetings and quality counseling. | |
| 5. Does the Company, following internationally recognized guidelines, prepare and publish reports such as its corporate social responsibility report to disclose non-financial information of the Company? Does the Company obtain a third-party verification or assurance for such reports? | | ✓ | The Company hasn't prepared a ESG report. It is expected to complete the compilation of the 2024 sustainability report in 2025. | It is expected to complete the compilation of the 2024 sustainability report in 2025. |
| 6. If the company has its own sustainable development principles based on "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", please describe the difference between its operation and the principles | ✓ | | With reference to the "Sustainable Development Best Practices for Listed Companies", the Board of Directors approved the establishment of the Company's "Sustainable Information Management Measures" on November 6, 2024, thus supervising and promoting the implementation of sustainable development strategies. The Company has reviewed and implemented the above-mentioned measures and made improvements accordingly, and no discrepancies have occurred so far. | No difference |
| 7. Other important information to help understand the operation of corporate social responsibility:<br>(1).Bromine is committed to promoting people's quality and healthy living, as well as to research and development of home health medical equipment that is trusted by everyone. Therefore, professional-grade medical equipment is equipped with a user-friendly operating interface, so that high-medical meters have a simple operating interface, and people can easily check their own health at home.IN addition, due to changes in people's diet | | | | |

| Evaluation item | Implementation status (Note1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |

and living styles in recent years, the age group of people who have high blood pressure, high blood sugar, and high cholesterol have tendency to decrease year by year. In order to implement the business philosophy of improving people's quality and healthy life, we cooperate with the health education department of major hospitals and distributors to educate the public to understand the relevant diseases and their correct health care concepts, so people have a better understanding of better health care for themselves and their families.

(2). In order to support local education to utilize students' knowledge, accumulate practical experience in the workplace, and enhance their competitiveness in the workplace, the Company actively cooperates with local senior secondary schools and colleges and universities to arrange for students to receive practical training in the workplace during their school years, so that their learning can be put to use. Through the K-12 Education Administration, MOE's "Industry-Academia Partnership Program", the National Chin-Yi University of Technology and The National Erh-lin Industrial and Commercial Vocational High School Education collaborated in 2024. National Chin-Yi University of Technology and National Chung Cheng University also provides summer internship opportunities for students, combining practical industrial experience and academic research resources to help professional and internship students experience the workplace early and give full play to their strengths, creating a win-win-win situation for enterprises, schools and students.

The following table summarizes the status of industry-academic cooperation for the year 2024：

| Type | Academic Institution | Number of People | Period |
|---|---|---|---|
| Corporate Internship | National Chin-Yi University of Technology | 1 | May 1, 2024-June 30,2028 |
| Corporate Internship | National Chin-Yi University of Technology | 1 | May20 14,2024-Feb.10,2025 |
| Corporate Internship | National Chin-Yi University of Technology | 1 | Aug. 19, 2024 -June 30, 2028 |
| Building Education | National Erh-lin Industrial and | 2 | May 20, 2024-June 28, 2024 |

| Evaluation item | Implementation status (Note1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |

| | | | |
|---|---|---|---|
| Cooperation | Commercial Vocational High School | | |

(3)Succession planning and operation of board members and key management personnel:(1)Regarding the succession planning of the Board of Directors, the Company plans to train senior managers to join the Board of Directors to familiarize them with the operation of the Board of Directors and the business of each unit of the Group, and to deepen their industrial experience through job rotation.(2)In addition to excellent professional and leadership skills, the successor of our key management should have values that are in line with our corporate culture, and should have sharp observation skills, good organizational skills, the ability to identify problems, and the ability to solve them. The cultivation of key management personnel covers management function strengthening, duty rotation and project experience, and systematically cultivates management personnel with timely and precise wisdom in decision-making and problem-solving abilities. In addition to cultivating management with growth-oriented values internally, we also recruit outstanding managers externally to strengthen the breadth and depth of the company's succession talent pool.

(4)Workplace Diversity Policy: Our company has a "Safety and Health Management Manual" and a "Workplace Sexual Harassment Prevention and Control Measures for Complaints and Discipline" document that are posted on bulletin boards and our internal website. We have a health room, a gym and a breastfeeding room in our factory and employ occupational safety personnel and workplace nurses to provide a dignified and safe workplace environment for our employees. We offer and provide disadvantaged positions, such as physically and mentally challenged, aboriginal, and secondary employment, to ensure employment diversity, fairness in remuneration and advancement opportunities, and that employees are not discriminated against, harassed, or treated unequally on the basis of race, gender, religion, age, political affiliation, or any other status protected by applicable laws and regulations.

| Indicators | Percentage (%) | 2026 Target (%) |
|---|---|---|
| Female as a percentage of total employees (%) | 65.5 | 60 |
| Female as a percentage of all supervisors (%) | 27.7 | 34 |
| Female as higher executives (%) | 30.3 | 34 |

| Evaluation item | Implementation status (Note1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description (Note 2) | |
| (5). New investments in energy-saving or green-energy related, eco-friendly and sustainable machinery and equipment in the most recent year:<br>(a).In 2023, the air compressors were changed from air-cooling to water-cooling - with an investment amount of NT$ 1,617,000 and can reduce electricity usage by 37 kWh/hour.<br>(b).After adding variable frequency control to the air compressor in 2024 (investment amount NT$690,000), electricity usage can be reduced, saving 32.34 kW/h. | | | | |

Note1: If "Yes" is selected under the Implementation Status, it shall explain the important policies, strategies, measures and implementations. If "No" is selected under the Implementation Status, it shall explain the reason and detail the plan to carry out the policies, strategies and measures in the future.

Note2: The Company has compiled a corporate social responsibility report, and the Description indicates the method of reviewing the CSR report and the replacement of index page.

Note3: The materiality principle refers to those related to environmental, social and corporate governance issues that have significant influence on the Company's investors and other interested parties.

Climate-related information for TWSE/TPEx Listed Companies

Implementation Status for the climate-related information

| Item | Execution Status |
|---|---|
| 1. Describe the board and management’s oversight and governance of climate related risks and opportunities。 | 1. In pursuant to the regulations of the Taiwan Stock Exchange, starting from May 2022, the greenhouse gas inventory and verification schedule will be submitted quarterly to the Board of Directors for control and management.<br>2. A sustainable development team will be established in Q2 of 2024, with the general manager as the convener and department-level supervisors as members. The committee is responsible for executing duties related to environmental sustainability, social responsibility, and corporate governance. Regular quarterly reports on the progress of implementing sustainable development and future work plans are submitted to the Board of Directors. The Board keeps supervising the implementation of different items in sustainable management and evaluates the operations by the report from the managing team. |
| 2. Describe how the identified climate risks and opportunities affect the company's business, strategy and finance (short term, medium term, long term). | We will assess climate risks and opportunities based on the "Recommended Framework for Climate-related Financial Disclosures", systematically grasp climate risks, opportunities and financial impacts, and effectively reduce risk factors.<br>Short-term goals: Focus on international issues such as greenhouse gas emissions and energy management, meet the latest regulatory requirements, and plan to obtain the "ISO 50001 certification" in 2025.<br>Medium-term goal: Improve the energy usage structure and achieve an annual electricity saving rate of 1%.<br>Long-term goal: Review the climate threats we face and make early plans to achieve carbon neutrality. |
| 3. Describe the financial impact of extreme climate events and transition actions. | 1. Due to flooding caused by typhoon and heavy rain, the factory's operating revenue decreased.<br>2. Due to water restrictions caused by drought, production capacity was reduced and revenue decreased. |

| | |
|---|---|
| | 3. The increase in average temperature leads to an increase in electricity consumption and higher operating costs.<br>4. Extreme weather has caused instability in the supply chain, reduced production capacity and decreased revenue. |
| 4. Describe how climate risk identification, assessment, and management processes are integrated into an overall risk management system. | The Company's "Sustainable Development Promotion Team" coordinates and plans climate change-related issues, and formulates plans to report to the Board of Directors after evaluation. At the same time, it refers to the climate-related financial disclosure framework to formulate climate change risk assessment and response strategies, including management systems and action plans. The "Environmental Sustainability Team" is responsible for identifying and discussing the assessment and management of climate change risks and opportunities and reporting to the Board of Directors on a regular basis to ensure the effectiveness of risk control and strategy promotion. |
| 5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, para meters, assumptions, analysis factors and main financial impacts used should be explained. | Currently, there is no scenario analysis and assessment of resilience to climate change risks. |
| 6. If there is a transformation plan to manage clima te rela ted risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transformati on risks. | Currently, there is no transformation plan in place to manage climate related risks. |
| 7. If internal carbonpricing is used as a planning tool, the basis for setting the price should be stated. | Currently, there is no plan for using carbon pricing tools. |
| 8. If climate r elated go als are set, information such as the activities cove red, greenhouse | Currently, there are no climate-related goals and plans set. |

| | |
|---|---|
| gas emission scope, planning schedule,annual achievement progress, etc. should be explained I f carbon offsets or renewable energy certificates (RECs) are used toachieve relevan t goals, should e xplain theso urce and quantity of carbon red uction credits or the quantity of r enewable energy certificates (RECs) being redeemed. | |
| 9. Greenhouse gas inventory and assurance ,and re duction g oals, strategies and specific action plans.( Also fill in the following 1-1 1-2) | The parent company passed the external verification for ISO 14064-1, with the base year being 2023, on May 8, 2024.<br>The projected schedule plan is as follows:<br>1.The subsidiary company completed the greenhouse gas inventory in third quarter 2027.<br>2.The subsidiary company completed the external verificat ion in third quarter 2029. |

**1-1 Recent Two-year GHG Inventory and Assurance Effors**

1-1-1Green house Gas Inventory

| Specify the emissions(metric tons CO2e) 、intensity(metric tonsCO2e/NT$million) and data coverage for the greenhouse gases in the past two years. |
|---|
| The total carbon emissions for 2023 were 7,700.231 metric tons of CO2 equivalent (tCO2e), Emission intensity 3.83<br>The total carbon emissions for 2024 were 8,189.534 metric tons of CO2 equivalent (tCO2e), Emission intensity 3.77 |

1-1-2 Greenhouse Gas Assurance Efforts

| Explanation of the assured situation for the two most recent fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance criteria and assurance opinions. |
|---|
| The company passed the external verification for ISO 14064-1, with the base year being 2023, on May 8, 2024. The relevant information is as follows:<br>Certificate Holder： BIONIME CORPORATION |

| | |
|---|---|
| | No.100, Sec. 2, Daqing St., South Dist., Taichung City 40242, Taiwan |
| Validation & Verification Site： | Including the sites according to annex |
| Validation & Verification Body： | TÜV Rheinland Taiwan Ltd. |
| Validation & Verification Standard： | ISO 14064-3:2019 |
| Base year： | - 2023 (2023.01.01~2023.12.31) |
| Validation & Verification year： | - 2023 (2023.01.01~2023.12.31) |
| Programme： | - Voluntary GHG scheme |
| Level of Assurance： | - Reasonable |
| Consolidation methodology： | - Operational Control |
| Materiality： | - 5% |
| Type of Greenhouse Gases： | - CO2, CH4, N2O, HFCs, PFCs, SF6, NF3 |
| Validation & Verification Scope： | Based on the information we have received and evaluated that:<br>- Global warming potential (GWP): IPCC 2021, AR6 - The total carbon emission is 7,700.231 tonnes CO2 equivalent (tCO2e)<br>- Category 1 Direct emission is 294.4033 tCO2e<br>- Category 2 Indirect Imported energy emission is 5,895.5566 tCO2e<br>- Category 3 Indirect Transportation emission is 336.8650 tCO2e<br>- Category 4 Indirect Products used by organization emission is 1,173.4062 tCO2e<br>- Category 5 Indirect Associated with the use of products from the organization emission is not quantified<br>- Category 6 Indirect Other sources emission is not quantified<br>- Data and information - Historical in nature: Category 1 / 2<br>- Historical in nature with scenario models: Category 3 / 4 |
| Validity： | This certificate only reviewed the emissions data of inventory year, this certificate is not for the management systems certification. |

**1-2 Greenhous Gas Assurance Effors**

| Explanation of the assured situation for the two most recent fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance criteria, and assurance opinions. |
|---|
| In order to achieve the requirement of saving 1% electricity each year, improvements in the air compressor system and lighting equipment are listed as the focus of energy-saving measures. Inverters have been added to air compressors in 2024 to reduce the phenomenon of empty and loaded air compressors and electricity consumption. |

(6) Implementation of Integrity Management

Based on the concept of co-prosperity, the Company maintains friendly interaction and cooperation with suppliers and related stakeholders, and provides a good and effective communication channel and information transmission to establish long-term partnership and economic operation mode as the development direction.

| Evaluation Item | Implementation Status (Note 1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| 1. Setting business integrity policies and programs<br>(1) Does the Company have its regulations and publicly available documents addressing its corporate ethics principles and programs, and the commitment regarding implementation of such programs from the Board of Directors and the management team?<br>(2) Does the company establish appropriate preventive measures for the business activities prescribed in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" or any other such activities associated with high risk of unethical conduct?<br>(3) Does the Company formulate the operation procedures, guidelines, disciplinary and appeal system against unethical conduct? Does the Company implement and regularly review to revise them? | V<br>V<br>V | | (1) The Company has established the Code of Ethical Conduct approved by the board of directors. All directors, managers and all employees should be responsible for the compliance.<br>(2) The Company has established the Code of Ethical Conduct, Employee Code of Practice, and work rules, which clearly state that employees must not engage illegal interests with their job titles, and accept hospitality, gifts, rebates, embezzlement of public funds, or other illegal interests. It is expected to prevent unethical misconduct that may affect business or trade relations.<br>(3) The Company has established the Code of Ethical Conduct, and Employee Code of Practice, which clearly stipulate terms and guidelines regarding conflicts of interest, customer information confidentiality, business | No difference. |

| Evaluation Item | Implementation Status (Note 1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| | | | gifts, fair trading and competition. Through trainings and initiatives, the directors, managers and employees can truly understand and follow this concept. Any behavior against ethics and integrity, regardless of position levels, will be punished in accordance with the Work Rules. It also provides complaint channels for employees, so as to handle employees' opinions towards unfair and unreasonable treatment. | |
| 2. Implementation of integrity management<br>(1) Does the Company asses the integrity record of its business partner, and stipulate the terms of conduct on integrity in the contract with the business partner?<br><br>(2) Has the Company set up a dedicated (or concurrent) corporate integrity promotion unit under the board of directors which regularly reports to the board on its work?<br><br>(3) Has the Company formulated policies to prevent conflicts of interest, provided appropriate channels for statements and implemented them? | <br>V<br><br><br><br><br>V<br><br><br><br><br>V | | (1) The Company conducts business activities in a fair and transparent manner, and stipulates that employees are responsible for protecting the Company's intellectual property and not disclosing any information that should not be disclosed or having connection with any dishonest manufacturers or customers. In case of any abnormal condition, it should be reported any time. Moreover, the terms of business integrity are included in the contract.<br><br>(2) In compliance with Company Law, Stock Exchange, Commercial Accounting Law, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Public | No difference. |

| Evaluation Item | Implementation Status (Note 1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| (4) Has the Company established an effective accounting system and internal control system for the implementation of integrity management, which is checked by the internal auditing unit on a regular basis or audited by external auditors?<br><br>(5) Does the Company hold regular internal and external training on business integrity? | V<br><br><br><br><br><br><br>V | | Officer Conflict of Interest Avoidance Act, other relevant laws and regulations. As well as relevant internal regulation such as auditing and internal control, and considers the "Code of Integrity Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" as the basis for implementing integrity management.<br><br>(3) The Company stipulates provisions to prevent conflicts of interest in the Code of Ethical Conduct, Management Regulations for Employees 'Code of Practice, labor contracts, and work rules, so as to provide employees with complete guidelines. It has an internal mailbox for suggestions and an external reporting mailbox to provide a smooth reporting and expressing channel.<br><br>(4) The Company has established an accounting system and internal control system to ensure the validity of the financial reporting process and internal control. The internal audit unit prepares the audit plan based on the risk assessment results, regularly performs audit | |

| Evaluation Item | Implementation Status (Note 1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| | | | operations, and performs audits randomly upon demand. The audit results are also reported to the Board.<br><br>(5) It explains the Company's relevant regulations for the new recruits and request them to labor contracts. It also holds various internal meetings, conducts advocacy in various forms, and arranges trainings for new recruits at the first day when they come to work. Moreover, it organizes related internal educations and trainings (including courses on integrity management, regulatory compliance, intellectual property rights, business secrets, etc.) to illustrate the importance of integrity management.<br>(a). In 2024, we prepared education and training sessions for every newcomer to explain the code of conduct and work rules for employees for 1 hour each time, with a total of 463 participants.<br>(b). In 2024, we prepared education and training sessions for every newcomer to introduce "Intellectual Property Rights", which was | |

| Evaluation Item | Implementation Status (Note 1) | | | Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| | | | conducted for 0.5 hours each time, with a total of 110 participants.<br>(c). In 2024, we prepared education and training sessions for "Information Security and Business Secrets", which was held for colleagues in various departments, for 2 hours each time, with a total of 136 participants. | |
| 3. Operation of the Company Reporting System<br>(1) Has the Company set up specific reporting and reward systems and a convenient reporting channel, and does the Company assign appropriate personnel to investigate the person being reported?<br>(2) Has the Company established standard operating procedures for investigating complaints, and the subsequent measures taken after the investigation and ensuring that such complaints are handled in a confidential manner?<br>(3) Does the Company take measures to protect the reporter from improper treatment? | V<br>V<br>V | | (1) The opinions of employees can be reflected through multiple channels including management and human resources units, and shall be properly handled and communicated smoothly.<br>(2) The Company has a whistleblowing system and protects its employees from revenge by reporting their violations.<br>(3) The Company handles the reporting cases in a confidential manner to protect the whistleblower's identity. If the whistleblower is an employee, the Company guarantees that he will not be subject to improper treatment due to the reporting. | No difference. |
| 4. Strengthening of Information Disclosure<br>(1) Does the Company disclose the contents of its Code of Practice for Business Integrity and the effectiveness on its website and MOPS? | V | | The Company's performances of integrity management and adoption measures are disclosed on its website and annual reports. | No difference. |

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status (Note 1)</th><th rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td colspan="5">5. If the Company has its own Corporate Governance Best Practice Principles in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies”, lease describe the difference between them:<br>The Company has not set up Corporate Governance Best Practice Principles but complies with the Company Law, Stock Exchange, Commercial Accounting Law, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Public Officer Conflict of Interest Avoidance Act, other relevant laws and regulations and relevant internal regulation such as auditing and internal control, and considers the “Code of Integrity Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” as the basis for implementing integrity management.</td></tr>
<tr><td colspan="5">6. Other important information that will help to understand the operation of the Company’s integrity (eg. the Company reviews and amends its established code of conduct, etc.): the Company keeps an close eye on the developments of relevant norms of integrity management at home and abroad in order to review and improve the Company’s integrity management policy to enhance the effectiveness.</td></tr>
</table>

Note 1: Regardless of whether “Yes” or “No” is checked, it shall be specified in the Description field.

(7) Other significant information that will provide a better understanding of the state of the Company's implementation of corporate governance may also be disclosed: None.

(8) Implementation of the internal control system:

(a).Statement of Internal Control System (refer to p.76)

(b).If the CPA was engaged to conduct a Special Audit of Internal Control System, provide its audit report: None.

(9) Important resolutions of the shareholders' meeting and the board meetings during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

| Date / Meeting | Important Resolutions |
| --- | --- |
| June 28,2024 General Shareholders Meeting | ● Recognition of the 2023 Annual Report of Operations and Financial Statements<br>Implementation status: The resolution was passed and the execution was completed in accordance with the resolution of the shareholders' meeting.<br>● Recognition of 2023 earnings distribution<br>Implementation status: The base date of distribution is set at Aug 4, 2024 and the dividend payment date is set at Aug 23, 2024. |
| Jan.23,2024 Board of Directors' Meeting | ●Approved the 2024 annual operating plan<br>●Approval of Capital Expenditure for CGM (Continuous Glucose Monitoring System) by the Board of Directors<br>● Approved the regular evaluation of the Company's independence and suitability of the CPA<br>●Approved the proposal of reviewing the public expenses of CPA in 2024.<br>●Approved the exercise of purchasing new shares through employee stock certificates and setting of capital increase base date<br>●Approved the proposal on the change of managers of the Company<br>●Approved the proposal on the regular review of manager remuneration (including new managers), managers' year-end bonus in 2023, and the bonus for the launch of CGM in 2024.<br>●Approved the bank financing application |
| March.14,2024 Board of Directors' Meeting | ●Approved the Company's 2023 Annual Report of Operations and Financial Statements<br>●Approved the 2023 Annual Earnings Distribution<br>●Approved the cash distribution through the processing of capital surplus<br>●Approved the proposal to issue the 2024 employee stock option certificates and detailed distribution list by managers.<br>●Approved the amendment to the Company's Internal Control |

| Date / Meeting | Important Resolutions |
|---|---|
| | Management Method<br>●Approved the convening of the 2024 Annual General Meeting of Shareholders of the Company<br>●Approved to accept matters related to shareholders' rights of proposal for the 2023 Annual General Meeting of the Company<br>●Approved the results of the evaluation of the performance of the members of the Board of Directors and the Board of Directors of the Company for the 2023<br>●Approved the "2023 Statement of Internal Control" of the Company<br>●Approved the bank financing application |
| May9,2024<br>Board of Directors' Meeting | ●Approved the Company's audited financial statements for the first quarter of 2024<br>●Approved the exercise of purchasing new shares through employee stock certificates and setting of capital increase base date |
| Augest 8,2024<br>Board of Directors' Meeting | ●Approved the Company's audited financial statements for the second quarter of 2024<br>●Approval of the amendment to the Audit Committee Charter<br>●Approval of management personnel promotion<br>●A pproval of bank financing application |
| Nov. 6,2024<br>Board of Directors' Meeting | ●Approved the Company's audited financial statements for the third quarter of 2024<br>●Approved the audit plan for 2025<br>●Approval of the establishment and revision of the Company's management operating procedures<br>●Approved the exercise of purchasing new shares through employee stock certificates and setting of capital increase base date<br>●Approval of bank financing application |
| Jan.17,2025<br>Board of Directors' Meeting | ●Approved the 2024 annual operating plan<br>●Approved the details of the 2024 year-end bonus payment for the managers<br>●Approved the exercise of purchasing new shares through employee stock certificates and setting of capital increase base date<br>●Approval of bank financing application |
| March 13,2025<br>Board of Directors' Meeting | ●Approved the proposal to issue the 2025 employee stock option certificates and detailed distribution list by managers.<br>●Approved the Company's 2024 Annual Report of Operations and Financial Statements<br>●Approved the Proposal for 2024 Deficit Compensation<br>●Approved the Issurance of New Shares from Capital Surplus<br>●Approved the proposal to define the scope of the Company's grassroots employees and amend the Company's "Articles of Association" |

| Date / Meeting | Important Resolutions |
|---|---|
| | ●Approved the amendment to the Company's Internal Control Management Method<br>●Approved the proposal to conduct a comprehensive re-election of the 11th Board of Directors (including independent directors)<br>●Approved the convening of the 2025 Annual General Meeting of Shareholders of the Company<br>●Approved the announcement of accepting nominations of candidates for directors (including independent directors) for the 2025 Shareholders' Meeting.<br>●Approved to accept matters related to shareholders' rights of proposal for the 2025 Annual General Meeting of the Company<br>●Approved the results of the evaluation of the performance of the members of the Board of Directors and the Board of Directors of the Company for the 2024<br>●Approved the "2024 Statement of Internal Control" of the Company<br>●Approval of bank financing application |
| May 7,2025 Board of Directors' Meeting | ●Approved the Company's audited financial statements for the first quarter of 2025<br>●Approval of the proposal on the Company's capital reserve conversion and issuance of new shares<br>●Approval of nomination and review of the list of candidates for directors (including independent directors)<br>●Approval of lifting the non-compete restriction on new directors of the Company.<br>●Approved the proposal to convene the 2025 Shareholders' Meeting of the Company (new reasons for convening the meeting were added.)<br>●Approved the exercise of purchasing new shares through employee stock certificates and setting of capital increase base date<br>●Approved the proposal of reviewing the public expenses of CPA in 2025.<br>●Approved the regular evaluation of the Company's independence and suitability of the CPA |

(10) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a resolution approved by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None.

# Bionime Corporation
# Statement of Internal Control System

Date: March 13, 2025

The internal control system from January 1 to December 31, 2024, according to the result of self-assessment is thus stated as follows:

1. The Company acknowledges that the implementation and maintenance of internal control system is the responsibility of Board of Directors and management, and the Company has established such system. The internal capital system is aimed to reasonably assure that the goals such as the effectiveness and the efficiency of operations (including profitability, performance and protection of assets), the reliability of financial reporting and the compliance of applicable law and regulations are achieved.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reason assurance of accomplishing its three state objectives above. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
3. The Company evaluate the design and operating effectiveness of its internal control system Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: i. control environment, ii. risk assessment, iii. control activities, iv. information and communication, and v. monitoring activities.
4. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evolution, the Company believes that, on December 31, 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness transparency of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of the Company’s annual report for the year 2024 and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Law.
7. This statement was approved by the board of directors in the meetings held on March 13, 2025, with none of the nine attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

BIONIME Corporation
Chairman: Huang, Chun-Mu
General Manager: Huang, Chun-Mu

4. Information on CPA Profession Fees

## Information on CPA Profession Fees

Unit: NT$ thousand

| Accounting Firm | CPA Name | Audit period | audit fee | Non-audit fee | Total | Remarks |
|---|---|---|---|---|---|---|
| KPMG | Chen,Yen- Hui<br>Kuo,Shyh-Huar | 2024.01.01 ~2024.12.31 | 3,000 | 690 | 3,690 | TP Report NT$340 thousand, Tax Certification NT$250 thousand, Business Registration NT$100 thousand |

Please specify the content of non-audit public services: (such as tax visa, assurance or other financial advisory services)

Note: If there is any change of accountants or accounting firm this year, please list the audit period separately, explain the reason of the change in the remarks column, and disclose the audit and non-audit fees paid in sequence. The non-audit fees should be noted and should explain its service content.

(1) If there is a change of the accounting firm, and in the year of the change the audit fee is lower than that in the previous year, please disclose the audit fees before and after the change and the reasons: None.

(2) If the audit fee is reduced more than 15% compared with the previous year the reduction in the amount of audit fees, the proportions, and reason (s) there for shall be disclosed: There is no reduction in the audit fees.

5. Change of Accountants: None

6. The Employment of the Company’s Chairman, General Manager, Financial or Accounting Manager with the Auditing CPA Firm or its Affiliated Businesses in the Past Year, Name, Title as well as Serving Period of the Accounting Firm or its Affiliate shall be Disclosed: None.

7. Any Transfer of Equity Interests and/or Pledge of or Change in Equity Interests by a Director, Supervisor, Managerial Officer; or Shareholder with a Stake of More than 10 Percent during the Most Recent Fiscal Year or during the Current Fiscal Year up to the Date of Publication of the Annual Report:

(1) Changes of directors, supervisors, managers or shareholders holding greater than a 10 percent stake in the Company

| Title | Name | 2024 | | Current year to April 19 | |
|---|---|---|---|---|---|
| | | Shareholding Increase/ Decrease | Pledged Shares Increase/ Decrease | Shareholding Increase/ Decrease | Pledged Shares Increase/ Decrease |
| Chairman as well as CEO | Huang,Chun-Mu | 36,200 | 0 | 0 | 0 |
| Director | Hua Eng Wire & Cable Co., Lt Representative: Liou,Xiu-Mei | 0 | 0 | 0 | 0 |
| Shareholders holding more than 10% shares | Hua Eng Wire & Cable Co., Lt | (10,000) | 0 | 0 | 0 |
| Director concurrently holding more than 10% shares | Tonghua Dongbao Pharmaceutical Co., Ltd. | 0 | 0 | 0 | 0 |
| Director | Tonghua Dongbao Pharmaceutical Co., Ltd Representative: Leng, Chun-Sheng | | | | |
| Director | Tonghua Dongbao Pharmaceutical Co., Ltd. Representative: Zhang, Wen-Hai | | | | |
| Director | Yanben Investment Co., Ltd. | 0 | 0 | 0 | 0 |
| Representative | Liou, Ke-Chen | 0 | 0 | 0 | 0 |
| Independent director | Zeng, Hui-Jin | 0 | 0 | 0 | 0 |
| Independent director | Liu, Mei-An | 0 | 0 | 0 | 0 |
| Independent director | Chen, Rui-Xin | 0 | 0 | 1,000 | 0 |
| Independent director | Lai, Chun-Ling | 0 | 0 | 0 | 48,000 |
| Deputy General Managers | Chen Bi-Hsuan | 0 | 0 | 0 | 0 |
| Deputy General Managers | Chen Chieh-Shing | (71,000) | 0 | 0 | 0 |
| Deputy General Managers | Yeh Zhi-Long | (6,000) | 0 | 0 | 0 |
| Accounting Officer | Chen, Ya-wen | 0 | 0 | 0 | 0 |
| Corporate Governance Officer | Tang, Wei (on board date:2024/2/8) | 0 | 0 | 0 | 0 |
| Financial Officer | Huang, Chien-Yu (on board date:2024/2/8) | 0 | 0 | 0 | 0 |
| Associate | Li Chia-Ming | 0 | 0 | 0 | 0 |

| | | | | | |
|---|---|---|---|---|---|
| Manager | (Date dismissal :2024/3/7) | | | | |
| Associate Manager | Li Ming-Tsan<br>(Date dismissal :2024/7/12) | 0 | 0 | 0 | 0 |
| Associate Manager &Finance Manager | Chen, Hui-Zhen<br>(Dismissed on 2023/2/8) | 8,400 | 0 | 0 | 0 |

Note 1: Shareholders with more than 10% of the Company's shares shall be listed as major shareholders, and shall be listed separately.

Note 2: If the counterparties of equity transfer are related parties, please specify in below.

(2) Information on equity transfer: None.

(3) Information on equity pledge:

| Name | Reasons for pled changes | Date | Counterparty | Counterparty's relationship with company directors, supervisors, managers and shareholders who hold more than 10% of the shares | Share | Pledge ratio | Pledge (redemption) amount |
|---|---|---|---|---|---|---|---|
| Lai,Chun-Ling | pledge | 2025/1/15 | Cathay United Bank Taichung Branch | - | 48,000 | 99.26% | - |

8. Relationship Information, if among the Company's 10 Largest Shareholders any one is a Related Party or a Relative within the Second Degree of Kinship of another:

April 19 ,2025

| Name | Shareholding | | Spouse & Minor Children Current Shareholding | | Current Shareholding in the Name of others | | Relationships among the Top Ten Shareholders, anyone who is a Related Party, Spouse, or Second-Degree Kinship of another: Name and Relation | | Remarks |
|---|---|---|---|---|---|---|---|---|---|
| | Share | % | Share | % | Share | % | Title (Name) | Relation | |
| Tonghua Dongbao Pharmaceutical Co., Ltd. Representative: Lee Jia-Hong | 12,000,000 | 19.64% | - | - | - | - | - | - | - |
| Hua Eng Wire & Cable Co., Ltd Representative: Wang, Ho-Jen | 7,004,900 | 11.47% | - | - | - | - | - | - | - |
| Huang, Chun-Mu | 2,510,692 | 4.11% | 1,120,380 | 1.83% | - | - | Shih,Chin-Hsiu<br>Huang,Shiu-Chin<br>Shih,Tsui-o | Husband and wife<br>Brother and sister<br>The In- laws | - |
| Yen-Pen Investment Co., Ltd. Representative：Chang, Mei-Ling | 1,500,000 | 2.46% | - | - | - | - | - | - | - |
| Shih,Tsui-o | 1, 384,000 | 2.27% | - | - | - | - | Shih,Chin-Hsiu<br>Huang,Chun-Mu | Sister and sister<br>The In- laws | - |
| Tseng,Chin-Cheng | 1,130,000 | 1.85% | - | - | - | - | - | - | - |
| Shih,Chin-Hsiu | 1,120,380 | 1.83% | 2,510,692 | 4.11% | - | - | Huang,Chun-Mu<br>Shih,Chin-Hsiu<br>Huang,Shiu-Chin | Husband and wife<br>Sister and sister<br>The In- laws | - |
| Huang,Shiu-Chin | 1,113,869 | 1.82% | | | - | - | Huang, Chun-Mu<br>Shih,Chin-Hsiu | Brother and sister<br>The In- laws | - |
| Yeh,Yung-Chieh | 702,000 | 1.15% | - | - | - | - | | | - |
| Chiang,Tai-Hsiung | 655,000 | 1.07% | - | - | - | - | - | - | - |

Note 1: The top ten shareholders shall be listed, and the corporate shareholders shall list the names of the corporate shareholder and the name of the representative of the corporate shareholder separately.

Note 2: The shareholding ratio refers to the calculation of the shareholding ratio in the name of the shareholder, spouse, minor children or shareholding in the name of others.

Note 3: The shareholders listed in the previous disclosure, including corporate shareholders and natural persons, shall disclose the relationship between them.

9. The Total Number of Shares and Total Equity Stake Held in any Single Enterprise by the Company, its Directors and Supervisors, Managers, and any Companies Controlled either Directly or Indirectly by the Company: None.

# III. Capital Overview

## 1. Capital and Shares

### (1) Source of capital

Unit: NT$ thousand; 1000 shares

| Year/ Month | Par Value | Approved Capital | | Paid-in Capital | | Remarks | | |
|---|---|---|---|---|---|---|---|---|
| | | Shares | Amount | Shares | Amount | Source of Capital | Capital Increased by Assets other than Cash | Others |
| 2003/4 | 10 | 750 | 7,500 | 750 | 7,500 | Capital at establishment 7,500 | None | Note 1 |
| 2003/6 | 10 | 1,500 | 15,000 | 1,500 | 15,000 | Capital increase 7,500 by cash | None | Note 2 |
| 2003/11 | 10 | 4,500 | 45,000 | 4,500 | 45,000 | Capital increase 30,000 by cash | None | Note 3 |
| 2004/7 | 10 | 11,000 | 110,000 | 9,000 | 90,000 | Capital increase 45,000 by cash | None | Note 4 |
| 2005/1 | 30 | 11,000 | 110,000 | 10,000 | 100,000 | Capital increase 30,000 by cash | None | Note 5 |
| 2005/3 | 30 | 15,000 | 150,000 | 11,000 | 110,000 | Capital increase 30,000 by cash | None | Note 6 |
| 2005/7 | 15 | 15,000 | 150,000 | 12,000 | 120,000 | Capital increase 15,000 by cash | None | Note 7 |
| 2005/9 | 30 | 15,000 | 150,000 | 13,500 | 135,000 | Capital increase 45,000 by cash | None | Note 8 |
| 2006/4 | 31.5 | 50,000 | 500,000 | 16,500 | 165,000 | Capital increase 63,000 by cash | Capital increase 31,500 by creditor's right | Note 9 |
| 2006/4 | 31.5 | 50,000 | 500,000 | 18,500 | 185,000 | Capital increase 63,000 by cash | None | Note 10 |
| 2007/4 | 31.5 | 50,000 | 500,000 | 21,500 | 215,000 | Capital increase 94,500 by cash | None | Note 11 |
| 2007/10 | 10/15 | 50,000 | 500,000 | 21,935 | 219,350 | Employee stock option certificates 5,069 | None | Note 12 |
| 2008/5 | 39 | 50,000 | 500,000 | 26,189 | 261,898 | Capital increase 17,548 by capital surplus Capital increase 97,500 by cash | None | Note 13 |
| 2008/8 | 10 | 50,000 | 500,000 | 26,345 | 263,447 | Employee stock option certificates NT$1,549 thousand | None | Note 14 |
| 2008/9 | 15 | 50,000 | 500,000 | 26,556 | 265,563 | Employee stock option certificates 3,174 | None | Note 15 |
| 2008/12 | 64 | 50,000 | 500,000 | 27,884 | 278,844 | Capital increase 85,000 by cash | None | Note 16 |
| 2009/8 | 10/11.9 | 50,000 | 500,000 | 35,236 | 352,356 | Capital increase 71,641 by earnings Employee stock | None | Note 17 |

| Year/ Month | Par Value | Approved Capital | | Paid-in Capital | | Remarks | | |
|---|---|---|---|---|---|---|---|---|
| | | Shares | Amount | Shares | Amount | Source of Capital | Capital Increased by Assets other than Cash | Others |
| | | | | | | option certificates 2,226 | | |
| 2010/1 | 14.4 | 50,000 | 500,000 | 36,236 | 362,356 | Employee stock option certificates 14,400 | None | Note 18 |
| 2010/12 | 95 | 50,000 | 500,000 | 39,952 | 399,516 | Capital increase NT$353,020 thousand by cash | None | Note 19 |
| 2011/8 | 10 | 50,000 | 500,000 | 43,947 | 439,468 | Capital increase NT$39,952 thousand by capital surplus | None | Note 20 |
| 2014/12 | 38 | 70,000 | 700,000 | 51,447 | 514,468 | Capital increase NT$285,000 thousand by cash | None | Note 21 |
| 2015/12 | 95 | 70,000 | 700,000 | 63,447 | 634,468 | Capital increase NT$1,140,000 thousand by private placement | None | Note 22 |
| 2017/8 | 10 | 70,000 | 700,000 | 59,447 | 594,468 | Capital increase NT$40,000,000 by treasury stock | None | Note 23 |
| 2019.7 | 10 | 100,000 | 1,000,000 | 59,501 | 595,008 | Employee stock option certificates NT$540,000 | None | Note 24 |
| 2019.11 | 47.7 | 100,000 | 1,000,000 | 59,670 | 596,698 | Employee stock option certificates NT$1,690,000 | None | Note 25 |
| 2020.2 | 47.7 | 100,000 | 1,000,000 | 60,536 | 605,358 | Employee stock option certificates NT$8,660,000 | None | Note 26 |
| 2020.6 | 47.7<br>49.4 | 100,000 | 1,000,000 | 61,522 | 615,218 | Employee stock option certificates NT$9,860,000 | None | Note 27 |
| 2020.11 | 46.4<br>48 | 100,000 | 1,000,000 | 61,756 | 617,558 | Employee stock option certificates NT$2,340,000 | None | Note 28 |
| 2021.3 | 46.4<br>48 | 100,000 | 1,000,000 | 61,963 | 619,633 | Employee stock option certificates NT$2,075,000 | None | Note 29 |
| 2021.7 | 48 | 100,000 | 1,000,000 | 62,195 | 621,953 | Employee stock option certificates NT$2,320,000 | None | Note 30 |
| 2021.10 | 48 | 100,000 | 1,000,000 | 62,236 | 622,358 | Employee stock option certificates NT$405,000 | None | Note 31 |
| 2021.12 | 48<br>46.6 | 100,000 | 1,000,000 | 62,289 | 622,888 | Employee stock option certificates NT$530,000 | None | Note 32 |
| 2022.05 | 46.6<br>56.7 | 100,000 | 1,000,000 | 60,580 | 605,810 | Employee stock option certificates | None | Note 33 |

| Year/ Month | Par Value | Approved Capital | | Paid-in Capital | | Remarks | | |
|---|---|---|---|---|---|---|---|---|
| | | Shares | Amount | Shares | Amount | Source of Capital | Capital Increased by Assets other than Cash | Others |
| | | | | | | NT$2,922,000 Capital increase NT$20,000,000 by treasury stock | | |
| 2022.06 | 56.7 | 100,000 | 1,000,000 | 60,602 | 606,022 | Employee stock option certificates 212,000 | None | Note 34 |
| 2022.09 | 56.7 | 100,000 | 1,000,000 | 60,624 | 606,240 | Employee stock option certificates 218,000 | None | Note 35 |
| 2022.12 | 56.7<br>55.1 | 100,000 | 1,000,000 | 60,687 | 606,870 | Employee stock option certificates 630,000 | None | Note 36 |
| 2023.05 | 55.1 | 100,000 | 1,000,000 | 60,749 | 607,488 | Employee stock option certificates 618,000 | None | Note 37 |
| 2023.07 | 55.1 | 100,000 | 1,000,000 | 60,802 | 608,022 | Employee stock option certificates 534,000 | None | Note 38 |
| 2023.12 | 55.1<br>53.6 | 100,000 | 1,000,000 | 60,820 | 608,202 | Employee stock option certificates 180,000 | None | Note 39 |
| 2024.04 | 53.6 | 100,000 | 1,000,000 | 60,942 | 609,424 | Employee stock option certificates 1,222,000 | None | Note 40 |
| 2024.07 | 53.6 | 100,000 | 1,000,000 | 61,015 | 610,146 | Employee stock option certificates 722,000 | None | Note 41 |
| 2024.12 | 53.6<br>52.1 | 100,000 | 1,000,000 | 61,039 | 610,388 | Employee stock option certificates 242,000 | None | Note 42 |
| 2025.03 | 52.1 | 100,000 | 1,000,000 | 61,073 | 610,732 | Employee stock option certificates 344,000 | None | Note 43 |

Note 1: The capital increase was approved by Ministry of Economic Affairs on April 14, 2003 No. 09231929030.

Note 2: The capital increase was approved by Ministry of Economic Affairs on June 19, 2003 No. 09232227670.

Note 3: The capital increase was approved by Ministry of Economic Affairs on November 27, 2003 No. 09233029400.

Note 4: The capital increase was approved by Ministry of Economic Affairs on August 26, 2004 No. 09332627270.

Note 5: The capital increase was approved by Ministry of Economic Affairs on February 25, 2005 No. 09431721640.

Note 6: The capital increase was approved by Ministry of Economic Affairs on May 13, 2005 No. 09432106330.

Note 7: The capital increase was approved by Ministry of Economic Affairs on September 16, 2005 No. 09432834870.

Note 8: The capital increase was approved by Ministry of Economic Affairs on October 5, 2005 No. 09432935950.

Note 9: The capital increase was approved by Ministry of Economic Affairs on May 5, 2006 No. 09532127100.

Note 10: The capital increase was approved by Ministry of Economic Affairs on May 17, 2006 No. 09532182970.

Note 11: The capital increase was approved by Ministry of Economic Affairs on May 14, 2007 No. 09632110580.

Note 12: The capital increase was approved by Ministry of Economic Affairs on October 22, 2007 No. 09632934410.

Note 13: The capital increase was approved by Ministry of Economic Affairs on June 20, 2008 No. 09732462450.

Note 14: The capital increase was approved by Ministry of Economic Affairs on August 8, 2008 No. 09732815110.

Note 15: The capital increase was approved by Ministry of Economic Affairs on October 22, 2008 No. 09733293140.

Note 16: The capital increase was approved by Ministry of Economic Affairs on January 6, 2009 No. 09831508980.

Note 17: The capital increase was approved by Ministry of Economic Affairs on September 10, 2009 No. 09833037820.

Note 18: The capital increase was approved by Ministry of Economic Affairs on February 22, 2010 No. 09931699410.

Note 19: The capital increase was approved by Ministry of Economic Affairs on January 4, 2011 No. 10031506780.

Note 20: The capital increase was approved by Ministry of Economic Affairs on August 25, 2011 No. 10032427660.

Note 21: The capital increase was approved by Ministry of Economic Affairs on January 8, 2015 No. 10301266680.

Note 22: The capital increase was approved by Ministry of Economic Affairs on January 12, 2016 No. 10401278900.

Note 23: The capital increase was approved by Ministry of Economic Affairs on August 29, 2017 No. 10601121050.

Note 24: The capital increase was approved by Ministry of Economic Affairs on July 22, 2019 No. 10801090630.

Note 25: The capital increase was approved by Ministry of Economic Affairs on November 28, 2019 No. 108011721120.

Note 26: The capital increase was approved by Ministry of Economic Affairs on February 14, 2020 No. 10901014580.

Note 27: The capital increase was approved by Ministry of Economic Affairs on June 9, 2020 No. 10901095090.

Note 28: The capital increase was approved by Ministry of Economic Affairs on Nov. 17, 2020 No. 10901204940.

Note 29: The capital increase was approved by Ministry of Economic Affairs on March. 9, 2021 No. 11001036530.

Note 30: The capital increase was approved by Ministry of Economic Affairs on July. 14, 2021 No. 11001117870.

Note 31: The capital increase was approved by Ministry of Economic Affairs on October. 1, 2021 No. 11001170820.

Note 32: The capital increase was approved by Ministry of Economic Affairs on December. 30, 2021 No. 11001222170.

Note 33: The capital increase was approved by Ministry of Economic Affairs on May. 17, 2022 No. 11101083910.

Note 34: The capital increase was approved by Ministry of Economic Affairs on June. 13, 2022 No. 11101092240

Note 35: The capital increase was approved by Ministry of Economic Affairs on Nov. 14, 2022 No. 11101173000.

Note 36: The capital increase was approved by Ministry of Economic Affairs on December. 16, 2022 No. 11101236530

Note 37: The capital increase was approved by Ministry of Economic Affairs on May. 24, 2023 No. 11230084940

Note 38: The capital increase was approved by Ministry of Economic Affairs on July. 17, 2023 No. 11230136120

Note 39: The capital increase was approved by Ministry of Economic Affairs on December. 20, 2023 No. 11230234730

Note 40: The capital increase was approved by Ministry of Economic Affairs on March. 29, 2024 No. 11330039100

Note 41: The capital increase was approved by Ministry of Economic Affairs on July. 17, 2024 No. 11330116730

Note 42: The capital increase was approved by Ministry of Economic Affairs on December. 23, 2024 No. 11330214710

Note 43: The capital increase was approved by Ministry of Economic Affairs on April 7, 2025 No. 11430040240

April 19,2025 Unit: thousand shares

| Type of Stock | Approved Capital | | | Remarks |
|---|---|---|---|---|
| | Issued Shares | Un-issued Shares | Total | |
| Common stock | 61,090 | 38,910 | 100,000 | |

(2) Shareholder Structure

April 19,2025

| Shareholder Structure | Government Agencies | Financial Institutions | Other Judicial Persons | Foreign Institutions and Foreign Persons | Domestic Natural Persons | Treasury Stock | Total |
|---|---|---|---|---|---|---|---|
| Number | 0 | 0 | 150 | 30 | 10,651 | 0 | 10,831 |
| Shareholding | 0 | 0 | 11,063,066 | 13,107,409 | 36,919,119 | 0 | 61,089,594 |
| % | 0.00% | 0.29% | 18.11% | 21.46% | 60.43% | 0.00% | 100.00% |

(3) Diffusion of Ownership

April 19,2025

| Shareholding Tiers | No. of Shareholders | Shareholding | % |
|---|---|---|---|
| 1-999 | 8,524 | 90,391 | 0.15% |
| 1,000-5,000 | 1,603 | 3,272,138 | 5.36% |
| 5,001-10,000 | 266 | 2,108,050 | 3.45% |
| 10,001-15,000 | 89 | 1,146,236 | 1.88% |
| 15,001-20,000 | 66 | 1,203,947 | 1.97% |
| 20,001-30,000 | 73 | 1,862,781 | 3.05% |
| 30,001-40,000 | 34 | 1,203,168 | 1.97% |
| 40,001-50,000 | 36 | 1,617,785 | 2.65% |
| 50,001-100,000 | 59 | 4,219,548 | 6.91% |
| 100,001-200,000 | 46 | 6,135,833 | 10.04% |
| 200,001-400,000 | 17 | 4,807,226 | 7.87% |
| 400,001-600,000 | 7 | 3,670,233 | 6.01% |
| 600,001-800,000 | 3 | 1,988,417 | 3.25% |
| 800,001-1,000,000 | 0 | 0 | 0.00% |
| Over1,000,001 shares | 8 | 27,763,841 | 45.44% |
| total | 10,831 | 61,089,594 | 100.00% |

Note: Face value of NT$10 per share.

(4) Major Shareholders

List all shareholders with a stake of five percent or greater, or the names of the top ten shareholders, specifying the number or shares and stake held by each shareholder on the list

April 19,2025； Unit: Share

| Shares / Name of Major Shareholders | Shareholding | % |
|---|---|---|
| Tonghua Dongbao Pharmaceutical Co., Ltd. | 12,000,000 | 19.64% |
| Hua Eng Wire & Cable Co., Ltd | 7,004,900 | 11.47% |
| Huang, Chun-Mu | 2,510,692 | 4.11% |
| Yen-Pen Investment Co., Ltd. | 1,500,000 | 2.46% |
| Shih, Tsui-o | 1,384,000 | 2.27% |
| Tseng, Chin-cheng | 1,130,000 | 1.85% |
| Shih, Chin-Hsiu | 1,120,380 | 1.83% |
| Huang Shiu-Chin | 1,113,869 | 1.82% |
| Yeh, Yung-Chieh | 702,000 | 1.15% |
| Chiang, Tai-Hsiung | 655,000 | 1.07% |

(5) Dividend Policy and Implementation Status

(a)Dividend Policy:

The Company’s dividend policy is based on current and future investment environment, capital needs, capital budget and changes in internal and external environment, as well as taking into account the interests of shareholders, balanced dividends and the long-term plans of the Company. The Company is in technology industry which is at growing stage.

(b)Implementation Status

On March 13, 2025, the Board of Directors resolved on the dividend distribution for 2024: a portion of the capital reserve of NT$61,076,590 will be used to issue 6,107,659 new shares with a par value of NT$10 per share. According to the shareholders' holdings recorded in the shareholder list on the ex-rights base date, 100 shares will be allocated free of charge for every 1,000 shares. This is proposed for resolution at the Shareholders' Meeting on June 17, 2025.

(c) If a significant change in the dividend policy is expected, this should be stated: There are no significant changes in the Company's dividend policy.

(6) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted this year:

Not applicable as the Company has no public financial forecast information.

(7) Compensation of employees, directors, and supervisors

(a).Ratio or scope of compensation for employees, directors, and supervisors, as set forth in the Company’s Article of Incorporation:

Article 28 of the Company’s Article of Incorporation: The Company shall distribute the compensation of employees at a rate not less than 1.5% of the profitability of the current year and shall distribute the compensation of directors and supervisor at a rate not higher than 3% of the profitability of the current year. It shall make up the Company’s accumulated losses if any. The Company shall deduct the benefits of the employees’ compensation and the compensation of the directors and supervisors from the current year’s pre-tax benefits.

(b).The estimated amount of compensation for employees, directors, and supervisors for the current period.

A.Since there was a pre-tax loss in 2024,employee remunerations and directors' remuneration will not be distributed.

B.The actual distribution amount is consistent with the estimated provision.

(c).Distribution of compensation approved by the board of directors:

A. Amount of employee compensation and director and supervisor remuneration distributed in cash or stock. If there is a difference from the estimated amount for the recognized expense, the difference, reason and treatment should be disclosed:

On March 13, 2025, the Board of Directors resolved not to pay remuneration to employees and directors.

B.The percentage of employee compensation distributed in the form of stocks to the total net profit after tax and total employee compensation for the current period:This is not the case.

(d).The distribution of compensation for employees, directors, and supervisors in the previous fiscal year:

Since no employee or director remuneration was paid in 2023, there is no difference between the actual distribution amount and the estimated amount.

(6) In accordance with the provisions of Article 28-2 “Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies”. The implementation of the Company’s share repurchase is as follows: None.

2. Corporate Bonds: None.

3. Preferred Shares: None.

4. Global Depository Receipts (GDR): None.

5. Employee Stock Warrants:

(1)The employee stock option certificate of the Company that has not expired:

April 30, 2025

| Types of Employ Stock Option Certificates (Note 2) | 2019 Employ Stock Option Certificates | 2024 Employ Stock Option Certificates | |
|---|---|---|---|
| Date of Effective Registration from the Competent Authority | Effective date of declaration: August 12, 2019<br>Total shares:2,930,000 | Effective date of declaration: April 14,2023<br>Total shares:5,000,000 | |
| Issuing (handling) Date (Note 4) | November 05,2019 | April 09,2024 | March 14,2025 |
| Numbers of Units Issued | 2,930,000 | 3,500,000 | 1,500,000 |
| Number of units still available | 0 | 0 | 0 |
| Ratio of Subscribable Shares to Total Issued Shares | 4.80% | 5.73% | 2.46% |
| Subscription Period | 10years | 7years | 7years |
| Exercise Method (Note 3) | By issuing new shares | By issuing new shares | By issuing new shares |
| Period and Ratio in which Subscription is Restricted (%) | Maturity of 2 years: 20%<br>Maturity of 3 years: 20%<br>Maturity of 4 years: 20%<br>Maturity of 5 years: 20%<br>Maturity of 6 years: 20% | Maturity of 2 years: 20%<br>Maturity of 3 years: 20%<br>Maturity of 4 years: 20%<br>Maturity of 5 years: 20%<br>Maturity of 6 years: 20% | Maturity of 2 years: 20%<br>Maturity of 3 years: 20%<br>Maturity of 4 years: 20%<br>Maturity of 5 years: 20%<br>Maturity of 6 years: 20% |
| Number of Shares that have been Obtained through Exercise of Subscription Rights | 653,800 | - | - |
| NT$ Amount of the Shares Subscribed | 35,799,900 | - | - |
| Number of Shares that have not been Subscribed | 1,253,200 | 3,157,000 | 1,500,000 |
| Subscription Price per Share of the Unsubscribed Shares | NTD 52.1 | NTD 68 | NTD 63.3 |
| Ratio of the Number of Unsubscribed Shares to Total Issued Share | 2.05% | 5.17% | 2.46% |
| Effect on Shareholders' Equity | Little impact on the dilution of the original common stockholders' equity | Little impact on the dilution of the original common stockholders' equity | Little impact on the dilution of the original common stockholders' equity |

Note 1:The description of the status of employee stock warrants includes public placement and private placement of employee stock warrants. Public placement of employee stock warrants in the process of handling refers to effective by this meeting. Private placement of employee stock warrants in the process of handling refers to the approval made by the board meeting.

Note 2: The number of fields depends on the actual number of adjustments.

Note 3: It shall list the issued shares or new shares.

Note 4: If the issuing (handling) date is different, it shall be listed separately.

Note 5: If private placement, it shall be marked in a noticeable method.

(2) Names and subscription status of managerial officers who have obtained employee stock warrants and of employees who rank among the top ten in terms of the number of shares to which they have subscription rights through employee stock warrants acquired, cumulative to the date of publication of the annual report:

April 30, 2025

| | Title (Note 1) | Name | Number of Shares Subscribed | Ratio of Total Issued Shares to Number of Shares Subscribed (Note4) | Subscribed (Note2) | | | | Unsubscribed (Note 2) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Number of Shares Subscribed | Price of Shares Subscribed (Note 5) | Amount of Shares Subscribed | Ratio of Total Issued Shares to Number of Shares Subscribed (Note4) | Number of Shares Subscribed | Price of Shares Subscribed (Note 5) | Amount of Shares Subscribed | Ratio of Total Issued Shares to Number of Shares Subscribed (Note4) |
| Managerial Officers | CEO | Huang, Chun-Mu | 586,000<br>893,000<br>173,000 | 0.96%<br>1.46%<br>0.28% | 90,200<br>0<br>0 | 56.7<br>55.1<br>53.6<br>52.1<br>70<br>68<br>63.3<br>(Note5) | 4,978,620<br>0<br>0 | 0.15%<br>0%<br>0% | 495,800<br>893,000<br>173,000 | 52.1<br>68<br>63.3 | 25,831,180<br>60,724,000<br>10,950,900 | 0.81%<br>1.46%<br>0.28% |
| | Deputy General Managers | Chen, Bi-Hsuan | | | | | | | | | | |
| | | Chen, Chieh-Shing | | | | | | | | | | |
| | | Yeh, Zhi-Long | | | | | | | | | | |
| | Associate manager & Corporate Governance Officer | Tang, Wei | | | | | | | | | | |
| | Finance Manager | Huang, Chein-Yu | | | | | | | | | | |
| | Accounting Manager | Chen, Ya-Wen | | | | | | | | | | |
| Employee (Note 3) | Employee | Chang, Heng-Jia | 437,000<br>527,000<br>238,000 | 0.72%<br>0.86%<br>0.39% | 140,600<br>0<br>0 | 56.7<br>55.1<br>53.6<br>52.1<br>70<br>68<br>63.3<br>(Note5) | 7,663,820<br>0<br>0 | 0.23%<br>0%<br>0% | 296,400<br>527,000<br>238,000 | 52.1<br>68<br>63.3 | 15,442,440<br>35,836,000<br>15,065,400 | 0.49%<br>0.86%<br>0.39% |
| | | Huang, Li-Gang | | | | | | | | | | |
| | | Chen, Chi-Hao | | | | | | | | | | |
| | | Chang, Kuan-Lin | | | | | | | | | | |
| | | Lu, Cheng-Wei | | | | | | | | | | |
| | | Chen, Chien-Hao | | | | | | | | | | |
| | | Liu, Ting-Yu | | | | | | | | | | |
| | | Lu, Kuan-Yu | | | | | | | | | | |
| | | Jiang, Hung-Wen | | | | | | | | | | |
| | | Huang, Ta-Yu | | | | | | | | | | |

Note 1: Including managerial officers and employees (those who have been resigned or deceased shall be stated) shall disclose individual names and titles, but may be aggregated to disclose their acquisition and subscription status.

Note 2: The number of fields depends on the actual number of adjustments.

Note 3: Employees obtained employee stock warrants that rank among the top ten refers to the employees other than managerial officers.

Note 4: The total number of issued shares refers to the number of shares listed in the Ministry of Economic Affairs' change of registration information.

Note 5: The employee stock warrants that have been subscribed shall disclose the price at the time of the subscription.

The subscription price of the employee stock options issued by the company in 2019 was NT$56.7.From July 28, 2022, due to the ex-dividend adjustment of the subscription price, the subscription price per share has been adjusted to NT$55.1.From July 30, 2023, due to the ex-dividend adjustment of the subscription price, the subscription price per share has been adjusted to NT$53.6. From Augest 5, 2024, due to the ex-dividend adjustment of the subscription price, the subscription price per share has been adjusted to NT$52.1.

The subscription price of the employee stock options issued by the company in 2024 was NT$70. From Augest 5, 2024, due to the ex-dividend adjustment of the subscription price, the subscription price per share has been adjusted to NT$68。The subscription price of the employee stock options issued by the company in 2025 was NT$63.3

Note 6: The employee stock warrants that have not been subscribed shall disclose the adjusted subscription price which is calculated according to the issuance method.

6. New Restricted Employee Shares: None

7. Issuance of New Shares for Acquisition or Exchange of other Companies’ Shares

8. Financing Plans and Implementation:

Previously issued or private placement securities have not been completed or have been completed in the last three years and profits have not yet been appeared: None

# IV. Operational Highlights

1. Business Activities

(1) Scopes of the business

(a). Main contents of operating business of the Company

The business contents as stated in the Company's Articles of Association are as follows:

1).F108031 Medical Equipment Wholesale Industry (limited to the Republic of China Industry Standard Classification 4565 Watches and Glasses Wholesale Industry, 4571 Pharmaceutical and Medical Supplies Wholesale Industry and 4649 other Machinery and Equipment Wholesale Industry) .

2).IG01010 Biotechnology Service Industry (limited to the Republic of China Industry Standard Classification 7210 Natural and Engineering Science Research Service Industry).

3).F113030 Precision Instrument Wholesale Industry (limited to the Republic of China Industry Standard Classification 4564 Household Photographic Equipment and Optical Products Wholesale Industry and 4649 other Machinery and Equipment Wholesale Industry).

4).CF01011 Medical Equipment Manufacturing Industry (limited to the Republic of China Industry Standard Classification 2760 Radiation and Electronic Medical Equipment Manufacturing, 3321 Glasses Manufacturing and 3329 other Medical Equipment and Supplies Manufacturing).

5).CC01101 Telecom Control RF Equipment Manufacturing (limited to the Republic of China Industry Standard Classification 2721 Telephone and Mobile Phone Manufacturing, 2729 Other Communication Equipment Manufacturing, 2751 Measurement, Navigation and Control Equipment Manufacturing and 2760 Radiation and Electronic Medical Equipment Manufacturing).

6).F401021 Telecom Control RF Equipment Input Industry (limited to the Republic of China Industry Standard Classification 4642 Electronic Equipment and its Components Wholesale Industry).

7).F399040 Retail business without a store (limited to the Republic of China’s Industry Standard Classifications 4871 e-shopping and mail order industries, and other unclassified retailing without a store 4879; except for pharmacies, drug stores, chemist stores, or live animal retails).

8).F203010 food & beverage retailing (limited to the Republic of China Industry Standard Classification 4711 Food and Beverage-based General Merchandise Retailing and 4729 Other Food and Beverage, Tobacco Products Retailing; Excluding Pharmacy, Drugstore or Retail Sale of Live Animals)

9).CB01010 Mechanical Equipment Manufacturing（limited to the Republic of China Industry Standard Classification 2531 Boiler, Metal Tank, and Pressure Containers Manufacturing, 2911 Metallurgical Machinery Manufacturing, 2919 Other Metal Processing Machinery and Equipment Manufacturing, 2921 Agricultural and Forestry Machinery and Equipment Manufacturing, 2922 Mining and Construction Machinery and Equipment Manufacturing, 2923 Food, Beverage, and Tobacco Production Machinery and Equipment Manufacturing, 2924 Textile, Clothing, and Leather Production Machinery and Equipment Manufacturing 2925 Woodworking Machinery and Equipment Manufacturing, 2926 Chemical Processing Machinery and Equipment Manufacturing, excluding equipment and parts of Isotope Separation Machine, 2927 Rubber and Plastic Processing Machinery and Equipment Manufacturing, 2929 Other Unclassified Special-Purpose Machinery and Equipment Manufacturing, excluding the Production of Firearms and Weapons, Gun Repairs, Ammunitions, and Fire Controls, 2931 Engine and Turbine Manufacturing, excluding Hydraulic Turbines and Water Wheels with a power exceeding 10,000 kW and Reaction Engines (Except Turbojets), and 2935 Conveying Machinery and Equipment Manufacturing）

10).CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing（limited to the Republic of China Industry Standard Classification 2699 Other Unclassified Electronic Parts and Components Manufacturing, 2832 Wiring Equipment Manufacturing, 2929 Other Unclassified Special-Purpose Machinery and Equipment Manufacturing, and 2939 Other General-Purpose Machinery and Equipment Manufacturing, excluding the Production of Firearms and Weapons, Gun Repairs, Ammunitions, and Fire Control）

11).F113010 Wholesale of Machinery（limited to the Republic of China Industry Standard Classification 4643 Wholesale of Agricultural and Industrial Machinery and Equipment）

12).F113990 Wholesale of Other Machinery and Tools（limited to the Republic of China Industry Standard Classification 4649 Wholesale of Other Machinery and Tool）

13).F119010 Wholesale of Electronic Materials（limited to the Republic of China Industry Standard Classification 4642 Wholesale of Electronic Equipment and Parts and Component）

14).E604010 Machinery Installation (limited to the Republic of China Industry Standard Classification 3400 Repair and Installation of Industrial Machinery and Equipment)

15).JE01010 Rental and Leasing（limited to the Republic of China Industry Standard Classification 7711 Rental and Leasing of Construction Machinery and Equipment, 7712 Rental and Leasing of Agricultural and Other Industrial Machinery and Equipment, 7713 Rental and Leasing of Office Machinery and Equipment, 7719 Rental and Leasing of Other Machinery and Equipment, excluding Rental and

Leasing of Telecommunication Equipment, Medical Machinery and Equipment, and Electrical Equipment, 7729 Rental and Leasing of Other Transport Equipment, and 7731 Renting and Leasing of Sports and Recreational Goods

(b). The sales proportion of the main products of the business

Unit: NT$ Thousand

| Item | 2024 | |
|---|---|---|
| | Amount | Percentage |
| Blood glucose meter | 244,171 | 13% |
| Blood glucose test strips | 1,197,492 | 62% |
| Others | 492,083 | 25% |
| Total | 1,933,746 | 100% |

(c). Existing main products (services)

Blood glucose meter.

Blood glucose test strips.

(d). New products (services) development projects

Development of a new generation of continuous blood glucose (CGM) monitoring system, AID (Automated Insulin Delivery,) and CGM with insulin pumps.

(2) Industry Overview

(a). Current status and development of industry

According to the research report from Allied Market Research[1], the global blood glucose monitoring market will be worth $14.7 billion in 2023, including traditional blood glucose meters (BGM), continuous glucose monitoring systems (CGM) and other wearable sensors. By 2033, it will reach US$38.9 billion, with a compound annual growth rate (CAGR) of 10.2%. Meanwhile, data from Future Market Insights pointed out that the global market size reached US$16.2 billion in 2024, indicating that the blood glucose monitoring market has great growth potentials.

In addition, the 11th edition of "Diabetes Atlas 2025"[2] recently released by the International Diabetes Federation (IDF) points out that the global population with diabetes will total 589 million in 2024, and is expected to climb to 852 million by 2050. Diabetes care accounts for 11.9% of total global healthcare spending, with annual spending exceeding US$1 trillion for the first time. As diabetes and its complications impose a huge burden on healthcare spending, market demand for this solution is expected to continue to grow in the future.

[1] Allied Market Research. (2024). Glucose Monitoring Devices Market Size, Share, Competitive Landscape and Trend Analysis Report. Retrieved from: https://www.alliedmarketresearch.com/glucose-monitoring-devices-market-A62953

[2] IDF Diabetes Atlas (2025) https://diabetesatlas.org/resources/idf-diabetes-atlas-2025/

International giants Abbott and Dexcom have both enjoyed double-digit growth in the field of continuous glucose monitoring (CGM) products over the past five years, and have continued to expand their global market shares. This trend shows that CGM has evolved from an auxiliary device to an innovative monitoring tool for diabetes care. In addition to the continuous increase in market penetration, user stickiness and dependence have also increased simultaneously.

Overall, market forecasts from research institutions and the operating performance of major international manufacturers have proven that the global blood glucose monitoring market is in a high growth stage. As the demand for continuous glucose monitoring systems (CGM) continues to grow, high-quality and affordable products will be the key to future competitive advantages.

(b). Current status and development of the domestic medical devices market

A. Current status and development

Currently, the domestic BGM market is highly competitive, with more than twenty related brands. As manufacturers continue to engage in price wars and frequently launch promotional activities such as "trade-in for old", the traditional blood glucose meters are no longer as prosperous as they used to be.

Taiwanese people's awareness of CGM is still in the enlightenment stage, which is more than 5 years behind that of advanced countries in Europe and the United States. Since iFree CGM was launched in Taiwan's medical device channel in September 2024, its performance has been gradually growing. Currently, the main competitors in the Taiwan market are foreign manufacturers Medtronic and Abbott. Medtronic's products are mostly sold in hospitals due to its higher prices and professional operation. Abbott entered the Taiwan market in 2023, but due to global supply and distribution issues, its products are in short supply. With the advantage of local services, Bionime starts with professional diabetes care clinics and is committed to market experience activities and health education knowledge dissemination, working with professional medical staff to promote the popularization of CGM in Taiwan.

B. Industrial characteristics of products

The blood glucose measurement products produced by the Company mainly include CGM and BGM blood glucose testing series, which are specially designed for diabetic patients and those with health management needs, and have high accuracy, stability and convenience. Since blood glucose monitoring results will directly affect disease control, all products must meet the most stringent quality standards to ensure accuracy and consistency during measurement. Most importantly, they must pass the medical device regulations of various countries and obtain approval before they can be officially sold in local countries.

The Company's products are now divided into two major categories: For home use and for use in medical institutions. The former can be purchased through retail channels, while the latter must be sold through professional agents or distributors. To ensure stable quality, upstream suppliers and downstream channels in the industry often adopt a long-term cooperation model, with both parties using contracts to ensure supply and quality standards.

C. Development trends of products

The pain and inconvenience caused by frequent needle insertions in traditional blood glucose measurement (BGM) are considered the biggest obstacles by diabetics. Nowadays, digital monitoring tools such as CGM can display the dynamic changes of blood glucose in real time, just like a life dashboard to help patients adjust the accelerator and brake in time. This not only achieves stable blood sugar control, but also prevents the risk of complications.

Unlike traditional blood sugar measurement, which only requires a single blood draw to monitor the current blood sugar level, continuous blood sugar monitoring allows users to easily implant the device at home and can be worn continuously for 10 to 15 days at a time. It monitors the real-time blood sugar level every minute 24 hours a day and transmits it wirelessly to the mobile phone app, automatically generating a blood sugar management index report, allowing users, relatives, friends and medical staff to monitor the user's blood sugar changes at any time. Through a lifestyle diary of diet, exercise, and medication, it is easier to understand the background reasons for abnormally high or low blood sugar levels. Using the Time In Range (TIR) of safe blood sugar as a new indicator of blood sugar management, it helps diabetics control their blood sugar with peace of mind and live freely.

D. Competitive landscape

The global CGM market value is estimated to reach US$13.1 billion in 2025, and the three major manufacturers, Dexcom, Abbott and Medtronic, will continue to divide the market, accounting for up to 99%. In 2025, the output value of CGM factories is expected to surpass that of traditional BGMs for the first time, forming a "paradigm shift" in the industry, an irreversible trend but in line with human needs. Also, it indicates that CGM technology will continue to gain a lion’s market share in the field of blood sugar management, replacing traditional blood sugar meters and becoming the main trend and choice in the future.

3. Technology and R&D Overview

(1). Technology level and R&D status of operating business

The existing personal invasive blood glucose meters can be divided into two types, which are optical and electrochemical. As the electrochemical products is more stable, hence, it has become the mainstream in the market. The earliest commercialized electrochemical blood glucose meter is YSI 2300 from United States, which uses precious metal electrodes and unique sensing film technology to achieve 98% accuracy and stability of laboratory-grade instruments. Its measurement quality always been the benchmark for all blood glucose meters for more than 30 years. However, in view of the instrument is a high-priced product which costs hundreds of thousands of dollars and required operates by professional, therefore, it is not possible to enter the home healthcare market. How to reduce the cost and convenient operation of electrochemical blood glucose testing products, as well as take into account the accuracy of the test results have been the main axis of the R&D of Bionime’s blood glucose meter products.

For the blood glucose test strip, the R&D team of Bionime has designed its own production technology which is fully automatic machinery equipment for test strip in addition to the unique embedded precious metal electrode sensor test strip, and used the computer to detect precious metal electrodes to enhance the accuracy of the test strip, and achieve the effects of time-saving and increase productivity. Along with the precious metal electrode material of the test strip, Bionime has the capability of self-design blood glucose meter, which added unique auxiliary functions that give better convenience to the users. Moreover, the products of Bionime have received favorable reviews from Science Citation Index (SCI) and journals of international seminar, which showed that Bionime has competitive edges. In addition, its measurement accuracy and long-term stability, published in international journals in relevant clinical performance have been well-acclaimed by international research scholars, it has established a certain status in the blood glucose meter and test strip industry.

At present, most of the products of the major international manufacturers in the market are electrochemical blood glucose meters, but the test strips are mostly made by carbon printing and lamination. Bionime's patented structure technology enables nanometer-grade precious metal electrodes to be used in the disposable test strip structures with a low-cost structure and manufacturing processes, and integrated with technologies such as chemistry, electronics, software, mechanism and precision manufacturing, etc. to produce blood glucose meters and test strips of “achieving instrumental testing result at the cost of home blood glucose meter”. In the future, the patented structure of this blood glucose test strip can also be used for other various disposable test strips, such as uric acid, cholesterol, etc.

The first continuous glucose meter (CGM) was approved by FDA in 1999, and the first CGM that can replace BGM in measuring blood glucose was approved by FDA in 2014. There are several journals that prove that users wearing CGM have more significant effect in reducing HbA1c than those using BGM, and it can achieve daily life monitoring and allow users to further adjust their lifestyle to produce the effect of continuous blood glucose management.

Bionime has obtained a number of patents for the continuous glucose meter (CGM), which has broken through the patent layout of many competing products in the market and gained a ticket to the international market. We have designed and developed our own fully automatic machines with online AOI inspection machines, and integrated all the production data and inspection results into our CIM (Computer Integrated Manufacturing)/MES (Intelligent Manufacturing Control) software system to provide real-time monitoring and real-time adjustment mechanism for the automatic machines to optimize production stability and yield rate, creating high quality and low cost Continuous Glucose Meters (CGM), and greatly improving our competitiveness in the market.

(2). R&D personnel and their academic qualifications/experience

Unit: People

| Year / Academic qualifications | 2022 | 2023 | 2024 |
|---|---|---|---|
| Ph. D. | 5 | 6 | 5 |
| Master | 60 | 54 | 53 |
| University | 81 | 101 | 83 |
| College | 5 | 7 | 3 |
| General and vocational high | 5 | 9 | 3 |

| Year / Academic qualifications | 2022 | 2023 | 2024 |
|---|---|---|---|
| school | | | |
| Total | 156 | 177 | 147 |

(3). R&D expenses invested in the most recent five fiscal years

Unit: NT$ Thousand

| Year | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| R&D Expense | 247,875 | 187,860 | 201,977 | 242,338 | 322,326 |
| Operating revenue | 1,668,586 | 1,849,924 | 2,210,589 | 1,755,567 | 1,933,746 |
| Percentage of operating revenue for the fiscal year (%) | 14.86 | 10.16 | 9.14 | 13.80 | 16.67 |

(4). Technology or product development accomplishments

| Year of patent application | Technology or product development accomplishments |
|---|---|
| Jul-2020 | Obtained China invention patent (CN 112294319) for "Implantable Micro-Biosensor" in 2024. |
| Jul-2020 | Obtained the US invention patent (US 12023150) for "Implantable Micro-Biosensor" in 2024. |
| Jul-2020 | Obtained China invention patent (CN 3088595) for"Method for manufacturing implantable micro-biosensor" in 2024. |
| Jul-2020 | Obtained China invention patent (CN 3771398) for "Method for manufacturing implantable micro-biosensor" in 2024. |
| Jul-2020 | Obtained the US invention patent (US 3771413) for "Implantable micro-biosensor" in 2024. |
| Jul-2020 | Obtained the US invention patent (US 11950902) for "Microbiological sensor and method for reducing measurement interference" in 2024. |
| Jul-2020 | Obtained the Canadian invention patent (CA 3127420) for "Microbiological sensor and its measurement method" in 2024. |
| Jul-2020 | Obtained the US invention patent(US 12097025) for "Microbiological sensor and its measurement method" in 2024. |
| Aug-2020 | Obtained China invention patent (CN 112294325) for "Microbiological sensor and method for reducing measurement interference" in 2024. |
| Aug-2020 | Obtained the EU invention patent (EP 3771414) for "Implantable micro-biosensor" in 2024. |
| Aug-2020 | Obtained the EU invention patent (EP 3771419) for "Microbiological sensor and its measurement method" in 2024. |

| Year of patent application | Technology or product development accomplishments |
|---|---|
| Aug-2020 | Obtained China invention patent (CN 112294310) for "Micro-biosensor and its measurement method" in 2024. |
| Aug-2020 | Obtained the EU invention patent (EP 3771420) for "Micro-biosensor and its measurement method" in 2024. |
| Aug-2020 | Obtained China invention patent (CN 112294322) for "Microbiological sensor and its measurement method" in 2024. |
| Aug-2020 | Obtained the EU invention patent (EP 3771421) for "Microbiological sensor and its measurement method" in 2024. |
| Aug-2020 | Obtained China invention patent (CN 112294311) for "Physiological Signal Sensor Device" in 2024. |
| Aug-2020 | Obtained China invention patent (CN 112294312) for "Physiological Signal Sensor Device" in 2024. |
| Dec-2020 | Obtained the US invention patent (US 12087424) for "Charging device and charging method for physiological signal sensor" in 2024. |
| Jan-2021 | Obtained the Korean invention patent (KR 102647530) for "Charging device and charging method for physiological signal sensor" in 2024. |
| Jan-2021 | Obtained the US invention patent (US 11894120) for "Moisture-proof component for preventing physiological signal sensor from getting wet" in 2024. |
| Oct-2022 | Obtained the US invention patent (US 11925461) for "Physiological Signal Sensor Device" in 2024. |

(5). The Company's intellectual property management plan and its implementation in the year.

A. Intellectual property management plan linked to operational objectives:

1) To protect the results of advanced technology, the Company has formulated an "Intellectual Property Strategy" that combines operational objectives with research and development resources to create value through intellectual property rights, strengthen competitive advantages, and promote profits. To this end, the Company encourages employees to innovate and transform their efforts in patent applications into rewards, safeguard the Company's intellectual property rights, and promote the application and protection of proposals such as patents and trade secrets. In 2024, the patent and trade secret application rewards was NTD$355,000.

2) Implementation of the Company's 2024 "Intellectual Property Management Plan": The Board of Directors completed the report on November 6, 2024, and implemented the protection and management of the Company's intellectual property rights. Thanks to the full recognition of the Board of Directors, the Company has been able to enhance its intellectual property strategy and protection to a more complete level.

B. Trade secret management and education and training:

1). The education and training of personnel responsible for inventorying trade secrets has been completed by April 2024.

2). All units have completed the business secret inventory list by June 2024.

3). In June 2024, one R&D technology review has been completed and listed as a trade secret.

4). In 2024, the IT department has completed the introduction of the file encryption system to strengthen the confidentiality management of the Company's intellectual assets.

5). A total of 65 people have completed the intellectual property rights (including trade secrets) and information security education training courses in 2024.

C. The Company began to introduce the TIPS intellectual property management system in 2013. The implementation status in recent years is as follows:

1). In 2020, the Company updated the intellectual property management system to include trade secret management and confidential document protection mechanisms to strengthen the protection of its intellectual property. The Company also conducted trade secret protection education and training every year to enhance its awareness and cognition of intellectual property protection.

2). In 2020, in response to the Company's main CGM product, it adopted a strategy of giving equal weight to both internal and external aspects of CGM IP management. Internally, the Company emphasized self-patent development and IP management, while externally, the Company engaged legal professionals to ensure the freedom to operate (FTO) of the technology to avoid infringement risks.

➢ Internal IP Policy

i. To respect the intellectual property rights of competitors and avoid infringing on others' patent rights.

ii. To develop the Company's own technology and apply for its own patent protection.

iii. To use the TIPS management system to manage IP risks in R&D and design and avoid infringement.

➢ External IP Policy

i. Collaborating with external law firms to enhance IP management skills.

ii. Collaborating with reputable law firms to ensure the quality of patent applications.

iii. Before the product is launched, an external law firm is commissioned to conduct an FTO (Freedom to Operate) analysis to ensure the free operation of the Company's products.

(3) Intellectual property list and achievements:

(a).Patents: By the end of 2024, the Company has filed a total of 643 patent applications worldwide (covering major markets such as the United States, the European Union, China, Japan, South Korea, the United Kingdom, Germany, Canada, Australia and Taiwan), of which 420 have been approved. In addition, the number of CGM patent applications totaled 443, of which 265 were approved.

(b).Trademark: As of December 31, 2024, CGM trademarks have been registered in 34 countries, including Taiwan, China, the European Union (including 27 member states), Japan, Saudi Arabia, Iran, Mexico, and India.

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

(a). Short-term business development plans of the Company

A. Marketing strategies

1). CGM launch and marketing activities: Actively expand brand marketing and related publicity to allow the market and consumers to better understand the value and characteristics of the product.

2). Increase marketing resources: Strengthen the shaping and exposure of brand image, actively develop new markets, attract more new customer groups, and effectively increase consumer stickiness to product use.

3). CGM user groups: In addition to diabetic patients, the application of CGM will be expanded to health check-ups, health care, weight loss, sports and fitness, and even further include sub-healthy groups and generally healthy people with a strong health awareness. CGM helps a wider range of customers manage their health, improve their quality of life and prevent the development of chronic diseases.

4). Establishing a new international brand official website group to build international brand image and multinational marketing capabilities.

5). Building a charity image of the brand, actively participating in social services, and engaging in various caring organizations to promote Bionime among patients and social welfare groups, thereby increasing brand favorability and reputation.

B. Research and development (R&D) aspect

1). Develop a new generation of CGM display receivers to match the Company's miniaturized CGM products.

2). Process R&D and continue to mass produce CGMs.

3). Introduce the home ketone test strips.

4). Develop new models with high specifications and low cost. Upgrade the new generation of POCT hospital glucose testers.

C. Production aspect

1). Introduce automation equipment and MES system to save costs and increase production efficiency.

2). Maintain close partnership with domestic and foreign suppliers to ensure product delivery.

3). Strictly implement the quality policy of designing and manufacturing world-class quality and high accuracy glucose testers and strips at low cost to achieve the quality goal of 99.9% product yield.

4). Actively adopt advanced manufacturing process, expand R&D for highly accurate biotechnology detecting instruments, and expand market share with its technology and cost advantages.

D. Operational and financial aspects

1). Introduce KPI and OKR management systems, clearly define the objectives and more active long-term development goals of each department. Through organizational cooperation and competition, it further enhances the overall execution of the Company and strengthens the operating efficiency and effectiveness.

2). Increase capital by cash at the appropriate time and make proper use of financial leverage to issue bonds or apply for bank loans based on the capital requirements of the Company's business development and R&D technology improvement without affecting the profitability.

(b). Long-term business development plans

A. Sales and marketing aspects

1). Establish the brand image of Rightest blood glucose meter and Rightest iFree CGM.

2). Develop a remote blood glucose monitoring and care platform and transform the Company into a data-based enterprise by applying Internet technology.

3). Use the CDMO model to expand the customer base, enhance its brand recognition and establish a market protection mechanism.

4). Develop e-commerce models in America, Europe, Mainland China and Southeast Asia.

B. R&D aspect

1). In line with market demand, we will develop a new generation of CGM, focusing on improving the usability of the product, including the improvement of CGM implantation procedures and the adhesion of the patch.

2). As the pet market continues to expand, dedicated CGM will be developed based on the physiological characteristics of pets.

3). Continue to expand IoT (Internet of Things) functions to connect users, medical staff, and on-line/off-line devices to achieve Ecosystem services.

4). Actively cultivate R&D talents and build a strong R&D team to improve efficiency and effectiveness through continuous knowledge accumulation and experience inheritance.

C. Production aspect:

1) Establish a lean supply chain and operating procedures in response to the changes in the medium and long-term market structure and corporate strategy.

2) More than 90% of the production line is automated to improve efficiency, product quality and profit.

D. Operational and financial aspects:

1) Actively develop globally, develop international talents, and continue to expand the scale of operations to become a world-class company.

2) Acquire stable and low-cost global cost of capital as a capital support of the Company’s rapid expansion of business scale to reduce operating costs and reduce operating risks

2. Market and Sales Overview

(1) Market analysis

(a).Sales regions of main products

Unit: NT$ Thousand

| Year / Region | 2023 | | 2024 | |
|---|---|---|---|---|
| | Amount | Percentage (%) | Amount | Percentage (%) |
| Europe | 519,499 | 31% | 431,235 | 22% |
| Asia | 552,791 | 31% | 566,217 | 29% |
| America | 280,941 | 12% | 179,688 | 10% |
| Others | 402,335 | 26% | 756,606 | 39% |
| Total | 1,755,566 | 100% | 1,933,746 | 100% |

(b). Product market share

Currently, the Company's Blood Glucose Meters (BGM) and test strips are sold in over 100 countries worldwide, yet our market share remains relatively low, accounting for only 1% of the global market share. The local market share in Taiwan is approximately 15%. In the future, CGM will be launched in various countries through current sales channels and CDMO business cooperation models.

It is expected that in the next five years, the Company's CGM global market share could reach 10%.

(c). The future supply and demand situation and growth of the market

A research report by "Mordor Intelligence"[3] pointed out that the global continuous glucose monitoring (CGM) system market was estimated at US$13.13 billion in 2025 and is expected to reach more than US$24 billion by 2030, growing at a compound annual growth rate (CAGR) of 12.9% between 2025 and 2030. Last year, the market value of CGM devices in the United States was US$5.6 billion, and it is expected to grow to approximately US$11.6 billion in 2030, making it the world's largest CGM market.

Since the US FDA approved glucagon-like peptide-1 (GLP-1) for weight loss purposes in 2021, huge market demand has been formed. Patients taking GLP-1 medications need to use CGM to obtain blood sugar data to help optimize treatment plans. Current market trends and related data show that there is considerable complementarity between CGM and GLP-1. As the use of GLP-1 increases, the demand for CGM will also grow in the future.

(d). Competitive Niches

A. Product and R&D technology are competitive:

The Company has mastered the whole process of technology from R&D to production. The structure and shape of the test strip are different from the existing commercial products. The product has the advantage of product differentiation of nanometer-grade precious metal electrodes, and the developed products have been patented. In addition, the rapid development of new products of the Company, and continuous improvement on quality, yield, manufacturing processes, cost, and active supply chain integration to enhance the technology of the third-party manufacturers.

In 2009, the Company's unique "Embedded Precious Metal Electrode Sensor Test Strip" was evaluated by IDT, a German diabetes authority, against 27 blood glucose monitors worldwide according to ISO15197, and its accuracy was comparable to the first-class level. Due to the excellent

[3] Mordor Intelligence (2025). CGM Market Size & Share Analysis - Growth Trends & Forecasts (2025 - 2030) Source: https://www.mordorintelligence.com/industry-reports/continuous-glucose-monitoring-market

performance of GM101 and GM300 blood glucose testers, the Company's technology has matured rapidly within six years and is on par with the world's major manufacturers.

In the future, Bionime will apply this production technology to prevent cardiovascular diseases, which includes lipid profile testing such as cholesterol and triglycerides, thereby enhancing Bionime's competitive advantage.

Our technically developed Continuous Glucose Monitoring (CGM) device has also met the requirements of the U.S. FDA's iCGM special control regulations in clinical trials conducted in Taiwan. The newly developed next-generation miniaturized CGM, with a size that falls between the two major competitors in the market, demonstrates significant competitiveness. Upon obtaining international clinical reports, it will be eligible to enter the two major CGM markets, which are the United States and Europe respectively.

B. Ecosystem dedicated to serving people with diabetes

The Company has built its own dedicated IoT technology team department, which uses IoT digital solutions and connects various products to create an ecosystem based on the "Rightest CGM App", "Blood Glucose Management System DMS", "Rightest Partner App" and "IoT-based Customer Service and Marketing System" to help diabetic patients get better disease management.

C. Government incentives and promotion:

Because of the surge in the diabetes population, the government aims to reduce the financial burden of families suffering from type 1 diabetes (IDDM) and increase patients' willingness to measure blood sugar. Patients suffering from type 1 diabetes have certain congenital reasons that stop the pancreas from secreting insulin on its own.

The National Health Insurance Administration has now included blood glucose test strips (BGM) needed by patients with type 1 diabetes in the scope of national health insurance coverage, subsidizing four strips per day. In addition, starting from the end of 2021, it will provide 5 blood glucose test strips (BGM) per day to pregnant women diagnosed with gestational diabetes at 28 weeks (inclusive) or more of pregnancy until delivery.

Since 2017, the National Health Insurance Department has provided "Continuous Glucose Monitoring (CGM)" testing for patients with type 1 diabetes, neonatal diabetes, or more severe diabetes caused by pancreatectomy. Through an under-the-skin blood glucose sensing needle, long-term blood sugar fluctuation values for 3 to 5 days can be recorded. Starting from 1st November 2023, regulations on continuous glucose monitoring (CGM) have been relaxed. The interval for type 1 diabetes testing is relaxed from 3 months to 1 month. Pregnant women with type 2 diabetes or gestational diabetes who have to receive insulin injections are also included in the scope of benefits.

D. High strength of global marketing

Bionime has a robust international marketing team with footsteps in over 100 countries worldwide. With Taiwan as its marketing strategy and design center, we have established a globally consistent professional brand image. The Company participates in over ten global exhibitions annually, actively expanding brand visibility and reaching out to customers. Furthermore, it has successfully built a global distribution network.Through publications in professional academic journals and clinical evidence-based reports from renowned hospitals or diabetes centers in Europe and America, Bionime has successfully marketed its own brand, Rightest Blood Glucose Meters and Rightest iFree CGM worldwide, establishing itself as a Taiwanese enterprise specializing in the technological manufacturing of blood glucose measurement devices.

E. Development outlook - favorable and unfavorable factors

| Item | Favorable factors | Unfavorable factors | Countermeasures |
|---|---|---|---|
| Production technology | The unique test strip production technology has been protected by patents. | Biotechnology belongs to the high-tech industry, and related production technologies are strictly protected by patents regulations. The competitors of the Company are all large foreign manufacturers, which investing considerable capital and manpower for improvement and R&D in production technology. Therefore, the Company needs to conduct a comprehensive investigation or take an approach entirely different from them to develop its own production technology when developing new technologies to avoid patent infringement. | Training is provided to the relevant technical personnel to enhance product competition and responsiveness, and seek other alternative technologies for production, and develop higher quality products. And actively seek and train upstream and downstream suppliers in order to produce products that are better than the quality of international manufacturers at lower cost. It actively invests in product development and production of continuous glucose monitors, gaining a place in this market with high-tech requirements and highly explosive growth. |
| R & D capabilities | The company has been leading the world's advanced countries by using unique technology to develop products with outstanding performance in accuracy and precision. | There is a lack of communication in relevant domestic industry information, and the transfer of outsourcing technology is not smooth; the training environment for R&D personnel needs to be improved, resulting in a slower transmission of experience. | Keep abreast of the development of international technology information, actively participate in international exhibitions, understand global market trends and used them as a reference for R&D, and actively arrange training courses for R&D personnel to acquire the latest knowledge. And the Company continues to develop new products as its research and development goals every year to improve the morale of R&D personnel. |
| Marketing capabilities | Our company's BGM products have been established in the international market for 20 years. The self-developed | Competing manufacturers are all major international companies with abundant funds.Competition in | We will gradually obtain licenses in Europe and the United States, and gain market shares with high-quality and affordable CGM. We also |

| | | | |
|---|---|---|---|
| | Continuous Glucose Monitor (CGM) received TFDA approval for manufacturing and sales in October 2023. We have applied for hundreds of international patents and commissioned a global renowned patent firm to conduct a 2-year analysis and comparison. All patents have received Freedom To Operate (FTO) analysis reports, confirming no patent infringement. This will be a significant asset in expanding into the international market. | the mainland Chinese market is even fiercer, using low-priced blood glucose test strips to seize the market. Whether it is BGM or CGM products, in the future, they will face major price challenges in the market. | cooperate with major international manufacturers through CDMO to enhance brand competitiveness. |
| Raw material supply | The main raw material of the Company's products is the plastic substrate of the test strip. The plastic substrate manufacturer and the Company has signed a contract, and the Company has maintained a long-term partnership with the supplier. 95% of the core raw materials are supplied by domestic manufacturers, and all of them have more than 2-3 suppliers as substitutable, therefore the satellite system in the supply chain is in a stable state. | The biotechnology industry is an emerging industry of two trillion and twin star in Taiwan. At present, the entire industry development is only in its infancy stage, and the satellite system has not yet been completed. Suppliers are not yet aware of the quality specifications of the biotechnology industry, but the quality requirements of the biotechnology industry have reached the nanometer specifications. General suppliers need a longer period of time to gear in, and learn from each other, and Bionime is responsible to coach the suppliers in order to lead its supply chain system into a highly competitive market. | 1.The core materials are self-made by the Company's production line.<br>2.Establish a professional supplier coaching team, and seek suppliers with the capabilities to manufacture high quality materials<br>3.The supplier coaching team actively invested in engineering resources to cultivate the concept of one of the Company's production lines, strengthen the guidance of existing suppliers, improve their manufacturing process capability and management capabilities, and bring greater opportunities for the Company to create a win-win situation. |
| Regulatory standards | The blood glucose test strips of GM101 and GM300 of Bionime were | As the quality of medical device is critical to human safety, | In the production process of its blood glucose meters and test strips, |

| | | | |
|---|---|---|---|
| | evaluated in 2009 by the IDT, Germany diabetes authoritative organization for the evaluation of 27 blood glucose test strips. If the result of the evaluation is changed to the range of ±15% of the error, it still conforms to the ISO 15197 specification, hence, its quality is well-recognized. At the same time, the IoT platform conforms to ISO 27001, HIPAA, and GDPR specifications, and is certified by TFDA and CE. It is recognized in the IoT medical device, personal privacy and information security. | governments have established strict regulations to manage them. Medical device manufacturers need to pass production quality certification or clinical trials in order to obtain relevant quality certifications in each country prior to the product selling.<br>There is currently no ISO product standard for CGM, but the FDA has announced the 510K review standard. All countries conduct reviews in accordance with the same standard. However, this standard is still a technical threshold that is difficult for general CGM manufacturers to cross. | Bionime adopts high-standard manufacturing processes, quality control and stable accuracy requirements to meet the product requirements of medical device worldwide. And it continues to invest in R&D of product improvement to continuously improve its precision, accuracy and stability. |
| Foreign exchange risk | The financial situation of Bionime is healthy, the cash position on the account is sufficient, and it has good relationship with financial institutions such as banks, etc., and there are sufficient resources to hedge the exchange rates. In the past, due to the Euro- and US dollar-denominated sales are equivalent, which imposed a natural hedging effect. However, in recent years, the international exchange market is dynamic, the Company has begun to adopt the asset and liability hedging methods by this year, and continued to review in response to fluctuations in the international exchange market. | The dependence on export is high, and it is vulnerable to exchange rate fluctuations and thereby affecting the level of profitability. | Continue to strengthen the concept of currency hedging of financial personnel, and strengthen the interaction with financial institutions in order to assess the trend of changes in exchange rates, and used as a reference for hedging. At the same time, try to pay the purchase expenses in the same currency with the sales revenues in order to achieve natural hedging effect. In addition, the Company also will consider the future exchange rate trend before provide quotation for new orders. |

(2) Important use and production process of main products

(a). Important use of main products

| Name of product | Important uses and functions |
|---|---|
| Blood glucose meter | The main function of the Company's blood glucose meter is to measure the glucose concentration in the blood (referred to as blood glucose concentration) of users quickly and accurately. It provides a complete information to the users and the medical personnel, and further control the blood glucose changes in the body by measuring the level of blood glucose. |
| Blood glucose test strips | In addition to the blood glucose meter, it needs to pair with the blood glucose test strip in order it can measure the blood glucose concentration normally and correctly. Blood glucose test strip looks like a thin piece, and usually has an enzyme in biochemical sensor, such as glucose oxidase (GOD) in the blood area.<br>This type of enzyme substance plays an important role in the blood glucose test strip by generating a specific biochemical reaction with blood glucose, and further generating a current that can be measured by the blood glucose meter, and thereby converting to the concentration value that can be interpreted by user. |
| Continuous Glucose Monitoring System | The Continuous Glucose Monitoring System (CGM) can continuously monitor the user's interstitial fluid glucose concentration, helping the user observe glucose trends and potentially replacing fingertip blood sampling for blood glucose measurement. It also assists in the detection of hyperglycemia and hypoglycemia events and serves as a reference for acute and long-term treatment. When judging CGM results, it should be based on both the trend of glucose changes and continuous readings. |

(b). Production process

A.Blood glucose meter

The blood glucose meter is an electronic product, which is divided into the following major production processes:

1)PCBA processing process

Includes IC version processing and LCD screen processing.

2)Pre-assembly process

Includes the assembly procedures of components like PCBA, upper and lower cover modules, LCD, button, etc., and the calibration check of the tester.

3)Functional verification

Includes warm-up verification, current measurement verification, actual verification and reliability verification.

4)Final-assembly process

Includes serial number printing, appearance parts assembly, appearance wiping, date and unit setting adjustment, test strip insertion and removal test, etc.

B. Blood glucose test strips

The manufacturing process of blood glucose test strip needs to cover the following three major production processes:

1) Manufacturing process of overlay

Includes raw material processing, rubberize, printing, and exterior punching.

2) Manufacturing process of precious metal electrodes

Includes exterior stamping and surface treatment.

3) Manufacturing process of plastic film

Includes exterior stamping and plastic injection.

4) Test piece assembly production process

Includes electrode assembly, reagent coating, and placement of overlay.

5) Test piece stability quality control

Includes setting test piece formula, measurement precision, and balance stability.

C. Continuous Glucose Monitoring System

The main electrode modules for continuous blood glucose monitoring are:

1). Die manufacturing process

2). Electrode manufacturing process

3). Coating process

4). Test strips packaging process

Implant manufacturing process

1). Cleaning/laser engraving process

2). Implant assembly

3). Sterilization packaging

(3)Supply situation of main raw materials

| Name of raw material | Supplier | Supply situation |
|---|---|---|
| Gold salt | Company F | Good |
| Test piece container | Company C | Good |

(4) Details of suppliers (customers) accounted for more than 10% of total procurement (sales) amount in either of the most recent two fiscal years

(a) List of suppliers for procurement in the most recent two fiscal years

Unit: NT$ Thousand

| | 2023 | | | | 2024 | | | | Current fiscal year up to previous quarter (Note 2 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | Name | Amount | Percentage of annual net purchase (%) | Relationship with the issuer | Name | Amount | Percentage of annual net purchase (%) | Relationship with the issuer | Name | Amount | Percentage of annual net purchase (%) | Relationship with the issuer |
| 1 | Company F | 64,350 | 11.47 | - | Company F | 83,994 | 12.74 | - | Company F | 24,049 | 13.92 | - |
| | Others | 496,781 | 88.53 | - | Others | 575,475 | 87.26 | - | Others | 148,748 | 86.08 | - |
| | Net purchase | 561,131 | 100 | | Net purchase | 659,469 | 100 | | Net purchase | 172,797 | 100 | |

Note 1: Details of suppliers accounted for more than 10% of total procurement amount in the most recent two fiscal years, where the company is prohibited by contract from revealing the name of a supplier, or where a trading counterpart is an individual person who is not a related party, it may use a code in place of the actual name.

Note 2: As of the date of publication of the annual report, if there is any financial data for the most recent period audited and attested or reviewed by a CPA for a company whose stock is listed on the stock exchange or traded over the counter, it shall also be disclosed therewith.

Description: Company F mainly supplies gold salts for test strip electrodes. Because the test strips are the main products sold by the company, Company F is the main supplier of the company's purchases.

(b) List of customers for sales in the most recent two fiscal years

Unit: NT$ Thousand

| | 2023 | | | | 2024 | | | | Current fiscal year up to previous quarter (Note 2) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | Name | Amount | Percentage of annual net sales (%) | Relationship with the issuer | Name | Amount | Percentage of annual net sales (%) | Relationship with the issuer | Name | Amount | Percentage of annual net sales (%) | Relationship with the issuer |
| 1 | Company E | 340,847 | 19.42 | - | Company E | 550,945 | 28.49 | - | Company E | 149,003 | 30.95 | - |
| | Others | 1,414,719 | 80.58 | - | Others | 1,382,801 | 71.51 | - | Others | 332,438 | 69.05 | - |
| | Net sales | 1,755,566 | 100 | | Net sales | 1,933,746 | 100 | | Net sales | 481,441 | 100 | |

Note 1: Details of customers accounted for more than 10% of total sales amount in the most recent two fiscal years, where the company is prohibited by contract from revealing the name of a customer, or where a trading counterpart is an individual person who is not a related party, it may use a code in place of the actual name.

Note 2: As of the date of publication of the annual report, if there is any financial data for the most recent period audited and attested or reviewed by a CPA for a company whose stock is listed on the stock exchange or traded over the counter, it shall also be disclosed therewith.

Description: Company E is a customer of the Company in North Africa, as the customer has set up a factory there, the sales have grown significantly.

3.The number of employees employed for the most recent two fiscal years, and during the current fiscal year up to the date of publication of the annual report

| Year | | 2022 | 2023 | 2024/3/31 |
|---|---|---|---|---|
| Number of Employee | R&D personnel | 177 | 147 | 143 |
| | Management and sales personnel | 348 | 219 | 212 |
| | Manufacturing personnel | 531 | 754 | 726 |
| | Total | 1,056 | 1,120 | 1,081 |
| Average age | | 36.3 | 35.8 | 36.1 |
| Average years of service | | 5.8 | 5.8 | 6.0 |
| Academic distribution percentage | Ph. D. | 0.7% | 0.5% | 0.6% |
| | Master | 15.0% | 13.1% | 13.7% |
| | College | 48.5% | 47.3% | 46.4% |
| | High School | 33.2% | 36.3% | 36.6% |
| | Below high school | 2.6% | 2.8% | 2.7% |

Note: The number of people does not include temporary personnel.

4. Information on environmental protection expenditures

The total amount of losses and penalties due to environmental pollution in the past one years and as of the date of publishing the Annual Report(including compensation and environmental protection audit results that violate environmental protection laws and regulations, it shall list the date of punishment, the code of the punishment, the violation provision of the laws and regulations, the content of the provisions, and the content of the punishment), actions to be taken in the future and the possible expenditures: None.

5. Labor relations

(1). All employee benefits, continuing education, training, retirement systems, and the status of their implementation, as well as the status of agreements between labor and management, and all measures aimed at preserving the rights and interests of employees:

(a) Employee welfare measures: Talents are the most important assets of the Company. We carefully cultivate, treasure and care for each and every colleague in order they can achieve work-life balance. The Company also adheres to the principle of profit sharing and performance-oriented to develop compensation policies in order to provide a comprehensive welfare system and measures.

A. Labor insurance and National Health Insurance.

B. Annual festival bonus, quarterly performance bonus.

C. Employee stock ownership plan, Employee stock option certificates.

D. Regularly organize employee travel and various cultural and recreational and festival activities.

E. Festival gift vouchers, wedding gifts, maternity gifts, condolence gifts, birthday celebrations and birthday vouchers.

F. Employee overtime meal allowances.

(b) Employee continuing education, training: Based on the corporate culture of integrity, the Company is constantly striving towards the goal of sustainable management and maintaining market competitiveness. With the comprehensive education and training plan, each colleague can continuously improve work performance, develop self-potential, and achieve a win-win goal of enterprise development and self-growth in a working environment of right person in the right place.

A. New employee orientation: There will be an exclusive instructor guides the newcomers to familiarize the working environment, and also strengthen their recognition and understanding of the Company. In addition, all departments have planned new basic training related courses for newcomers to help them to learn work related knowledge.

B. Professional training: The Company is committed to nurturing challenging chemical and electronic design talents, and encourages colleagues to participate in external professional training courses to enhance personal expertise and skills. In addition, all departments will regularly conduct various professional training courses to achieve the goals of knowledge sharing and improvement of job function.

C. Management training: The Company arranges various management training program for each level of supervisors to establish their team's shared vision and operational consensus.

(c). Retirement system and its implementation status:

Since the establishment of the Company, the "Supervisory Committee of Labor Pension" has been established for safeguarding the rights and interests of colleagues, taking care of the retirement life of colleagues and promoting labor relations. In addition, the Company makes a monthly pension to employees' individual pension fund accounts at the Bureau of Labor Insurance in order to provide greater protection to the retirement life of colleagues according to the Labor Pension Statutes since July 1994.

| Pension system | Old system | New system |
| --- | --- | --- |
| Applicable source of law | Labor Standards Act | Labor Pension Act |
| How to contribute | Appropriate 2% of the total monthly salary of the employees, and deposit in the special account of Bank of Taiwan (formerly the Central Trust Bureau) in the name of the company | According to the employee's insurance level, 6% will be allocated to the individual account of the Labor Insurance Bureau |
| Contribution | Cumulative amount of labor retirement reserve NT$ 2,994 thousand | Contribution of NT$25,844 thousand in 2024 |

(d). The status of agreements between labor and management:

A. The establishment of the Employees' Welfare Committee: In addition to improve employee benefits, it also acts as an important channel for colleagues to participate in the development of the Company’s employee welfare policy. Since its establishment, colleagues have been willing to dedicate themselves to the full play of their functions, and create a win-win situation for both colleagues and the Company.

B. Regularly monthly meeting: As an important channel for the Company to make public announcement for various information, as well as an important channel for colleagues to express their opinions and two-way communication.

C. Mailbox for exchange of views: It is a complaint channel for colleagues which managed by dedicated personnel. It encourages colleagues to express various suggestions, which will be used as a reference for the continuous improvement of corporate policies.

D. Regular employee satisfaction surveys, implementation status and improvement plans:

The Company conducts different types of surveys on employee satisfaction and analyzes and responds to the results. For example, when new employees have been on the job for three months, they are required to fill out a care questionnaire in accordance with company regulations to understand their adaptability and feedback issues. The Company also aims to create a friendly workplace and implements relevant improvement plans.

(2). List any loss sustained(including the incident against the Labor Standards Act according to the labor inspection results, and it shall list the date of punishment, the code of the punishment, the violation provision of the laws and regulations, the content of the provisions, and the content of the punishment) as a result of labor disputes in the past two years and as of the Annual Report publication date, disclose the estimated amount of loss incurred to date or likely to be incurred in the future, and indicate mitigation measures being undertaken or to be taken:

The Company has always attached importance to employee welfare and rights, and actively maintains harmonious labor relations. It respects the opinions of employees. Employees can always express their opinions through email, telephone, employee suggestion box or meeting. With smooth labor communication channels, no major labor disputes occurred in the past two years.

6. Cybersecurity management

(1)Describe the cybersecurity and risk management structure, cybersecurity policies, concrete management plans, and resources invested in cybersecurity management

(a) Information security risk management structure

A. The Company established a cross-departmental information security committee, with the general manager as the general convener and the deputy general manager as the management representative and serving as the chief information security officer and chief personal data protection officer at the same time.

B. Information security management objectives and policies, as well as personal data management policies are established and issued. These policies are also reviewed and revised regularly.

C. Management review meetings are held annually to assess the implementation of the information security management system and the personal data management system

(b) Information security control and management measures

A. Information assets and personal data lists are inventoried regularly, and risk management measures are conducted based on information security and personal data risk assessments, implementing various control measures.

B. Information security and personal data protection education, training and publicity work are carried out every year, and new employees are required to sign an information security confidentiality agreement.

C. Outsourced vendors must sign a confidentiality agreement to ensure that those using the information services provided by the Company or performing related information business have the responsibility and obligation to protect the acquired and utilized information assets from the Company, preventing unauthorized access, alteration, destruction, or improper disclosure.

D. Appropriate backup, redundancy, or monitoring mechanisms are established in important information systems or equipment. Also, regular drills are conducted to maintain its availability.

E. Anti-virus software is installed in personal computers with regular checks for virus code updates. Unauthorized software is prohibited.

F. Colleagues are required to keep their accounts, passwords, and permissions secure and use them responsibly. Additionally, passwords should be changed regularly. ◦

G. Standard procedures for responding to and reporting information security incidents have been established. The Information Security Emergency Response Team is responsible for promptly handling these incidents to prevent further damage.

H. Establish a sustainable business management mechanism and conduct regular testing and drills to maintain its applicability.

I. Internal audits are regularly conducted annually to ensure the effectiveness of information security and personal information protection management systems.

(c) Information security risk management and review

1). In January 2025, the Company passed the annual review of ISO/IEC 27001:2022 and ISO/IEC 27701:2019 and the audit verification of ISO/IEC 27017:2015 and ISO/IEC 27018:2019 by a third-party impartial organization.

2). The introduction of ISO27001 (Information Security Management System) strengthens the ability to respond to information security incidents, thus protecting the Company and customer information assets.

3). Through the introduction of ISO27701 (Personal Information Management System), we can identify the potential risks associated with the personal data held by the Company and comply with the requirements of various national personal data protection laws and regulations to protect the security of the Company and customers' personal data.

4). Inspection and control operations of information security and personal data protection are included as annual audit items. The audit unit conducts audits at least once a year. Additionally, the Company conducts self-inspection operations annually based on the internal control system. The summary of the performance of implementing internal controls is submitted to the Board of Directors for review and confirmation. Furthermore, an internal control system statement is issued based on the evaluation results.

(d) Resources invested in information security management

1). Certification: Passed the third-party review of ISO/IEC 27001 information security and ISO/IEC 27701 personal information protection, and there were no deficiencies in the relevant information security and personal information protection audits.

2). In response to the development trend of cloud security and to protect product information security and customer data, the Company expanded the scope of ISO/IEC 27001 certification in 2024 and passed ISO/IEC 27017 (cloud service information security) and ISO/IEC 27018 (cloud service personal information protection) audits.

3). Customer satisfaction: There were no major information security incidents and no complaints of loss of customer data throughout the year.

4). Education and training: All new employees must complete information security education courses before taking up their posts, including 6 sessions of employee information security and personal information protection education and assessment. Two social engineering "phishing email" tests are conducted annually.

5). Data Leakage Prevention (DLP): The data leakage prevention (DLP) mechanism is introduced. All files above the confidential level will be automatically encrypted to protect the Company's intellectual property security.

6). The Company holds a monthly information security team meeting to review issues related to information security, personal information protection, and trade secrets. It also holds a management review meeting at the end of the year to report on the work results and indicator evaluation for the past year.

7). Considering that the Company's information security management mechanism and measures are sufficient to run the current operations and comply with relevant regulations, the Company has decided not to purchase information security insurance for the time being. In the future, the Company will decide whether to purchase this insurance based on the development of overall information security and personal information protection.

(2) Losses, potential impacts, and countermeasures due to major information security incidents in the most recent year and up to the date of publication of the annual report: None.

7. Important contracts

| Nature of Contracts | Contracting parties | Commencement dates and expiration dates of contracts | Major content | Restriction clause |
|---|---|---|---|---|
| Trademark licensing contract | GE Trademark Licensing, Inc | 2020.2.1~2029.12.31 | GE Trademark licensing | Exclusive license |
| Sales contract | AFDZ01 | 2021.1.1~2030.12.31 | Middle East Product Sales | Local production of semi-finished test pieces |
| Sales contract | B04 | 2020.12.7~2026.12.31 | Italian product ODM contract | Exclusive models and future derivatives |

## V. A Review and Analysis of the Company's Financial Position and Financial Performance, and a Listing of Risks

1. Financial Position

(1) Financial Statements Comparison Analysis Table

Unit: NT$ Thousand

| Item \ Year | 2023 | 2024 | Difference | |
|---|---|---|---|---|
| | | | Amount | % |
| Current assets | 1,617,238 | 1,774,198 | 156,960 | 9.71% |
| Property, plant and equipment | 2,472,174 | 2,586,364 | 114,190 | 4.62% |
| Intangible assets | 643,672 | 776,081 | 132,409 | 20.57% |
| Other assets | 567,491 | 644,628 | 77,137 | 13.59% |
| **Total assets** | 5,300,575 | 5,781,271 | 480,696 | 9.07% |
| Current liabilities | 1,609,001 | 2,310,998 | 701,997 | 43.63% |
| Non-current liabilities | 1,698,372 | 1,581,257 | (117,115) | -6.90% |
| **Total liabilities** | 3,307,373 | 3,892,255 | 584,882 | 17.68% |
| Capital stock | 608,202 | 610,388 | 2,186 | 0.36% |
| Advance receipts for share capital | 6,550 | 1,792 | (4,758) | -72.64% |
| Capital surplus | 1,208,821 | 1,115,593 | (93,228) | -7.71% |
| Retained earnings | 146,071 | 13,060 | (133,011) | -91.06% |
| Other Equity | 16,388 | 139,145 | 122,757 | 749.07% |
| Non-controlling interests | 7,170 | 9,038 | 1,868 | 26.05% |
| **Total shareholders' equity** | 1,993,202 | 1,889,016 | (104,186) | -5.23% |

Analysis of any significant change: (The change is up to 20%, and amounted to NT$10 million)

1) Increase in intangible assets: The Company's new product "Continuous Glucose Monitoring System - CGM 10-Day Type" was eligible for capitalization in 2019, so the related development costs were capitalized. The capitalized development expenditures totaled NT$628,559,000. The "15-day type" also meets the capitalization conditions in 2024, so the related development costs will be capitalized.

2) Increase in current liabilities: due to increase in bank borrowings and expenses payable.

3) Decrease in retained earnings: due to decrease in profit or loss for the current period.

4) Increase in other equity: due to increase in valuation gains and losses on financial assets.

(2) Where the effect is of material significance, the annual report shall describe the measures to be taken in response: The above-mentioned changes have no material impact on finance and business.

2. Financial performance

(1) Comparison Analysis Table for Results of Operations

Unit: NT$ Thousand

| Item \ Year | 2023 | 2024 | Increased /decreased Amount | Percentage of change (%) |
|---|---|---|---|---|
| Net operating revenue | 1,755,567 | 1,933,746 | 178,179 | 10.15% |
| Operating cost | 1,039,917 | 1,165,363 | 125,446 | 12.06% |
| Gross profit | 715,650 | 768,383 | 52,733 | 7.37% |
| Operating expense | 728,989 | 923,570 | 194,581 | 26.69% |
| Operating profit | (13,339) | (155,187) | (141,848) | 1,063.41% |
| Non-Operating revenues and expenditures | (18,536) | (30,524) | (11,988) | 64.67% |
| Net profit before tax | (31,875) | (185,711) | (153,836) | 482.62% |
| Less: Income tax expense | (38,406) | (59,712) | (21,306) | 55.48% |
| Net Income | 6,531 | (125,999) | (132,530) | -2,029.25% |
| Analysis of any significant change: (The change is up to 20%, and amounted to NT$10 million)<br>1) Operating expenses increase: This is due to higher promotional spending for CGM and increased clinical trial expenses.<br>2) Operating net loss increases: This is due to an increase in operating expenses.<br>3) Non-operating income and expenses increase: This is due to a rise in interest expenses.<br>4) Net loss before tax increases: This is due to a decrease in operating profit.<br>5) Income tax benefit increases: This is due to the recognition of income tax benefits.<br>6) Net loss after tax increases: This is due to the decrease in net profit before tax | | | | |

(2) The expected sales volume and its basis: Not applicable.

(3) The Company’s future financial performance for any possible impact:

According to the company's sustainable development, Bionime is committed to improving the company's competitiveness and fulfilling the corporate social responsibility. In addition to continuously promoting the automation of the production and improving the technology and quality of production based on existing operations, supplemented by the comprehensive promotion of meticulous management, the cost of department can be effectively reduced via measures such as effective improvement of manufacturing processes and operating procedures. The business strategies will continue to innovate Product and IoT development. Bionime will continue to strengthen the development of new markets, new channels, and new customers in the future, and expand the company's future operational growth momentum. Bionime will also improve the company's overall operational performance and expand the competitive advantages.

(4) Measures to be taken in response: Keep abreast of the business and financial position of the invested business in order to provide the necessary resources and assistance in a timely manner.

3. Cash flow analysis

(1) Cash flow change analysis

Unit: NT$ Thousand

| Opening balance (December 31, 2023) | The cash flow generated from operating activities (2024) | The cash flow from generated from investment and financing activities (2024) | Cash flow surplus (December 31, 2024) | Cash shortage contingency plan | |
|---|---|---|---|---|---|
| | | | | Investment plan | Financing plan |
| 391,821 | 19,530 | -119,600 | 321,227 | - | - |

Cash flow change analysis in 2024 is as follow

(a). Cash inflow from operating activities of NT$19,530 thousand: Mainly due to net cash surplus from operating activities.

(b).Cash inflows from investment activities amounted to NT$336,900 thousand: Mainly due to the increase in prepaid equipment payments.

(c).The cash inflow from financing activities of NT$217,300 thousand: This is due to the increase in loans.

(2) Remedial measures and liquidity analysis for cash deficit: There is no cash deficit concerns.

(3) Cash flow analysis for the coming year: Not applicable.

4. Major capital expenditures during the most recent fiscal year: None

5. Investment policy for the most recent fiscal year, the main reasons for the profits or losses, improvement plans, and investment plans for the coming year

(1) Re-investment policy of the Company:

The re-investment policies of the Company are followed by the relevant executive departments in accordance with the internal control system - “Investment Cycle” and “Acquisition and Disposal of Assets Procedures”, etc. The above-mentioned regulations or procedures are resolved by the board of directors or shareholders meeting.

(2) The main reasons for the profits or losses, improvement plans and future investment plan of re-investment:

(a) The subsidiary in Swiss is Bionime’s PO service center in Europe without any revenue. Currently, the local employees are helping to develop relevant markets in Europe. The expenses are mainly on the personnel costs and rent, which are positive surpluses every year.

(b) After six years of deployment in retailers, pharmacies, doctors' clinics and diabetes educators in the United States, the subsidiary in the US every year with the stable growth in the demands and sales of test strips.

(c) The Group's subsidiary in Mainland is the production base, brand promotion and customer service center of Bionime in China. Starting from the second half of 2020, the Group’s Mainland subsidiary will gradually take over the exclusive distribution rights in some parts of China from Tonghua Dongbao. Through this approach, we expect to provide customers with more focused and prompt services. Although there was still a loss in 2021, it is expected that through the fermentation of brand benefits, the company will gradually increase its revenue every year and turn losses into profits.

(d) Due to the years of operation at the subsidiary in Malaysia established in 2018, Bionime's blood glucose monitoring device has been highly recognized by many critical opinion leaders in this field in the local market. Through the promotion of clinics, chain pharmacies, individual pharmacies, distributors and other channels the company has achieved steady profitability.

Also, the Company always keeps abreast of the business and financial position of the invested business in order to provide the necessary resources and assistance in a timely manner.

(3) Investment plans for the coming year:

The Group's subsidiaries in mainland China, together with local distributors, continue to visit hospitals to seek business opportunities and explore e-commerce channels, and the Malaysian subsidiary will focus on developing comprehensive solutions in the coming year to provide inpatient and outpatient services and gradually increase its market penetration and market share. The US subsidiary will focus on the telemedicine market and strive for revenue.

6. Risk and evaluation in the most recent fiscal year and up to the publication of the annual

(1) The impact of changes in the interest rate, fluctuation of exchange rate, inflation rate on the Company's profits (losses) and countermeasures to be taken in the future:

(a) The effect upon the Company's profits (losses) of interest rate fluctuations and countermeasures to be taken in the future

| Item | 2024 | 2025Q1 |
|---|---|---|
| Net operating revenue | 1,933,746 | 481,441 |
| Net income | (125,999) | (12,688) |
| Net interest income and expenditure | (62,191) | (16,380) |
| Net operating revenue ratio | (3.22%) | (3.40%) |
| Net income ratio | 49.35% | 129.10% |

The net interest income and expenditure of 2024 accounted for approximately (3.22)% and 49.35% of the Company's and its subsidiaries' revenue and net income. The net interest income and expenditure of the first quarter of 2025 accounted for approximately (3.40)% and 129.10% of the Company's and its subsidiaries' revenue and net income. Therefore, the interest rate fluctuations have a significant impact on the revenue and profit of the Company and its subsidiaries.

In response to the risk of interest rate fluctuations, the Company will continue to pay attention to the future trends of the interest rate in the market and collect interest rate information of banks. It timely evaluates the interest rate of the current loans, and continues to establish good relations with banks. By presenting good bank financing credit record, it could obtain a relatively preferential interest rate of loans. When financing is needed, plan appropriate long-term and short-term bank loans depending on the actual capital requirements, to minimize the risks caused by fluctuations in interest rates and capital costs to the Company's operations.

(b) The effect upon the Company's profits (losses) of exchange rate fluctuations and countermeasures to be taken in the future

Unit: NT$ Thousand

| Net operating revenue | 2024 | 2025Q1 |
|---|---|---|
| Net Income | 1,933,746 | 481,441 |
| Net exchange gains and | (125,999) | (12,688) |

| | | |
|---|---|---|
| losses | | |
| Net operating revenue ratio | 7,405 | 715 |
| Net income ratio | 0.38% | 0.15% |
| Net operating revenue | (5.88%) | (5.64%) |

The operating revenue of the Company and its subsidiaries is mainly denominated in US dollars and Euros. Therefore, the depreciation of US dollar or the Euro against the New Taiwan dollar will result in reduction of the profit of the Company and its subsidiaries. In order to reduce the impact of fluctuation of exchange rate on the profit and loss of the Company and its subsidiaries, the Accounts Department of the Company also collects information on exchange rate at any time, focuses on the trend and changes of major currencies in the international currency market to grasp the exchange rate trend, and maintain a good interactive relationship with the bank in order to get more extensive information on foreign exchange and more favorable exchange rate quotes. In terms of strategy, the balance of foreign currency assets and liabilities should be achieved as much as possible to achieve the effect of natural hedging, and reduce the impact of exchange rate fluctuations on the Company’s profit and loss.

(c)The impact of changes in the inflation rate on the Company’s profits (losses) and countermeasures to be taken in the future

The increase in domestic and international prices will lead to an increase in the Company’s purchasing costs, which may adversely affect the Company's profitability. However, the Company has more than one supplier. In the future, the Company will pay close attention to the inflation situation, and negotiate with different suppliers to reduce the impact of inflation on the Company.

(2)The Company’s policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and countermeasures to be taken in the future: None.

(3)Research and development work to be carried out in the future, and further expenditures expected for research and development work:

For the details of R&D situation, please refer to the detailed explanation in V. Operational Highlights. The R&D expenditures of the Company in 2024 was NT$ 322,326 thousand, and the estimated R&D expenditures in 2025 is NT$508,781 thousand (Among them, CGM International Hospital's clinical expenses account for approximately 50% of the total R&D expenses). The main factors affecting the success of future R&D are the R&D capabilities of R&D personnel and the mastery of software and hardware systems. It is believed that the experience accumulated of the R&D team of the Company will surely competently perform this important task, and continues to develop competitive products.

(4) Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and countermeasures to be taken:

In response to the subsequent revision of the guidelines for various operations by domestic and foreign authorities, the Company has actively cooperated with it, and currently, it has no significant impact on the financial operations.

(5) Effect on the Company’s financial operations of developments in science and technology as well as industrial change, and countermeasures to be taken:

The Company has always attached great importance to the improvement of R&D capabilities, paying attention to the evolution of technology in the industry, and commencing the evaluation and R&D of various products to meet market demand. It is evaluated that the developments in science and technology have no significant impact on the Company's financial operations in the near future.

Assessment analysis of security risk and countermeasures: The Company builds the operational management mechanism by referring to the COSO structure, and measuring the factors such as the control environment, risk assessment, control activities, information and communication, and supervision. Moreover, it summarizes the functions of risk management and internal control based on the "Regulations Governing Establishment of Internal Control Systems by Public Companies".

(6)Effect on the Company's crisis management of changes in the Company's corporate image, and countermeasures to be taken:

As of the publication of the annual report, there is no major events affecting the Company’s corporate image.

(7) Expected benefits and possible risks associated with any merger and acquisitions, and countermeasures being or to be taken: None.

(8) Expected benefits and possible risks associated with any plant expansion, and countermeasures being or to be taken: None.

(9) Risks associated with any consolidation of sales or purchasing operations, and countermeasures being or to be taken:

(a) Purchasing operation: The main purchase items of the Company are the components of blood glucose meter and blood glucose test strip and related raw materials. The procurement amounts of company F in 2023 and 2024 have reached 11.47% and 12.74% of the net procurement amount of the Company. This is because the Company chose to cooperate with company F for a long time under the Company's comprehensive consideration of the supplier’s production technology, quality yield, supply capacity and cost planning. There is no consolidation of purchases in the most recent two years.

(b) Sales operation: the consolidated company sales of Company E in 2023 and 2024 accounted for approximately 19.42% and 28.49% of the consolidated company's net sales. Company E, our North African customer, experienced significant growth in goods distribution after establishing a factory in the region.

The Company’s products are distributed throughout Europe, Americas and Asia, and there is no consolidation of sales operation, hence, there is no risk of consolidation of sales operation.

(10) Effect upon and risk to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10% stake in the Company has been transferred or has otherwise changed hands, and countermeasures being or to be taken: None.

(11) Effect upon and risk to Company associated with any change in governance personnel or top management, and countermeasures being or to be taken:

The Company’s operations are mostly proposed by the executive units, and then approved by the management, therefore, a complete operation model has been established. If there is a change in governance personnel or top management, the impact on the Company’s sustainable operation is limited.

(12) Litigation or non-litigation:

(a) Any have been determined or are including in the litigation, non-litigation or administrative litigation in which the results may have a significant effect on the Company's shareholders' equity and securities price, it should be fully disclosed in detail and include the facts of the dispute, cost of litigation, date of commencement of proceedings, litigants and the current situation regarding handling of litigation of the Company in the most recent two fiscal years and up to the date of publication of the annual report: None.

(b) The Company's directors, supervisors, general manager, de facto person in charge, majority shareholders and subordinate companies with a shareholding ratio of more than 10% have been determined or are including in the litigation, non-litigation or administrative litigation in which the results may have a significant effect on the Company's shareholders' equity and securities price in the most recent two fiscal years and up to the date of publication of the annual report: None.

(c)The Company's directors, supervisors, general manager, de facto person in charge, majority shareholders and subordinate companies with a shareholding ratio of more than 10% have been violated the provisions of Article 157 of the Securities and Exchange Act and the current situation regarding handling of the Company in the most recent two fiscal years and up to the date of publication of the annual report and: None.

(13) Other important risks, and countermeasures being or to be taken: None.

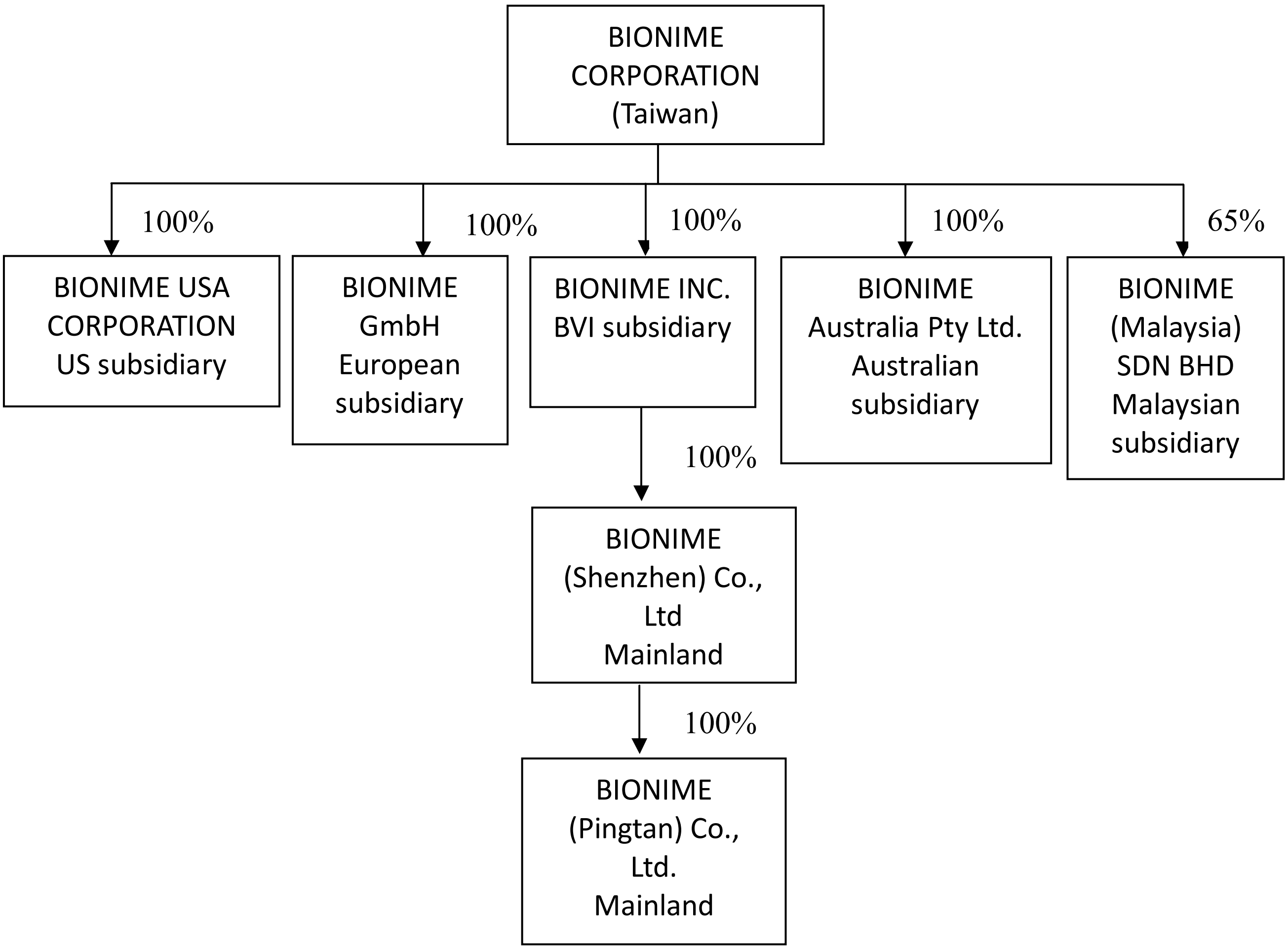
7. **Other important matters:** None.

## VI. Special Disclosure

1. Information related to the Company's affiliates

(1) Consolidated business reports of affiliated companies

(a) Organizational chart of affiliated companies (December 31, 2024)



(b) Basic information of affiliated companies

| Name of company | Date of incorporation | Region | Paid-in Capital | Principal business activity |
|---|---|---|---|---|
| Bionime Inc. | November 2004 | OMC Chambers, P.O. Box 3152, Road Town, Tortola, B. V. I. | USD 3,090 thousand | Investment company |
| Bionime (Shenzhen) Co., Ltd | December 2005 | Zone A, 9th Floor, Fukang Technology Building, 8 Fukang Commercial Plaza, 10th Industrial Zone, Yousong, Longhua Office, Bao'an New District, Shenzhen | USD 2,300 thousand | Merchandising-sector company |
| Bionime GmbH | April 2005 | Tramstrasse 16<br>9442 Berneck / Switzerland | CHF 300 thousand | Merchandising-sector company |
| Bionime USA Corp. | February 2008 | 1450 E Spruce Street, Bldg. B<br>Ontario CA 91761-8314 | USD 11,150 thousand | Merchandising-sector company |
| Bionime Australia Pty Ltd | February 2010 | Level 7, York Street, Sydney NSW 2000 Australia | AUD 350 thousand | Merchandising-sector company |
| Bionime (Pingtan) Co., Ltd. | January 2015 | Taiwan Pioneer Park, Pingtan Comprehensive Experimental Area, Pingtan County, Fuzhou City, Fujian Province, China | RMB20,000 thousand | Manufacturing company |
| Bionime (Malaysia) Sdn Bhd | April 2018 | C-05-11, iTech Tower, Jalan Impact, Cyber 6, 63000 Cyberjaya, Selangor, Malaysia | RM 1,046 thousand | Merchandising-sector company |

(c) Shareholders presumed to have control and subordinate relationship with the same information: None.

(d) The operating activities of affiliated companies and their association

| Industry Type | Name of company | Association with the operating activities of affiliated companies |
|---|---|---|
| Investment company | Bionime Inc. | The parent company of Bionime (Shenzhen) Co., Ltd. |
| Merchandising-sector company | Bionime (Shenzhen) Co., Ltd | The re-investment company of Bionime Inc. |
| Merchandising-sector company | Bionime GmbH | None |
| Merchandising-sector company | Bionime USA Corp. | None |
| Merchandising-sector company | Bionime Australia Pty Ltd | None |
| Manufacturing company | Bionime (Pingtan) Co., Ltd. | The re-investment company of Bionime (Shenzen) Co., Ltd. |
| Merchandising-sector company | Bionime(Malaysia) Sdn Bhd | None |

(e) Directors, supervisors and general managers of affiliated companies:

| Name of company | Position tittle | Name or representative | Shareholding | |
|---|---|---|---|---|
| | | | Number of shares ( 1000 shares) | Shareholding percentage |
| Bionime Inc. | Chairman | Bionime Corporation Representative: Huang,Chun-Mu | 3.09 | 100% |
| Bionime (Shenzhen) Co., Ltd | Legal representative | Bionime Inc. Representative: Huang, Chun-Mu | - (Note 1) | 100% |
| Bionime GmbH | Chairman | Bionime Corporation Representative: Huang,Chun-Mu | - (Note 2) | 100% |
| Bionime USA Corp. | Chairman | Bionime Corporation Representative: Huang, Chun-Mu | 1,150 | 100% |
| Bionime Australia Pty Ltd | Chairman | Bionime Corporation Representative: Huang, Chun-Mu | -((Note 3) | 100% |
| | Director | Bionime Corporation Representative: Tang, Wei | | |
| | | Huang, Hui Hsuan | | |
| Bionime (Pingtan) Co., Ltd. | Legal representative | Bionime (Shenzhen) Co., Ltd Representative: Huang, Chun-Mu | - (Note 1) | 100% |
| Bionime(Malaysia) Sdn Bhd | Chairman | Bionime Corporation Representative: Huang, Chun-Mu | -(Note4) | 65% |
| | Director | Bionime Corporation Representative: Tang, Wei | | |
| | | TING YIIK PUNG | | |

Note 1: A limited company established in Mainland China

Note 2: A limited company established in Switzerland

Note 3: A limited company established in Australia

Note 4: A limited company established in Malaysia

### (f) Operating Overview of Affiliated Companies

Unit: NT$ Thousand

| Name of company | Capital | Total assets | Total liabilities | shareholders' equity | Operating revenues | Net profit | Net Income | EPS |
|---|---|---|---|---|---|---|---|---|
| Bionime Inc. | 98,064 | 130,601 | 0 | 130,601 | 0 | -80 | 10,247 | 3,316.18 |
| Bionime (Shenzhen) Co., Ltd | 75,371 | 121,503 | 8,973 | 112,530 | 43,819 | -1,281 | 9,763 | N/A(Note1) |
| Bionime GmbH | 7,529 | 31,774 | 3,039 | 28,735 | 22,298 | 1,317 | 1,060 | N/A(Note1) |
| Bionime USA Corp. | 343,193 | 126,779 | 14,903 | 111,876 | 89,646 | 7,518 | 6,757 | 6.06 |
| Bionime Australia Pty Ltd | 10,042 | 260 | 431 | -171 | 0 | -42 | -42 | N/A(Note1) |
| Bionime (Pingtan) Co., Ltd. | 89,593 | 151,770 | 39,560 | 112,210 | 215,406 | 11,894 | 10,988 | N/A(Note1) |
| Bionime (Malaysia) SDN BHD | 12,066 | 32,374 | 6,485 | 25,889 | 59,711 | 2,989 | 3,486 | 3.33 |

Note1: The affiliated company is a limited company, so there is no earnings per share.

## (2) Consolidated financial statements of affiliated companies

The companies should be included in the consolidated financial statements of affiliated enterprises of the Company in 2024(from January 1-December 31, 2024) was prepared in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are the same with the companies should be included in the parent and subsidiary consolidated financial statements in accordance with the IFRS No. 10 approved by the Financial Supervisory Commission, and the relevant information shall disclose in the consolidated financial statements of the affiliated enterprises has been disclosed, therefore, no separate consolidated financial statements of the affiliated enterprises will be presented.

2. Transaction about the Company’s private placement of securities during the most recent fiscal year up to the publication of the annual report: None.
3. Holding or disposal of shares in the Company by the Company's subsidiaries during the most recent fiscal year up to the publication of the annual report: None.
4. Other matters for which supplementary explanation is required: None.

**VII. If any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders’ equity or the price of the company's securities, has occurred during the most recent fiscal year up to the publication of the annual report: None.**

**BIONIME CORPORATION**

**Chairman: Huang, Chun-Mu**