Stock Code：4737

Information Report Website：http://mops.twse.com.tw

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

BIONIME

Bionime Corporation

2024 Annual Shareholders' Meeting Meeting Handbook

Time：June 28, 2024 (Friday.)

Place：No.100, Sec. 2, Daqing St., South Dist., Taichung, Taiwan

Shareholders' meeting will be held by means of：Physical shareholders' meeting.

Table of Contents

Bionime Corporation

Agenda of 2024 Annual General Shareholders' Meeting

1.Time: 9:00 a.m., June 28, 2024 (Friday)

2. Place: No.100, Sec. 2, Daqing St., South Dist., Taichung, Taiwan

3. Call meeting to Order (Report attendance of shareholders' shares)

4. Chairperson Remarks

5. Report Items

   (1) Business Report of 2023

   (2) The audit committee Review Report of 2023

   (3) Report on Directors' Remuneration in 2023

   (4) Report on Cash Dividend Distribution from Earnings and Capital Surplus for 2023

6. Proposal Items

   (1) Business Report and Financial Statements of 2023

   (2) Distribution of Earnings for 2023

7. Extemporary Motions

8. Adjournment

Report Items

1. Business Report of 2023.

   Explanation: Please refer to page 4-10(Attachment 1).

2. The audit committee Review Report of 2023

   Explanation: Please refer to page 11(Attachment 2).

3. Report on Directors' Remuneration in 2023

   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". For related policies, individual remuneration details, and amounts,Please refer to page 12-14 (Attachment 3).

4. Report on Cash Dividend Distribution from Earnings and Capital Surplus for 2023

   Explanation:(1).In accordance with Article 28-1 of the Company Act, NT$5,795,132 cash dividends shall be distributed to shareholder at NT$0.095 per share. distributed capital reserve which arises out of the share premium NT$116,207,656 cash dividends shall be distributed to shareholder at NT$1.905 per share. Cash dividends are distributed and are round down to NT$ 1. The fractional number of dividends less than NT$ 1 is summed and recognized as other income of the Company.

   (2). The Chairman of the Board of Director is authorized by to fix record date and conduct dividend distribution and other affairs. If the number of issued and outstanding shares of the Company subsequently changes, the amount of cash dividend shall be adjusted by chairman.

Proposal Items

1. Adoption of the 2023 Business Report and Financial Statements (Proposed by the Board of Directors)

   Explanation: (1).The Company standalone financial statements and consolidated financial statements of 2023 (please refer to attachment 4 and 5) were audited by independent auditors, KPMG International Cooperative Chen,Yen Hui and Kuo,Shyh Huar，along with business report which approved by the Board of Directors and reviewed by supervisors on March 14, 2024, comply Company Act and relevant laws and regulations.

   (2).The Business Report of 2023, Independent Auditor's Report, and the above-mentioned Financial Statements, attached in Attachment 1 of the Meeting Agenda, page 4-10 and Attachment 4 and 5 page 15-30.

   Resolution:

2. Adoption of Distribution of Earnings for 2023 (Proposed by the Board of Directors)

   Explanation: (1). The appropriation of 2023 earnings has approved by the Board of Directors on March 14, 2024.

   (2). The 2023 Earnings Distribution Table, please refer to page 31(Attachment 6).

   Resolution:

Extemporary Motions

Adjournment

【Attachment 1：Business Report of 2023】

Business Report of 2023

1. 2023 Annual operating report

(1). 2023 Business result: (Unit: NT$ thousand)

Annual	2023	2022	Increase/Decrease	Percentage
Net Operating Revenue	1,755,567	2,210,589	(455,022)	-20.58%
Gross Profit	715,650	1,004,126	(288,476)	-28.73%
Operating Expenses	728,989	872,709	(143,720)	-16.47%
Operating Income	(13,339)	131,417	(144,756)	-110.15%
Income after Tax	6,531	91,820	(85,289)	-92.89%

Note: Operating income in 2023 decreased by 20.58% compared to 2022; operating expenses decreased by 16.47% compared to 2022; overall, income after tax decreased by 92.89% compared to 2022.

(2). The analysis of 2023 and 2022 financial structure and profitability:

Items \ Annual		2023	2022
Financial Structure	Debts ratio(%)	62.39	58.24
	Long Term Funds to Fixed Assets(%)	148.86	144.20
Profitability	Return on Assets(%)	0.87	2.43
	Return On Equity(%)	0.32	4.41
	Profit Margin(%)	0.37	4.15
	Earnings Per Share	0.10	1.50

Note: (a)Earnings per share decreased from 1.5 NTD in 2023 to 0.10 NTD in 2022, and profitability in 2023 was decreased compared to 2022.

(b)The increase in the debt ratio is mainly due to the capital expenditure on establishing CGM automated production equipment.

(3). Budget implementation: The execution of budget is not disclosed, as the 2023 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

Items \ Annual	2023	2022	2021
R&D Expenses	242,338	201,977	187,860
R&D Expenses to Net Operating Revenue ratio	13.80%	9.14%	10.16%

(b). Machine types expected to be developed in 2023:

i. The development of the wireless network-enabled touchscreen blood glucose meter (BGM), GM777, is integrated with the well-established IoT Cloud System Platform of our company. It has completed clinical trials in the United States and a FDA certification will be applied afterward. Once approved, it can attract more business cooperation opportunities with third-party companies in the remote medical platform.

ii. In 2022, the Company's new product, the continuous glucose monitors (CGM), completed clinical trials in seven major teaching hospitals in Taiwan, and an application for a CGM Permit was submitted to the Taiwan Food and Drug Administration (TFDA). In November 2023, the Company received the approval letter for registration and market approval in Taiwan.

iii. Bionime's third-generation miniaturized CGM, which is smaller in size, started molding in 2023. It also has undergone Verification & Validation, including external tests such as EMC/EMI, to confirm that the product meets regulatory requirements. At the end of 2023, third-generation miniaturized CGM was directly used in international clinical trial applications. It is expected to significantly improve the performance and business competitiveness of Bionime CGM products.

iv. 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 2023, 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.

v. After obtaining the approval letter for registration and market approval for CGM, the

Company submitted the change request for CGM App in the same month. If it is approved, users will be able to use commercially available smartphones as displays to receive CGM data. Not only do they need not purchase another specific receiver, but they can use it much more easily.

vi. In addition to the completed iOS & Android versions of the CGM App, Bionime has developed the CGM Partner App. This App can simultaneously receive CGM data shared by families and friends to achieve the purpose of caring between them and synchronous care. In addition, a blood sugar management system for medical care management is also established simultaneously, allowing medical staff to effectively manage patients' blood sugar trends and provide a foundation for suitable medication adjustments.

vii. Since 2019, the company has successively invested in the self-development and pilot production of automated machines and intelligent management and control systems necessary for CGM. In 2023, the performance of the first set of automation equipment was confirmed.

- ➢The team has created great benefits by enhancing production technology and automated equipment. Under the same site and equipment, the yield increased by 50%, and labor and manufacturing costs were reduced by 40%.
- ➢Self-build AOI (optical photomicrography & AI automatic identification instrument) machines with various functions are used to improve product quality and yield.
- ➢The CIM (Computer Integrated Manufacturing) and MES (Manufacturing Execution System) software systems are established. On-Line connections are integrated into automated machines, enabling real-time product inspection data collection/real-time data analysis/real-time decision-making and response on AOI's production lines. As a result, we can realize the excellent production system of Industry 4.0.

viii. CGM's self-full-process technology has been continuously developing. By the end of 2023, regarding CGM, we had applied for 403 Taiwanese and international patents in total, comprising 76 different patent technology families. More than 200 patent applications have passed Taiwanese and international reviews and obtained patent certificates.

(c). Product technology development in 2024

i. Based on the existing CGM, the company will develop a single-use CGM in 2024. The single-use CGM will be equipped with a low-cost transmitter and can be provided to hospital patients or individuals with single-use needs, reducing the cost of use and increasing user willingness. This will also help avoid concerns about cross-infection resulting from repeated use.

ii. At the end of 2023, we submitted a medical device license application for both the iOS & Android versions of the CGM App. It is expected to submit a medical device license application for the CGM Partner App and the Diabetes Management System (DMS) in 2024, so that our families and friends can work with the medical professionals to assist diabetic patients in controlling blood sugar, achieving the optimization of benefits in blood sugar management.

iii. 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.

iv. The Company's Board of Directors has approved a capital investment of 660 million NTD to continue building its own automated CGM production equipment. By the end of 2024, the company will complete the establishment of production machinery and equipment with an annual production capacity of 5 million CGMs. Production capacity will be gradually expanded in response to business needs.

2. 2023 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). Establish an automated production line with an intelligent manufacturing execution system and the 6σ spirits of corporate culture, striving for the highest quality to ensure users can use it at ease and live freely and comfortably

(c). Within the existing operational resources, besides maintaining the growth dynamics of current customers, we still actively explore new niche markets. By identifying potential distributors and agents, we devise strategic planning and expand the market share.

(d). 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.

(e). Actively establish "local production" customers, expanding the company's product market share in specific regions and deepening cooperative relationships with customers.

(f). Strengthen the company's own private brand in various countries through market positioning in e-commerce, thus increasing brand exposure and company recognition.

(g). Continuously develop network-enabled blood glucose meters and their application in iOS and Android operating systems, including mobile Apps and telemedicine cloud service systems.

(h). Enhance supply chain management to improve product quality and reduce costs effectively.

(i). Continuously create and apply for different international patents to increase product value and enhance international competitiveness.

(j). 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 sales volume is estimated according to conditions as follows: sales results of 2023, 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, we continue to develop new customers and grasp the order status of existing customers. In addition to the order system and production and sales meetings, the production capacity mechanism can be adjusted and expanded at any time to meet the capacity and delivery time requirements of customers.

(b). Effective supplier management planning and the establishment of a systematic price inquiry mechanism can strengthen inventory management and price negotiation, and keep stable delivery. This can ensure a stable and efficient supply chain to meet customer needs and gain a competitive advantage 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). Continuously research and enhance Continuous Glucose Monitors (CGM) and execute international clinical trials in different countries.

(b). Expand business with international major manufacturers with the CDMO (Contract Development and Manufacturing Organization) model of business collaborations.

(c). The Company invests in establishing automated machines and an intelligent management and control system, replicating the performance of the first automated equipment to expand the production line. This ensures that the production capacity can meet international business requirements.

(d). Strengthen research and development capabilities to enhance product performance and quality, ensuring users can use our products at ease and live freely and comfortably.

(e). In response to international ESG trends, Bionime will be ahead of the current domestic regulatory timeline and will gradually complete ISO 14064-1, ISO 50001, and ISO 14067 certifications from 2024 to 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%.

Bionime is aiming to cut costs by establishing a highly automated production line, and protecting its intellectual property rights by creating sufficient patent families. 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 current overall global business environment is full of uncertainty and volatility. Companies need to continuously focus on the changes in the global economy, politics, and society, as well as developments in emerging technologies and awareness of environmental protection. Flexible measures should be taken to enhance the competitiveness of the company and mitigate risks that come from these changes.

The competitive environment of the medical equipment industry presents both challenges and opportunities. To win market shares and ensure sustainable growth, Bionime needs to enhance its competitiveness through innovation, cost control, brand promotion, market segmentation, and compliance with laws and regulations.

While pursuing corporate growth, the Company not only strives to maximize the benefits of shareholders, but also highly emphasizes on ESG (Environmental, social and governance) corporate responsibilities. We will actively follow the various indicators provided by the competent authority and will publish an ESG sustainability report in 2025 to meet the expectations of all stakeholders.

We would like to thank our colleagues, 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 Supervisor: Chen, Ya-Wen

【Attachment 2：The audit committee Review Report】

Bionime Corporation

The audit committee Review Report

Appropriate

The Board of Directors made the Company’s 2023 business report, consolidated financial statements, parent company only financial statements and appropriation of earnings, among which the consolidated financial statements and the parent company only financial statements were certified by the accountants who are KPMG International Cooperative Chen,Yen-Hui and Kuo,Shyh-Huar and issued a verification report. The above-mentioned business report, financial statements and appropriation of earnings are approved by the Audit Committee, and it is considered that there is no disagreement, and in accordance with Article 219 of the Company Act made a report, please review it.

To
2024 Annual General Shareholders’ Meeting of Bionime Corporation

Chairman of the audit committee：Zeng Hui-Jin

March 14, 2024

【Attachment 3：Report on Directors' Remuneration in 2023】

Explanation：The remuneration received by the directors of our company, including the remuneration policy, individual remuneration details, amounts, and their correlation with operational performance, is as follows:

(1).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“.。

(a). 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. Submit to the Compensation Committee for review and the Board of Directors for resolution, and report to the Shareholders' Meeting.

(b). Traveling allowances:

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

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

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

(iv) 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).Most Recent (2023) 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 (%)		Relevant remuneration received by directors who are also employees								Ratio of total compensation (A+B+C+D+E+F+G) to net income (%)		Compensation paid from an invested company other than the company's subsidiary
		Base Compensation（A）		Severance Payment（B）		Directors Compensation（C）		Business Execution Expenses（D）				Salary, Bonuses and Allowances（E）		Severance Payment（F）		Employee Compensation（G）						
		The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company		All companies in the consolidated financial statement		The Company	All companies in the consolidated financial statement	
																Cash	Stock	Cash	Stock			
Chairman	Huang,Chun-Mu	0	0	0	0	0	0	300	300	300 4.83%	300 4.83%	2,943	2,943	0	0	0	0	0	0	3,243 52.24%	3,243 52.24%	None
Director	Hua Eng Wire & Cable Co., Ltd.	0	0	0	0	0	0	240	240	240 3.87%	240 3.87%	0	0	0	0	0	0	0	0	240 3.87%	240 3.87%	None
	Hua Eng Wire & Cable Co., Ltd. Representative: Liou,Xiu-Mei	0	0	0	0	0	0	50	50	50 0.81%	50 0.81%	0	0	0	0	0	0	0	0	50 0.81%	50 0.81%	None
Director	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 4.67%	290 4.67%	0	0	0	0	0	0	0	0	290 4.67%	290 4.67%	None

	Tonghua Dongbao Pharmaceutical Co., Ltd. Representative :Zhang,Wen-Hai	0	0	0	0	0	0	290	290	290 4.67%	290 4.67%	0	0	0	0	0	0	0	0	290 4.67%	290 4.67%	None
Director	Yanben Investment Co., Ltd.	0	0	0	0	0	0	290	290	290 4.67%	290 4.67%	0	0	0	0	0	0	0	0	290 4.67%	290 4.67%	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
Director	Baijue Investment Co., Ltd. (Dismissed on 2023.4.30)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
	Baijue Investment Co., Ltd. Representative: Tai,Tsung-Kai (Dismissed on 2023.4.30)	0	0	0	0	0	0	100	100	100 1.61%	100 1.61%	0	0	0	0	0	0	0	0	100 1.61%	100 1.61%	None
Independent director	Zeng Hui-Jin	0	0	0	0	0	0	380	380	380 6.12%	380 6.12%	0	0	0	0	0	0	0	0	380 6.12%	380 6.12%	None
Independent director	Liu Mei-An	0	0	0	0	0	0	380	380	380 6.12%	380 6.12%	0	0	0	0	0	0	0	0	380 6.12%	380 6.12%	None
Independent director	Chen Rui-Xin	0	0	0	0	0	0	380	380	380 6.12%	380 6.12%	0	0	0	0	0	0	0	0	380 6.12%	380 6.12%	None
Independent director	Lai Chun-Ling (Newly-elected on 2023.6.30)	0	0	0	0	0	0	160	160	160 2.58%	160 2.58%	0	0	0	0	0	0	0	0	160 2.58%	160 2.58%	None

【Attachment 4：Independent Audit Report and 2023 Consolidated Financial Statements】

Independent Auditors' Report

To the Board of Directors of Bionime Corporation

Opinion

We have audited the consolidated financial statements of Bionime Corporation ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Auditor and Aetestation Engagrments of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

1. Revenue recognition

   The accounting principle of revenue recognition, refer to consolidated financial statements Note 4 (m); The explanation about revenue recognition, refer to consolidated financial statements Note 6 (u).

Description of key audit matters:

The Group's revenue are from sales of blood glucose meter and test strips to domestic and foreign clients such as hospitals, dealers and pharmacies. Most of them are foreign clients. As industry peculiarities, clients in higher latitude countries tend to purchase more and increase their inventory at the end of the year in order to prevent the risk of paralysis of shipment due to frozen water in the winter. As a result, the revenue at the end of the year is higher causing the transactions before and after the balance sheet date to have material impact on financial reporting.

Therefore, testing whether revenue was recognized in the correct period is one of our key audit matters.

<u>How the matter was addressed in our audit</u>

Our principal audit procedures included: testing the Group's efficacy on the design and operation of internal controls surrounding revenue, which includes confirming the terms in the sales contract to ensure the revenue is being recorded accurately; selecting the sales transaction before and after the balance sheet date on a sample basis, inspecting the related accounting documents, as well as evaluating whether the revenue is recorded in the appropriated period.

2. Assessment of Inventory

The accounting principle of inventory, refer to consolidated financial statements Note 4 (h)"inventories", the assessment of accounting estimate and assumption uncertainty, refer to consolidated financial statements Note 5 (a); the explanation of inventory assessment refers to consolidated financial statements Note 6 (e).

Description of key audit matters:

The Group's inventories are measured at the lower of cost and net realizable value. However, the cost of inventory might exceed its net realizable value due to the rapid advancement in technology and the changes in market demand. Therefore, inventory evaluation is one of our key audit matters.

<u>How the matter was addressed in our audit</u>

Our principal audit procedures included: assessing the Group's allowance amount of inventory according to its characteristics; including conducting sampling to examine accuracy of inventory aging; assessing the Group's inventory decline or rationality of debt ratio; examine accuracy of allowance amount of inventory past for past years, and comparing with this period, in order to assess whether estimation method for this period is presented fairly.

3. Assessment of Intangible Assets impairment

For the accounting principle of Intangible Assets-Patent, assessment on accounting estimate and assumption uncertainty, and explanation of Intangible Assets assessment, please refers to Note 4 (k) "Intangible Assets", Note 5 (b), and Note 6 (h), respectively.

Description of key audit matters:

Since the Group's Intangible Assets- Patent at fair value amounted to $628,559 thousand, the management assessed the impairment test based on the provisions of International Accounting Standards No. 36 "Assets impairment". As the cash generating units determine the recoverable amount relating to future annual budget estimates, this subjective judgment is an accounting estimate with highly estimated uncertainty. Therefore, the Group's intangible assets have been identified as one of our key audit matters.

How the matter was addressed in our audit:

Our principal audit procedures included:
Assessing the reasonableness of the evaluation methods and assumptions used by the management and the calculation of the recoverable amount to ensure they are similar to the Company's current situation and the industry to which it belongs, and whether they are re-executed and checked.

Other Matter

The Company has prepared its parent-company-only-financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, SIC, endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the audit committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Yen-Hui Chen and Shyb-Huar, Kuo.

KPMG

Taipei, Taiwan (Republic of China)
March 14, 2024

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

BIONIME CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
Current assets:				
Cash and cash equivalents (note 6 (a))	$ 391,821	7	214,489	4
Note receivables, net (note 6 (c))	6,365	-	11,003	-
Trade receivable, net (note 6 (c))	503,322	10	659,406	13
Trade receivable-related parties, net (note 6 (c) and 7)	10,701	-	22,409	2
Other receivables (note 6 (d))	7,357	-	7,157	-
Inventories (note 6 (e))	491,259	9	538,434	11
Prepayments (note 9 (b))	122,056	2	102,725	2
Other curredt assets (note 6 (i))	26,965	1	17,604	2
Other current financial assets (note 6 (i) amd 8)	57,392	1	63,388	1
	1,617,238	30	1,636,615	33
Non-current assets:				
Non-current financial assets at fair value through other comprehensive income (note 6 (b))	55,816	1	36,100	1
Property, plant and equipment (note 6 (f) and 8)	2,472,174	47	2,472,543	50
Right-of-use assets (note 6 (g))	19,358	-	9,431	-
Intangible assets (note 6 (h))	643,672	12	506,846	10
Deferred income tax assets (note 6 (q))	95,381	2	56,360	1
Prepayments for business facilities	357,698	7	218,532	4
Guarantee deposits paid	5,113	-	5,253	-
Defined benefit assets, net (note 6 (p))	2,642	-	2,070	-
Other non-current assets (note 6 (i))	31,483	1	39,311	1
	3,683,337	70	3,346,446	67
Total assets	$ 5,300,575	100	4,983,061	100

Liabilities and Equity	December 31, 2023 Amount	%	December 31, 2022 Amount	%
Current liabilities:				
Short-term borrowings (note 6 (k) and 8)	$ 404,872	8	352,027	7
Short-term notes and bills payable (note 6 (j))	99,866	2	-	-
Notes payable	925	-	925	-
Trades payable	147,685	3	179,193	4
Other payables	317,528	6	408,312	8
Other payables related parties(note 7)	518	-	444	-
Payable on machinery and equipment	9,914	-	21,935	-
Current income tax liabilities	5,433	-	6,403	-
Current lease liabilities (note 6 (o))	9,887	-	3,862	-
Other current liabilities(note 6 (m) and (u))	8,072	-	15,128	-
Long-term borrowings, current portion (note 6 (n) and 8)	604,301	11	422,731	9
	1,609,001	30	1,410,960	28
Non-Current liabilities:				
Long-term borrowings (note 6 (n) and 8)	1,686,997	32	1,484,992	30
Deferred income tax liabilities (note 6 (q))	469	-	279	-
Non-current lease liabilities (note 6 (o))	10,348	-	5,664	-
Guarantee deposits received	558	-	630	-
	1,698,372	32	1,491,565	30
Total liabilities	3,307,373	62	2,902,525	58
Equity attributable to owners of parent:(note 6 (r))				
Ordinary share	608,202	12	606,870	12
Advance receipts for share capital	6,550	-	3,405	-
Capital surplus	1,208,821	23	1,302,633	26
Retained earnings	146,071	3	163,030	4
Other equity	16,388	-	(3,513)	-
Total equity attributable to owners of parent:	1,986,032	38	2,072,425	42
Non-controlling interests	7,170	-	8,111	-
Total equity	1,993,202	38	2,080,536	42
Total liabilities and equity	$ 5,300,575	100	4,983,061	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

BIONIME CORPORATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, except for earnings per share)

	2023			2022	
		Amount	**%**	**Amount**	**%**
Net sales revenue (note 6 (u) and 7)	$	1,755,567	100	2,210,589	100
Operating costs(note 6 (e), (h), (p) and (v))		1,039,917	59	1,206,463	55
Gross profit from operations		715,650	41	1,004,126	45
Operating expenses (note 6 (c), (n), (o), (p), (v) and 7))					
Selling expenses		279,359	16	399,511	18
Administrative expenses		243,806	14	241,634	11
Research and development expenses		242,338	14	201,977	9
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS9		(36,514)	(2)	29,587	1
		728,989	42	872,709	39
Net operating income		(13,339)	(1)	131,417	6
Non-operating income and expenses (note 6 (w)) :					
Interest income		4,319	-	943	-
Other income		20,153	1	3,921	-
Other gains and losses		5,226	-	(19,150)	(1)
Finance costs (note 6 (o))		(48,234)	(2)	(30,648)	(1)
		(18,536)	(1)	(44,934)	(2)
(Loss) profit before income tax		(31,875)	(2)	86,483	4
Less: tax income (note 6 (q))		(38,406)	(2)	(5,337)	-
(Loss) profit		6,531	-	91,820	4
Other comprehensive income:					
Items that may not be reclassified subsequently to profit or loss					
Gains (losses) on remeasurements of defined benefit plans		(63)	-	1,453	-
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		19,716	1	-	-
Components of other comprehensive income that will not be reclassified to profit or loss		19,653	1	1,453	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign financial statements		(68)	-	14,970	1
Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6 (p))		-	-	-	-
Components of other comprehensive income that will be reclassified to profit or loss		(68)	-	14,970	1
Other comprehensive income (after tax)		19,585	1	16,423	1
Comprehensive income	**$**	**26,116**	**1**	**108,243**	**5**
Profit attributable to:					
Owners of parent	$	6,209	-	91,025	4
Non-controlling interests		322	-	795	-
Profit	**$**	**6,531**	**-**	**91,820**	**4**
Comprehensive income attributable to:					
Owners of parent	$	26,047	1	107,190	5
Non-controlling interests		69	-	1,053	-
Comprehensive income	$	26,116	1	108,243	5
Basic per share (NT dollars) (note6 (t))					
Basic earnings per share	**$**		**0.10**		**1.50**
Diluted earnings per share	**$**		**0.10**		**1.48**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

BIONIME CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent														
	Share capital				Retained earnings				Other equity interest						
	Ordinary shares	Preference share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance on January 1, 2022	$ 622,888	15,083	637,971	1,362,223	126,064	11,757	87,700	225,521	(18,225)	-	(18,225)	(138,141)	2,069,349	6,728	2,076,077
Profit for the year ended December 31, 2022	-	-	-	-	-	-	91,025	91,025	-	-	-	-	91,025	795	91,820
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	1,453	1,453	14,712	-	14,712	-	16,165	258	16,423
Comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	92,478	92,478	14,712	-	14,712	-	107,190	1,053	108,243
Appropriation and distribution of retained earnings:															
Legal reserve appropriated	-	-	-	-	8,735	-	(8,735)	-	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	-	-	3,030	(3,030)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	(75,753)	(75,753)	-	-	-	-	(75,753)	-	(75,753)
Retirement of treasury share	(20,000)	-	(20,000)	(38,991)	-	-	(79,150)	(79,150)	-	-	-	138,141	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	-	-	(15)	-	-	(66)	(66)	-	-	-	-	(81)	-	(81)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	330	330
Employee stock options compensation costs	-	-	-	7,852	-	-	-	-	-	-	-	-	7,852	-	7,852
Employee stock options exercised	3,982	(20,997)	(17,015)	17,015	-	-	-	-	-	-	-	-	-	-	-
Advance receipts for share capital	-	9,319	9,319	-	-	-	-	-	-	-	-	-	9,319	-	9,319
Cash dividends of capital surplus	-	-	-	(45,451)	-	-	-	-	-	-	-	-	(45,451)	-	(45,451)
Balance at December 31, 2022	$ **606,870**	**3,405**	**610,275**	**1,302,633**	**134,799**	**14,787**	**13,444**	**163,030**	**(3,513)**	**-**	**(3,513)**	**-**	**2,072,425**	**8,111**	**2,080,536**
Balance at January 1,2023	$ 606,870	3,405	610,275	1,302,633	134,799	14,787	13,444	163,030	(3,513)	-	(3,513)	-	2,072,425	8,111	2,080,536
Profit for the year ended December 31, 2023	-	-	-	-	-	-	6,209	6,209	-	-	-	-	6,209	322	6,531
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	-	-	(63)	(63)	185	19,716	19,901	-	19,838	(253)	19,585
Comprehensive income for the year ended December 31, 2023	-	-	-	-	-	-	6,146	6,146	185	19,716	19,901	-	26,047	69	26,116
Appropriation and distribution of retained earnings:															
Legal reserve appropriated	-	-	-	-	1,326	-	(1,326)	-	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	-	-	(11,274)	11,274	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	(23,105)	(23,105)	-	-	-	-	(23,105)	-	(23,105)
Subsidiaries cash dividends on ordinary share	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,010)	(1,010)
Employee stock options compensation costs	-	-	-	4,781	-	-	-	-	-	-	-	-	4,781	-	4,781
Employee stock options exercised	1,332	(7,319)	(5,987)	5,987	-	-	-	-	-	-	-	-	-	-	-
Advance receipts for share capital	-	10,464	10,464	-	-	-	-	-	-	-	-	-	10,464	-	10,464
Cash dividends of capital surplus	-	-	-	(104,580)	-	-	-	-	-	-	-	-	(104,580)	-	(104,580)
Balance at December 31, 2023	$ **608,202**	**6,550**	**614,752**	**1,208,821**	**136,125**	**3,513**	**6,433**	**146,071**	**(3,328)**	**19,716**	**16,388**	**-**	**1,986,032**	**7,170**	**1,993,202**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

BIONIME CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from (used in) operating activities:		
Profit before tax	$ (31,875)	86,483
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	151,327	142,162
Amortization expense	12,095	11,070
Expected credit (gain) loss	(36,514)	29,587
Interest expense	48,234	30,648
Interest revenue	(4,319)	(943)
Share-based payments transactions	4,781	7,852
Loss from disposal of property, plant and equipment	12	4,173
Gain on disposal of investments	-	13
Total adjustments to reconcile profit	175,616	224,562
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes receivable	4,638	5,770
Trade receivable	192,598	(332,136)
Trade receivable due from related parties	11,708	(22,409)
Other receivables	(200)	(2,166)
Inventories	47,175	49,772
Other operating assets	(21,499)	(5,140)
	234,420	(306,309)
Changes in operating liabilities:		
Notes payable	-	71
Trade payable	(31,508)	28,060
Other payable due from related parties	(91,185)	136,202
Other payables due from related parties	74	(3,685)
Other operating liabilities	(7,056)	7,165
	(129,675)	167,813
Total changes in operating assets and liabilities	104,745	(138,496)
Total adjustments	280,361	86,066
Cash inflow generated from operations	248,486	172,549
Interest received	4,319	1,055
Interest paid	(47,967)	(29,457)
Income taxes returned (paid)	(1,395)	(1,855)
Net cash flows from (used in) operating activities	203,443	142,292
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(81,416)	(45,159)
Proceeds from disposal of property, plant and equipment	-	4,485
Increase (Decrease) in refundable deposits	140	(257)
Acquisition of intangible assets	(148,316)	(175,246)
Decrease in other financial assets	5,996	(3,563)
Increase in prepayments for business facilities	(211,665)	(92,516)
Net cash flows from (used in) investing activities	(435,261)	(312,256)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	1,776,731	2,358,152
Decrease in short-term borrowings	(1,712,530)	(2,516,840)
Increase in short-term notes and bills payable	1,400,000	1,100,000
Decrease in short-term notes and bills payable	(1,300,000)	(1,100,000)
Proceeds from long-term borrowings	1,200,000	1,000,000
Repayments of long-term borrowings	(816,425)	(609,568)
Decrease in guarantee deposits received	(72)	(320)
Payment of lease liabilities	(9,068)	(6,153)
Cash dividends paid	(127,685)	(121,204)
Proceeds from exercise of employee share options	10,464	9,319
Proceeds from exercise of employee share options	(1,010)	249
Net cash flows from (used in) financing activities	420,405	113,635
Effect of exchange rate changes on cash and cash equivalents	(11,255)	17,733
Net decrease in cash and cash equivalents	177,332	(38,596)
Cash and cash equivalents at beginning of period	214,489	253,085
Cash and cash equivalents at end of period	**$ 391,821**	**214,489**

See accompanying notes to consolidated financial statements.

【Attachment 5：Independent Auditors' Report and 2023 Parent Company Only Financial Statements】

Independent Auditors' Report

To the Board of Directors of Bionime Corporation:

Opinion

We have audited the financial statements of Bionime Corporation ("the Company"), which comprise the balance sheets as of December 31, 2023 and 2022, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statements Audit and Attestation Engagement of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

We have determined the matter described below to be the key audit matters to be communicated in our report.

1. Revenue Recognition

   The accounting principle of revenue recognition, refer to financial statements Note 4 (m); The explanation about revenue recognition, refer to financial statements Note 6 (u).

Description of key audit matters:

The Company's revenue are from sales of blood glucose meter and test strips to domestic and foreign clients such as hospitals, dealers and pharmacies. Most of them are foreign clients. As industry peculiarities, clients in higher latitude countries tend to purchase more and increase their inventory at the end of the year in order to prevent the risk of paralysis of shipment due to frozen water in the winter. As a result, the revenue at the end of the year is higher causing the transactions before and after the balance sheet date to have material impact on financial reporting.

Therefore, testing whether revenue was recognized in the correct period is one of our key audit matters.

How the matter was addressed in our audit

Our principal audit procedures included: testing the Company's efficacy on the design and operation of internal controls surrounding revenue, which includes confirming the terms in the sales contract to ensure the revenue is being recorded accurately; selecting the sales transaction before and after the balance sheet date on a sample basis, inspecting the related accounting documents, as well as evaluating whether the revenue is recorded in the appropriated period.

2. Assessment of Inventory

The accounting principle of inventory, refer to financial statements Note 4 (g) "inventories", the assessment of accounting estimate and assumption uncertainty, refer to financial statements Note 5 (a); the explanation of inventory assessment refers to financial statements Note 6 (e).

Description of key audit matters:

The Company's inventories are measured at the lower of cost and net realizable value. However, the cost of inventory might exceed its net realizable value due to the rapid advancement in technology and the changes in market demand. Therefore, inventory evaluation is one of our key audit matters.

How the matter was addressed in our audit

Our principal audit procedures included: assessing the Company's allowance amount of inventory according to its characteristics, including conducting sampling test to examine accuracy of inventory aging; assessing the Company's inventory decline or rationality of debt ratio; examining accuracy of allowance amount of inventory for past years, and comparing with this period, in order to assess whether estimation method for this period is presented fairly.

3. Assessment of Intangible Assets impairment

For the accounting principle of Intangible Assets-Patent, assessment on accounting estimate and assumption uncertainty, and explanation of Intangible Assets assessment, please refers to Note 4 (k) "Intangible Assets", Note 5 (b), and Note 6 (i), respectively.

Description of key audit matters:

Since the Company's Intangible Assets- Patent at fair value amounted to $628,559 thousand, the management assessed the impairment test based on the provisions of International Accounting Standards No. 36 "Assets impairment". As the cash generating units determine the recoverable amount relating to future annual budget estimates, this subjective judgment is an accounting estimate with highly estimated uncertainty. Therefore, the Company's intangible assets have been identified as one of our key audit matters.

How the matter was addressed in our audit:

Our principal audit procedure included:
Assessing the reasonableness of the evaluation methods and assumptions used by the management and the calculation of the recoverable amount to ensure they are similar to the Company's current situation and the industry to which it belongs, and whether they are re-executed and checked.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’ s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the audit committee) are responsible for overseeing the Company’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information on the investment in other entities accounted for using the equity method to express an opinion on this financial statement. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Yen-Hui Chen and Shyh-Huar, Kuo.

KPMG

Taipei, Taiwan (Republic of China)
March 14, 2024

Notes to Readers

The accompanying financial statements are intended only to present the statement of financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements and Report Originally Issued in Chinese)

BIONIME CORPORATION

Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
Current assets:				
Cash and cash equivalents (note 6 (a))	$ 261,807	5	139,821	3
Notes receivable, net (note 6 (c))	6,365	-	11,003	-
Trade receivable, net (note 6 (c))	479,789	9	631,637	13
Trade receivables-related parties, net (note (c) and 7)	51,905	1	54,472	1
Other receivables (note 6 (d) and 7)	5,993	-	6,662	-
Other receivables-related parties (note 6 (d) and 7)	108	-	135	-
Inventories (note 6 (e))	437,487	8	478,321	10
Prepayments (note 9 (b))	119,091	2	100,385	2
Other current assets (note 6 (j))	23,969	-	14,192	-
Other current financial assets (note 6 (j) and 8)	200	-	200	-
	1,386,714	25	1,436,828	29
Non-current assets:				
Non-current financial assets at fair value through other comprehensive income (note 6 (b))	55,816	1	36,100	1
Investments accounted for using equity method (note 6 (f))	235,933	5	221,466	4
Property, plant and equipment (note 6 (g) and 8)	2,463,225	47	2,462,556	50
Right-of-use assets (note 6 (h))	1,983	-	3,430	-
Intangible assets (note 6 (i))	643,560	12	506,720	10
Deferred income tax assets (note 6 (q))	95,381	2	56,360	1
Prepayments for business facilities	357,697	7	218,532	4
Guarantee deposits paid	3,074	-	2,864	-
Defined benefit asset, net (note 6 (p))	2,642	-	2,070	-
Other non-current assets (note 6 (j))	30,819	1	38,365	1
	3,890,130	75	3,548,463	71
Total assets	$ 5,276,844	100	4,985,291	100

Liabilities and Equity	December 31, 2023 Amount	%	December 31, 2022 Amount	%
Current liabilities:				
Short-term borrowings (note 6 (I) and 8)	$ 404,872	8	352,027	7
Short-term notes and bills payable (note 6 (k))	99,866	2	-	-
Notes payables	925		925	
Trade payables	142,877	3	175,951	4
Other payables(note 6 (p))	297,294	5	392,100	8
Other payables-related parties (note 7)	30,448	1	39,948	1
Payables on machinery and equipment	9,914		21,935	
Current income tax liabilities	6,514	-	6,627	-
Current lease liabilities (note 6 (o))	1,178	-	1,441	-
Other current liabilities (note 6 (m)、(u) and 7)	4,511	-	12,022	-
Long-term borrowings, current portion (note 6 (n) and 8)	604,301	11	422,731	9
	1,602,700	30	1,425,707	29
Non-Current liabilities:				
Long-term borrowings (note 6 (n) and 8)	1,686,997	32	1,484,992	30
Deferred income tax liabilities (note 6 (q))	287	-	160	-
Non-current lease liabilities (note 6 (o))	824	-	2,003	-
Guarantee deposits received	4	-	4	-
	1,688,112	32	1,487,159	30
Total liabilities	3,290,812	62	2,912,866	59
Equity (note 6 (r))				
Ordinary shares	608,202	12	606,870	12
Advance receipts for share capital	6,550	-	3,405	-
Capital surplus	1,208,821	23	1,302,633	26
Retained earnings	146,071	3	163,030	3
Other equity interest	16,388	-	(3,513)	-
Total equity	1,986,032	38	2,072,425	41
Total liabilities and equity	$ 5,276,844	100	4,985,291	100

See accompanying notes to financial statements.

(English Translation of Financial Statements and Report Originally Issued in Chinese)

BIONIME CORPORATION

Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, except for earnings per share)

	2023		2022	
	Amount	%	Amount	%
Net operating revenues (note 6 (u) and 7)	$ 1,615,749	100	2,071,747	100
Operating costs (note 6 (e), (i), (p)) and (v))	997,825	62	1,167,964	56
Gross profit from operations	617,924	38	903,783	44
Less: Net unrealized (losses) gains between affiliates	269	-	82	-
Net Gross profit from operations	618,193	38	903,865	44
Operating expenses (note 6 (c), (i) (p), (s), (v) and 7)):				
Selling expenses	239,311	15	371,977	18
Administrative expenses	201,496	12	196,866	10
Research and development expenses	242,338	15	201,977	10
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	(36,514)	(2)	29,587	1
	646,631	40	800,407	39
Net operating income	(28,438)	(2)	103,458	5
Non-operating income and expenses (note 6 (w)):				
Interest income	1,491	-	316	-
Other income	20,180	1	3,231	-
Other gains and losses	5,302	-	(5,168)	-
Finance costs(note 6 (o))	(47,086)	(3)	(30,460)	(1)
Share of profit of associates accounted for using equity method	15,872	1	12,992	1
	(4,241)	(1)	(19,089)	-
Profit before income tax	(32,679)	(3)	84,369	5
Less: tax income (note 6 (q))	(38,888)	(2)	(6,656)	-
Profit	6,209	(1)	91,025	5
Other comprehensive income:				
Items that may not be reclassified subsequently to profit or loss				
Gains (losses) on remeasurements of defined benefit plans	(63)	-	1,453	-
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	19,716	1	-	-
	19,653	1	1,453	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign financial statements	185	-	14,712	1
Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6 (q))	-	-	-	-
Components of other comprehensive income that will be reclassified to profit or loss	185	-	14,712	1
Other comprehensive income (after tax)	19,838	1	16,165	1
Comprehensive income	**$ 26,047**	**-**	**107,190**	**6**
Earnings per share (NT dollars) (note 6 (t))				
Basic earnings per share	**$**	**0.10**		**1.50**
Diluted earnings per share	**$**	**0.10**		**1.48**

See accompanying notes to financial statements.

(English Translation of Financial Statements and Report Originally Issued in Chinese)

BIONIME CORPORATION

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Share capital				Retained earnings				Other equity interest				
	Ordinary shares	Advance receipts for share capital	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity
Balance on January 1, 2022	$ 622,888	15,083	637,971	1,362,223	126,064	11,757	87,700	225,521	(18,225)	-	(18,225)	(138,141)	2,069,349
Profit for the year ended December 31, 2022	-	-	-	-	-	-	91,025	91,025	-	-	-	-	91,025
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-	1,453	1,453	14,712	-	14,712	-	16,165
Comprehensive income for the year ended December 31,2022	-	-	-	-	-	-	92,478	92,478	14,712	-	14,712	-	107,190
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	-	-	8,735	-	(8,735)	-	-	-	-	-	-
Special reserve	-	-	-	-	-	3,030	(3,030)	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	-	-	(75,753)	(75,753)	-	-	-	-	(75,753)
Retirement of treasury stocks	(20,000)	-	(20,000)	(38,991)	-	-	(79,150)	(79,150)	-	-	-	138,141	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	-	-	(15)	-	-	(66)	(66)	-	-	-	-	(81)
Employee stock options compensation costs	-	-	-	7,852	-	-	-	-	-	-	-	-	7,852
Employee stock options exercised	3,982	(20,997)	(17,015)	17,015	-	-	-	-	-	-	-	-	-
Advance receipts for share capital	-	9,319	9,319	-	-	-	-	-	-	-	-	-	9,319
Cash dividends of capital surplus	-	-	-	(45,451)	-	-	-	-	-	-	-	-	(45,451)
Balance on December 31, 2022	**$ 606,870**	**3,405**	**610,275**	**1,302,633**	**134,799**	**14,787**	**13,444**	**163,030**	**(3,513)**	**-**	**(3,513)**	**-**	**2,072,425**
Balance on January 1, 2023	$ 606,870	3,405	610,275	1,302,633	134,799	14,787	13,444	163,030	(3,513)	-	(3,513)	-	2,072,425
Profit for the year ended December 31, 2023	-	-	-	-	-	-	6,209	6,209	-	-	-	-	6,209
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	-	-	(63)	(63)	185	19,716	19,901	-	19,838
Comprehensive income for the year months ended December 31, 2023	-	-	-	-	-	-	6,146	6,146	185	19,716	19,901	-	26,047
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	-	-	1,326	-	(1,326)	-	-	-	-	-	-
Special reserve	-	-	-	-	-	(11,274)	11,274	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	-	-	(23,105)	(23,105)	-	-	-	-	(23,105)
Employee stock options compensation costs	-	-	-	4,781	-	-	-	-	-	-	-	-	4,781
Employee stock options exercised	1,332	(7,319)	(5,987)	5,987	-	-	-	-	-	-	-	-	-
Advance receipts for share capital	-	10,464	10,464	-	-	-	-	-	-	-	-	-	10,464
Cash dividends of capital surplus	-	-	-	(104,580)	-	-	-	-	-	-	-	-	(104,580)
Balance on December 31, 2023	**$ 608,202**	**6,550**	**614,752**	**1,208,821**	**136,125**	**3,513**	**6,433**	**146,071**	**(3,328)**	**19,716**	**16,388**	**-**	**1,986,032**

See accompanying notes to financial statements.

(English Translation of Financial Statements and Report Originally Issued in Chinese)

BIONIME CORPORATION

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from (used in) operating activities:		
Profit before tax	$ (32,679)	84,369
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	141,422	136,347
Amortization expense	12,067	11,036
Expected credit loss (gain)	(36,514)	29,587
Interest expense	47,086	30,460
Interest revenue	(1,491)	(316)
Share-based payments transactions	4,781	7,852
Share of loss (profit) of subsidiaries,associates and joint ventures accounted for using equity method	(15,872)	(12,992)
Loss (gain) on disposal of property, plant and equipment	(94)	3,994
Gain on disposal of investments	-	13
Net unrealized gains between affiliates	(269)	(82)
Total adjustments to reconcile profit	151,116	205,899
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes receivables	4,638	5,770
Trade receivables	188,362	(325,234)
Trade receivables due from related parties	2,567	16,150
Other receivables	669	(2,048)
Other receivables due from related parties	27	(135)
Inventories	40,834	50,471
Other operating assets	(21,572)	(5,858)
Total changes in operating assets	215,525	(260,884)
Changes in operating liabilities:		
Notes payables	-	71
Trade payables	(33,074)	27,000
Other payables	(95,207)	135,718
Other payables due from related parties	(9,500)	14,905
Other operating liabilities	(7,511)	6,386
Total changes in operating liabilities	(145,292)	184,080
Total changes in operating assets and liabilities	70,233	(76,804)
Total adjustments	221,349	129,095
Cash inflow generated from operations	188,670	213,464
Interest received	1,491	316
Interest paid	(46,819)	(29,269)
Income taxes (paid) returned	(119)	(23)
Net cash flows from operating activities	143,223	184,488
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(80,776)	(44,370)
Proceeds from disposal of property, plant and equipment	-	4,485
Increase in refundable deposits	(210)	(689)
Acquisition of intangible assets	(148,300)	(175,246)
Increase in prepayments for business facilities	(211,664)	(92,516)
Dividends received	1,956	-
Net cash used in investing activities	(438,994)	(308,336)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	1,776,731	2,358,152
Decrease in short-term borrowings	(1,712,530)	(2,516,840)
Decrease in short-term notes and bills payable	1,400,000	1,100,000
Decrease in short-term notes and bills payable	(1,300,000)	(1,100,000)
Proceeds from long-term borrowings	1,200,000	1,000,000
Repayments of long-term borrowings	(816,425)	(609,568)
Payment of lease liabilities	(1,442)	(1,390)
Cash dividends paid	(127,685)	(121,204)
Proceeds from exercise of employee stock options	10,464	9,319
Net cash flows from (used in) financing activities	429,113	118,469
Effect of exchange rate changes on cash and cash equivalents	(11,356)	2,937
Net decrease in cash and cash equivalents	121,986	(2,442)
Cash and cash equivalents at beginning of period	139,821	142,263
Cash and cash equivalents at end of period	**$ 261,807**	**139,821**

See accompanying notes to financial statements.

【Attachment 6：Distribution of Earnings for 2023】

Bionime Corporation

Earnings Distribution Table

2023

（Unit: NTD＄）

Items	Total
Beginning retained earnings	**288,318**
Add(Less):	
Remeasurements of the net defined benefit plan	(63,843)
Net profit after tax	6,208,272
Reversal of Special reserves	184,303
Provision of Statutory reserves	(614,443)
Distributable net profit	6,002,607
Distributable items:	
Dividend to shareholders -Cash（NTD＄0.095 per share）	(5,795,132)
Unappropriated retained earnings	207,475
Notes:	

【Appendix 1：Article of Incorporation】

Article of Incorporation

Chapter 1-General

Article 1: The company is organized in accordance with the provisions of the Company Law Co., Ltd. and is named Bionime Corporation, Ltd.

Article 2: The business of the company is 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

Article 3: The Company may guarantee and transfer the investment externally depending on the needs of the business, and may be a limited liability shareholder of the company as determined by the Board of Directors. The total amount of the transferred investment shall be exempt from the paid-in capital of the company, unless provided limited 40 % by the law.

Article 4: The Company has a headquarter in Taichung. It may have a resolution of the Board of Directors to set up branches at home and abroad according to law if necessary.

Article 5: The announcement method of the Company shall be handled in accordance with Article 28 of the Company Law.

Chapter 2-Share

Article 6: The Company’s capital total amount is NT$1 billion, which is further divided into 100 million Shares, with the value per share NT$ 10, and the Board is authorized to issue shares in installments.

The first capital amount shall be retained in NT$ 90 million for the issuance of employee stock option vouchers, special stocks with warrants or company warrants with a total of NT$ 9 million, NT$ 10 per share, released separately. When the company's shares are legally purchased by the company, the Board of Directors is authorized to make regulations according to law.

The treasury stock purchased by the company may include controlled or dependent company employees who meet certain requirements. The company's employee warrants may include controlled or dependent company’s employees who meet certain requirements. The rights of new shares may include controlled or dependent company’s employees who meet certain requirements. When the company issues new shares, the employees of the acquired shares may include controlled or dependent company’s employees who meet certain requirements.

The requirements mentioned in the preceding section are authorized by the Board of Directors.

Article 7: The company's stock is registered in the name of the director. The representatives of directors signed or stamped and issued by the agency or its approved issuing and registration authority after the visa. It is exempted from printing stocks after the company publicly issues shares, but it should be registered with the centralized securities depository enterprise.

Article 8: After the public offering of shares by the Company, the share operations shall be handled in accordance with the “Guidelines for the Administration of Shares of Publicly Issued Stock Companies”.

Article 9: Within 30 days before the regular meeting of shareholders, within 15 days before the temporary meeting, or within 5 days before the date on which the company decides to distribute dividends or other benefits, the transfer of shares shall be suspended. After the company publicly issues shares, the company shall stop the stock transfer within 30 days before the meeting of the shareholders' temporary meeting within 60 days before the meeting of the shareholders' meeting.

Chapter 3-Shareholders' Meeting

Article 10: Shareholders will be divided into ordinary and extraordinary session two kinds, regular session once, within six months after the end of the year, according to the law by the Board of Directors convened every accounting, convened in extraordinary session if necessary according to the law every year. The convening of the shareholders' meeting shall be notified in accordance with the Company Law, the Securities Exchange Law and the relevant laws and regulations promulgated by the securities authorities. The convening notice of the shareholders' meeting is approved by the shareholders and can be acquired electronically.

When the company's shareholders' meeting is held, it may be held by video conference or other methods announced by the central competent authority.

Article 11: Shareholders unable to attend the shareholders' meeting, may, in accordance with Article 177 of the Company Act, issued power of attorney, appoint proxies to attend. After the company's public offering of shares, it is handled in accordance with the "Public Issuance Company's Participation in the Shareholders' Meeting Using the Power of Attorney Rules".

Article 12: When the shareholders' meeting meets, the chairman of the Board of Directors shall be the chairman. When the chairman absence, the chairman shall appoint one of the directors. If not appointed, the directors shall act as one agent for each other. When the shareholders of the company are only one person of the legal person, the powers of the shareholders' meeting of the Company shall be exercised by the Board of Directors and the shareholders' meeting of this Articles shall not apply.

Article 13: Each shareholder of the company has one vote per share.

Article 14: The resolutions of the shareholders' meeting, except as otherwise provided for in the company law and related laws and regulations, shall be attended by the shareholders who represent more than half of the total number of issued shares in person or by proxy, with the consent of more than half of the voting rights of the shareholders.

Article 15: The resolutions of the shareholders' meeting shall be made into a deliberation, signed or sealed by the chairman, and the minutes shall be distributed to the shareholders within 20 days after the meeting. The minutes of the meeting shall record the year, month, day, place of the meeting, the name of the chairman, the method of resolution, the essentials of the proceedings and the results of the meeting, and shall be kept forever during the company's existence. The attendance letter of the shareholders and the power of attorney to attend the shareholders shall be kept for at least one year. However, the case filed by the shareholders in accordance with Article 189 of the Company Law shall be kept until the end of the lawsuit. The production and distribution of the previous proceedings can be announced.

Chapter 4 -Director and the audit committee

Article 16: The company has 7-9 directors , all of whom are elected by the shareholders' meeting. They are appointed for a term of 3 years and are eligible for re-election. After the election, the Board of Directors may decide to purchase liability insurance for the directors of the company. After the company publicly issues shares, the total shareholding ratio of all directors shall be in accordance with the Company Law and the securities regulatory authority.

Article 16-1：The nomination system is used to the election of director (including independent director) , and the General meeting will elect from the candidate list.

About the number of independent directors in the above-mentioned directors shall not be less than two and shall not be less than 1/5 of the number of directors. The independent director shall adopt the nomination system for candidates and shall be independent by the shareholders' meeting. Elected from the list of candidates for directors. Nominated way elected means and other matters shall be handled relevant professional qualifications of independent directors, shareholders, part-time restrictions, recognized the independence of the pertinent regulations of the Securities Act and the provisions of the competent authority.

Article 16-2: After the company publicly issues shares, there shall be more than half of the seats between the directors. The directors shall not have one of the following relationships:

1. The spouse

2. Relatives within the second parent

Article 17: When the director's vacancy reaches 1/3, the Board of Directors shall convene a by-election of the shareholders' temporary meeting within the time limit prescribed by the law. The term of office is limited to the term of the original term.

Article 18: When the term of office of the directors expires and is not re-elected, he or she shall be extended to perform his duties until the election of the directors.

Article 19: Directors organize the Board of Directors, and the Board of Directors shall be represented by more than 2/3 of the directors and more than half of the directors, and one chairman shall be elected to perform all matters of the company in accordance with the resolutions of the laws, regulations, shareholders' meeting and the Board of Directors.

Article 20: The operating principle and other important matters, by resolution of the Board of Directors, in addition to each first Board of Directors convened in accordance with the Article 203 of the Company Law, the remaining convened by the chairman of the board and served as chairman. When the duties cannot be performed, the directors shall appoint one of the directors to act as agents. If they are not appointed, the directors shall appoint each other to act on their behalf. The company convened the Board of Directors to notify the directors and supervisors in writing, electronically (e-mail) and by fax.

Article 21: In addition to the Company Law, a board meeting shall be attended by more than half of the directors, with the consent of more than half of the directors. If the director is unable to attend for any reason, he/she shall be issued with a power of attorney stating the scope of the convening of the convening and entrusting other directors to attend the Board of Directors, but only one person shall be entrusted by one person. When the Board of Directors meets, it is possible for the video conference to be held. The directors who attend the meeting by video are deemed to be present in person.

Article 22: The proceedings of the Board of Directors shall be made into a deliberation record, signed or sealed by the chairman, and within 20 days after the meeting, the proceedings shall be distributed to the directors, and the proceedings shall record the essentials of the proceedings and their results. The record and the letter of attorney of the attending director and the power of attorney of the attendance are kept in the company. The production and distribution of the previous proceedings can be made electronically.

Article 23: The company establishes an audit committee in accordance with Article 14-4 of the Securities and Exchange Act, composed of all independent directors. The number, term of office, powers, rules of procedure, and other matters of the audit committee shall be separately formulated in accordance with the relevant provisions of the " Public Issuance Company’s Regulations on the Exercise of Powers by the Audit Committee" and the organization rules of the audit committee.

Article 23-1: The company's directors and the directors' salary and other allowances for the implementation of the company's business, regardless of operating profit and loss, can be authorized by the Board of Directors to set standard payment.

Chapter 5-Managers and Staff

Article 24: The Company has a general manager and a number of managers. The appointment and dismissal of the company is carried out by the Board of Directors with a majority of the directors.

Article 25: The company may appoint a consultant and an important staff member through the Board of Directors in accordance with the resolutions stipulated in Article 24 of the statute.

Article 26: Other employees of the Company shall be appointed and removed by the general manager in accordance with internal operations.

Chapter 6-Final Account

Article 27: At the end of the accounting year, the Board of Directors shall prepare as follows:

1. Business report
2. Financial statements
3. The proposal of surplus distribution or loss compensation, etc., and other tables are submitted to the general meeting of shareholders for recognition in accordance with the law.

Article 28: The Company shall distribute the remuneration of the employees at a rate not less than 1.5% of the profitability of the current year and shall be paid by the directors at a rate not higher than 3% of the profitability of the current year, but the company still has accumulated losses. Should be remedied. The profitability of the current year referred to in the preceding paragraph refers to the pre-tax profit of the year minus the benefits before the employee's remuneration and the compensation of the directors.

The distribution of employee compensation and compensation of the directors shall be reported by the Board of Directors with a resolution of more than 2/3 of the directors and a majority of the directors' attendance and report to the shareholders' meeting. Employee compensation is available in stock or cash, and is distributed to employees of subordinate companies who meet certain requirements or the control of requirements. This requirement authorizes the Board of Directors to fix it.

Article 28-1: If the company's total annual final accounts have a surplus, it should first pay taxes, make up for accumulated losses, and increase 10% into legal reserve. However, when the legal reserve has reached the total capital of the company , not limited to this. And in accordance with the law or the competent authority to provide or revolve special reserve, if there is still surplus, the balance of the accumulated undistributed surplus, the Board of Directors intends to have a distribution proposal , in the case of the issuance of new shares, which will be dispatched after the resolution of the shareholders' meeting.

In accordance with the Article 240, Section 5 of the Company Law, the Company authorizes the Board of Directors to attend more than 2/3 of the directors and the resolution of more than half of the directors, and shall distribute dividends and bonus or the Article 241, Section 1 of the Company Law, all or part of the legal reserve and capital reserve shall be paid in cash and reported to the shareholders' meeting.

The company's dividend policy will allocate the retained earnings to shareholders in the form of stock and cash dividends based on the company's future capital expenditure budget and capital demand. The cash dividend ratio shall not be less than 5% of the total dividends of the shareholders.

Article 28-2: After the company publicly issues shares, if there is a plan to revoke the public offering, it shall report to the shareholders meeting in 2/3 to pass the resolution, and will not change during the period of the cabinet and during the listing period.

Chapter 7-Supplementary Articles

Article 29: The company's organization procedures and rules of procedure shall be determined by the Board of Directors.

Article 30: Items not covered by the Articles of Association shall be handled in accordance with the Company Law and other laws and regulations.

Article 31: This Articles of Incorporation was drawn up on March 26, 2003.

First amendment was effected on May 20, 2003.

Second amendment was effected on November 5, 2003.

Third amendment was effected on June 30, 2004.

Fourth amendment was effected on February 21, 2005.

Fifth amendment was effected on March 10, 2005.

Sixth amendment was effected on March 16, 2006.

Seventh amendment was effected on June 29, 2007.

Fifteenth amendment was effected on June 20, 2019.

Sixteenth amendment was effected on June 30, 2020.

Seventeenth amendment was effected on Augest 30, 2021.

Eighteenth amendment was effected on June 22, 2022

Nineteenth amendment was effected on June 30, 2023

【Appendix 2：Rules of Procedure for Shareholders Meetings】

Bionime Corporation

Rules of Procedure for Shareholders Meetings

Article 1: In order to establish a good shareholder governance system, improve supervision functions and strengthen management functions of the Company, these rules are formulated to be followed.

Article 2: The rules of procedure of the shareholders' meeting of the Company shall be in accordance with these rules, unless provided by laws or regulations.

Article 3: The shareholders' meeting is divided into two types: regular meetings and temporary meetings. The regular meeting shall be convened at least once a year and shall be convened within 6 months after the end of each fiscal year. The Board of Directors shall convene in accordance with Article172 of the Company Law.

Article 4: The Company shall stop the transfer of shares within 30 days before the meeting of the shareholders' general meeting within 60 days before the meeting of the shareholders' meeting.

Article 5:：Unless otherwise stipulated by laws and regulations, the shareholders' meeting of the company shall be convened by the board of directors.

Changes to the method of convening the shareholders' meeting of the Company shall be subject to a resolution of the board of directors and shall be made no later than before the notice of the shareholders' meeting is dispatched.

The Company shall, 30 days before the general shareholders' meeting or 15 days before the temporary shareholders' meeting, make electronic files of the notices of shareholders' meetings, proxy papers, the reasons and explanations for various proposals such as approval proposals, discussion proposals, election or dismissal of directors, etc., and send them to the Public Information Observatory. Additionally, twenty-one days before the general shareholders' meeting or fifteen days before the temporary shareholders' meeting, the shareholders' meeting procedure manual and meeting supplementary materials shall be prepared and electronically sent to the Public Information Observatory. However, if the company's paid-in capital at the end of the most recent fiscal year is NT$10 billion or more, or the company holds a general meeting of shareholders in the most recent fiscal year, and the total shareholding ratio of foreign and mainland capital recorded in the shareholder register is over 30%. , the transmission of the pre-opened electronic files shall be completed 30 days before the general shareholders' meeting. Fifteen days before the shareholders' meeting, prepare the current shareholders' meeting procedure manual and meeting supplementary materials for shareholders to read, and display them in the company and the professional stock agency appointed by the company.

For the procedure manual and meeting supplementary materials mentioned in the preceding paragraph, the company shall provide shareholders with references in the following ways on the day of the shareholders' meeting:

1. When a physical shareholders meeting is held, it shall be distributed on the spot of the shareholders meeting.
2. When holding a video-assisted shareholders' meeting, it shall be distributed on the spot of the shareholders' meeting and sent to the video-conferencing platform.
3. When holding a video conference shareholders' meeting, the electronic file shall be sent to the video conference platform.

The notice and announcement shall state the cause of the convening; the notice may be acquired electronically by the counterparty.

Appointment or dismissal of directors, ~~supervisors,~~ change the constitution, capital reduction, application to stop public offering, approval of Director to engage in competitive activities, New Shares from Earnings dissolution, New Shares from Reserve Capital, merge, division or section 185 of the Companies Act. matters should be convened in the subject Listed, may not be proposed by a temporary motion.

The mater of General Meeting of all directors are re-elected should be convened in the subject Listed, may not be proposed by a temporary motion or other method of changing the date.

Shareholders holding more than one percent of the total number of issued shares were able to file a standing meeting of shareholders with the company in writing. However, if the one of the proposals exceeds one, it is not included in the proposal. If the shareholder’s proposal including in 172 of the Companies Act then it is not included in the proposal.

If the proposal would boost company public welfare or social responsibilities, the BOD still could be including in the proposal. Procedurally, it shall be limited to one item in accordance with the relevant provisions of Article 172-1 of the Company Law, and any

proposal with more than one item shall not be included in the proposal.
Prior to the restricted period for share transfer registration before the convention of a regular shareholders' meeting, the Company shall make a public announcement of the place and the period for shareholders to submit proposals at the upcoming shareholders’ meeting by letter or email.

The proposal proposed by the shareholders is limited to 300 words. Those who exceed 300 words will not be included in the proposal; the shareholders of the proposal should attend the shareholders' meeting in person or authorized others and participate in the discussion of the proposal. The Company shall notify the proposal shareholders of the results of the processing before the date of the notice of the meeting of the shareholders' meeting, and shall include the resolutions stipulated in this Article in the notice of the meeting. For shareholders' proposals that are not included in the proposal, the Board of Directors shall explain the reasons for not being included in the shareholders' meeting.

Article 6: The place where the shareholders' meeting is convened shall be at the place where the company is located or where the convenience shareholders are present and suitable for the meeting of the shareholders' meeting. The meeting shall start no earlier than 9 am or later than 3 pm. When setting up an independent director, the company should fully consider the opinions of independent directors at the place and time of the meeting.

When the company convenes a video-conference shareholders’ meeting, it is not subject to the restriction on the venue of the preceding paragraph.

Article 6-1 (Convening a video conference of the shareholders' meeting, and matters to be included in the convening notice)

When the company holds a video conference of the shareholders' meeting, the following matters shall be stated in the notice of convening the shareholders' meeting:

1. Methods for shareholders to participate in video conferences and exercise their rights.

2. The handling of obstacles to the video conference platform or participation in video conferences due to natural disasters, incidents, or other force majeure events, including at least the following:

(1) The time at which the pre-occurrence obstacle persists and cannot be eliminated and the meeting needs to be postponed or resumed, and the date when the meeting needs to be postponed or resumed.

(2) Shareholders who have not registered to participate in the original shareholders meeting by video conferencing shall not participate in the extension or continuation of the meeting.

(3) If a video-assisted shareholders meeting cannot be continued, after deducting the number of shares attending the shareholders meeting by video, the total number of shares attending the shareholders meeting reaches the statutory quota for the shareholders’ meeting, the number of shares attended shall be included in the total number of shares of shareholders present, and all resolutions of the shareholders' meeting shall be deemed as abstentions.

(4) The handling method in the event that all the motions have been announced, but no provisional motion has been made.

3. Convene a video-conference shareholders’ meeting, and specify appropriate alternatives for shareholders who have difficulty participating in shareholders' meetings by video conference.

Article 7: Shareholders may issue a power of attorney issued by the company at each shareholder meeting, stating the scope of authorization, entrusting an agent, and attending the shareholders' meeting. A shareholder who issues a power of attorney and is limited to one person shall be served on the company 5 days before the meeting of the shareholders' meeting. When the power of attorney is repeated, the first person to serve shall prevail. However, the declarant is not included in the statement.

After the power of attorney is delivered to the company, the shareholders who wish to attend the shareholders' meeting by video conferencing shall notify the company in writing of the cancellation of the entrustment 2 days before the meeting of the shareholders' meeting; Overdue revocation shall be subject to the voting rights exercised by the proxy in attendance.

After the power of attorney is delivered to the company, the shareholders who wish to a ttend the shareholders' meeting in person or wish to exercise their voting rights in writing or electronically shall notify the company in writing of the cancellation of the entrustment 2 days before the meeting of the shareholders' meeting; The voting right of the person attending the exercise shall prevail.

Article 8: The company shall state in the meeting notice the time and place of the registration of the accepting shareholders, solicitors, and entrusted agents (hereinafter referred to as shareholders), as well as other matters that should be noted.

The time for accepting shareholders' registration in the preceding paragraph shall be made at least 30 minutes before the start of the meeting; the registration office shall be clearly marked, and appropriate and competent personnel shall be assigned to handle it; the video conference of the shareholders' meeting shall be held 30 minutes before the start of the meeting by video The meeting platform accepts registration, and shareholders who complete the registration are deemed to have attended the shareholders meeting in person.

The company shall set up a signature book for the attending agent (below refer to shareholder) entrusted by the shareholder or the shareholder to sign in, or the attending shareholder shall pay the sign-in card to sign on behalf of the shareholder. The company shall deliver the meeting agenda, annual reports, attendance certificates, speeches, votes and other meeting materials to the shareholders attending the shareholders' meeting, those who elect the directors shall be accompanied by an election ticket.

Shareholders shall attend the shareholders' meeting with attendance card, attendance card or other attendance certificate; the requester who is a request for power of attorney shall be accompanied by proof of identity for verification. When a government or legal person is a shareholder, the representative attending the shareholders' meeting is not limited to one person. When a legal person is entrusted to attend a shareholder meeting, only one representative must be appointed to attend.

If the shareholders' meeting is held by video conference, shareholders who wish to attend by video conference should register with the company two days before the shareholders' meeting.

If the shareholders' meeting is held by video conference, the company shall upload the procedure manual, annual report and other relevant materials to the video conference platform of the shareholders' meeting at least 30 minutes before the start of the meeting and continue to disclose it until the end of the meeting.

Article 9: If the shareholders' meeting is convened by the Board of Directors, the chairman shall be the chairman of the Board of Directors. If the chairman of the Board of Directors asks for leave or fails to exercise his functions and powers, shall be represented by the vice chairman, and no vice chairman or vice chairman shall take leave or cause. Therefore, when the supervisory authority cannot be exercised, the chairman of the Board of Directors shall appoint one of the standing directors; if there is no permanent director, the designated director shall be the agent of one of them. If the chairman does not appoint an agent, the managing director or the director shall push one agent for each other. The shareholders' meeting convened by the Board of Directors shall have more than half of the directors of the Board of Directors to attend. If the shareholders' meeting is convened by other convener holders other than the Board of Directors, the chairman shall be the convener, and if there are more than two convener holders, one person shall be appointed to each other. The company may assign lawyers, accountants or related personnel appointed to attend the shareholders' meeting.

Article 10: The attendance of the shareholders' meeting shall be based on the shares. The number of shares attending is based on the signature book or the signed card, and the number of shares registered on the video conference platform, and the number of shares in the voting right is calculated in writing or electronically. At the time of the meeting, the chairman shall announce the meeting. It is a must to make announcement of relevant information of the number of non-voting rights, and the number of attended shares at the same time. However, if the shareholders who have not represented more than half of the total number of shares in issue are present, the chairman may announce the postponement of the meeting. The number of delays shall be limited to 2 times, and the total time of the delay shall not more than one hour. The second time after the delay was still insufficient to represent more than 1/3 of the total number of issued shares, the chairman announced the meeting is failed to be convened; If the shareholders' meeting is held by video conference, the company shall also announce the meeting is failed to be convened on the video conference platform of the shareholders' meeting.

If the second item of the preceding paragraph is still insufficient and the shareholders representing more than 1/3 of the total number of issued shares are present, they may make a false resolution in accordance with Section 1 of Article 175 of the Company Law, and notify the shareholders of the resolution in one month. The shareholders’ meeting will be convened again; If the shareholders’ meeting is held by video conference, shareholders who wish to attend by video conference shall re-register with the company in accordance with Article 6.

Before the end of the meeting, if the number of shares represented by the shareholders reaches more than half of the total number of issued shares, the chairman will make a false resolution and resubmit it to the shareholders' meeting for voting according to Article 174 of the Company Law.

Article 11: The Company shall record or record the entire meeting of the shareholders' meeting and keep it for at least one year. However, the case filed by the shareholders in accordance with Article 189 of the Company Law shall be kept until the end of the lawsuit.

If the shareholders' meeting is held by video conference, the company shall record and preserve the shareholders' registration, questioning, voting and company vote counting results, etc., and make continuous and uninterrupted audio and video recording of the entire video.

The above-mentioned materials and audio and video recordings shall be properly preserved by the company during the period of existence, and the audio and video recordings shall be provided to those who are entrusted to handle the video conference affairs for preservation.

Article 12: If the shareholders' meeting is convened by Board of Directors, its agenda determined by the Board of Directors. The related motion (including temporary motion and/or the amendment(s) to the original proposal(s)) should be vote case by case. The meeting shall be conducted according to the scheduled agenda and may not be changed without the resolution of the shareholders' meeting.

Before the agenda of the first two items is scheduled to be closed (including the temporary motion), the chairman may not announce the meeting without a resolution; the chairman violates the rules of procedure and announces that the members of the Board of Directors and other members of the Board of Directors shall promptly assist the attending shareholders in accordance with the law. A majority of the shareholders who voted at the voting rights voted to elect one person to serve as the chairman and continue the meeting. The Chairman shall give full explanation and discussion to the proposal and the amendments to temporary motions proposed by the shareholders. If it is considered to have reached the level of voting, if it may be declared to stop the discussion and put a sufficient time to the resolution.

Article 13: Before attending a speech by a shareholder, it is necessary to fill in a speech to indicate the main idea of the speech, the shareholder number (or attendance certificate number) and the name of the household. The chairman shall determine the order of his speech. Those who attend the shareholders' speech only and do not speak are deemed to have not spoken. If the content of the speech is inconsistent with the record of the speech, the content of the speech shall prevail.

Each shareholder of the same proposal shall not speak more than twice without the consent of the chairman, and may not more than 5 minutes at a time. However, if the shareholder speaks in violation of the regulations or exceeds the scope of the issue or affects the order of the meeting, the chairman may stop his speech or announce the suspension of the discussion. And carry out other agendas or procedures. When attending a shareholder's speech, other shareholders shall not interfere with the speech except with the consent of the chairman and the speaking shareholder. The violators shall stop it. When a legal person shareholder appoints two or more representatives to attend the shareholders meeting, the same motion may only be pushed by one person. After attending the shareholders' speech, the chairman may personally or designate the relevant personnel to reply.

If the shareholders meeting is held by video conference, the shareholders participating by video conference may ask questions in text on the video conference platform of the shareholders meeting after the chairman announces the meeting and before the announcement of the adjournment of the meeting. The number of questions asked for each proposal shall not exceed two times, each time shall be limited to 200 words, and the provisions of items 1 to 5 shall not apply.

Article 14: Shareholders of the Company have one vote per share. In the case of one of the following circumstances, the shares have no voting rights:

1. The company holds its own shares in accordance with the law.

2. A subsidiary company that holds more than half of the total number of shares with voting rights or more than half of the total amount of shares held by the company.

3. The controlling company and its subordinate companies directly or indirectly hold the shares of the controlling company and its subordinate companies owned by the company and the total number of shares in which the company has issued voting rights or more than half of the total capital.

When the company convened a shareholders' meeting, it may adopt its written or electronic voting rights. When it exercises its voting rights in writing or electronically, its method of exercise shall be stated in the notice convened by the shareholders' meeting. Exercise of shareholder voting rights of the table in writing or by electronic means shall be deemed to attend the shareholders' meeting. However, the temporary motion of the shareholders' meeting and the amendment of the original proposal are deemed to be abstentions. Therefore, the company should avoid making amendments to the temporary motion and the original motion.

Where the preceding paragraph is exercised in writing or electronically, the meaning of the voting shall be sent to the company 2 days before the meeting of the shareholders' meeting, meaning that there is a repetition, whichever is first served. However, the person who stated before the statement was revoked is not limited to this. After the shareholders exercise their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person or by video, they shall revoke the meaning of the exercise of voting rights in the preceding section in the same manner as the exercise of voting rights two days before the meeting of the shareholders' meeting; the overdue revocation shall be exercised in writing or electronically. The voting rights shall prevail.

If the voting rights are exercised in writing or electronically and the agent is entrusted to attend the shareholders' meeting by proxy, the voting rights of the entrusted agent to attend the exercise shall prevail. The voting of the resolution is approved by a majority of the voting rights of the attending shareholders with the exception of the Company Law and the Articles of Incorporation. At the time of voting, the chairman or his designee shall announce the total number of voting rights of the shareholders on a case-by-case basis. The shareholders shall vote on a case-by-case basis on the day after the shareholders' meeting, the results of the shareholders' consent, opposition or waiver shall be entered into the public information observatory.

When there is an amendment or an alternative to the same motion, the chairman shall decide the order of voting with the original case. If one of the cases has been passed, the other motions are deemed to be vetoed and no further votes are required. The scrutineer and the counting person of the voting of the proposal shall be appointed by the chairman, but the scrutineer shall have the status of a shareholder. The votes shall be made public at the shareholders' meeting, and the results of the voting shall be reported and recorded.

Article 15: The voting of the shareholders' meeting shall be based on the shares. The resolution of the shareholders' meeting is not included in the total number of issued shares, the number of shares of the non-voting shareholders. Shareholders shall not vote in the event of a meeting that has its own interests and is harmful to the interests of the company, and may not act on behalf of his shareholders to exercise their voting rights. The number of shares in which the voting rights are not exercised in the preceding paragraph shall not be counted in the voting rights of the shareholders present. Except for the trust business or the stock agency approved by the securities regulatory authority, when one person is entrusted by two or more shareholders at the same time, the voting right of the agent shall not exceed 3 percent of the total voting rights of the issued shares, and if it exceeds the voting right, it is not calculated.

Article 16: The resolutions of the shareholders' meeting shall be attended by shareholders who represent more than half of the total number of shares in issue unless provided by the company law and other laws and regulations and shall agree to attend more than half of the voting rights of the shareholders. At the time of voting, it shall be deemed as passed and its validity shall be the same as the voting if the chairman has no objection to the shareholders.

Shareholders who disagree with the proposal shall vote by way of voting in accordance with the provisions of the preceding section. In addition to the proposals set out in the agenda, other proposals proposed by shareholders or amendments or alternatives to the original proposal shall be seconded by other shareholders. When there is an amendment or an alternative to the same motion, the chairman shall decide the order of voting with the original case. If one of the cases has been passed, the other motions are deemed to be vetoed and no further votes are required. The scrutineer and the counting person of the voting of the proposal shall be appointed by the chairman, but the scrutineer shall have the status of a shareholder. The votes shall be made public at the shareholders' meeting, and the results of the voting shall be reported and recorded.

Counting of votes for votes or election proposals at the shareholders' meeting shall be done in a public place at the shareholders' meeting, and after the votes are counted, the voting results shall be made public at the shareholders' meeting, including the weight of the statistics, and a record shall be made.

After the chairman announces the meeting, shareholders who participate in the video conference of the company's shareholders meeting by video conference shall conduct voting on various resolutions and election resolutions through the video conference platform and shall complete the voting before the chairman announces the close of voting. Those who exceed the time limit will be deemed a waiver.

If the shareholders' meeting is held by video conference after the chairman announces the close of voting, the votes shall be counted at one time, and the voting and election results shall be announced.

When the company holds a video-assisted shareholders meeting, shareholders who have registered to attend the shareholders' meeting by video conference in accordance with the provisions of Article 6, who wish to attend the physical shareholders' meeting in person, shall cancel the registration in the same manner as the registration two days before the shareholders' meeting; Those who exceed the time limit can only attend the shareholders' meeting by video conferencing.

Those who exercise their voting rights in writing or electronically without revoking their intentions and participate in the shareholders’ meeting by video conferencing shall not exercise voting rights on the original proposal or propose amendments to the original proposal or exercise the voting rights for amendments to the original proposal, except for temporary motions.

Article 17: When a shareholder elects a director, it shall handle it according to the relevant selection rules set by the company, and shall announce the results of the election. It includes a list of both elected directors and supervisors and the number of their election rights, as well as a list of unelected directors and the number of voting rights they obtained.

The election votes for the election items referred to in the preceding paragraph shall be sealed and signed by the scrutineer and kept in good condition for at least one year. However, the case filed by the shareholders in accordance with Article 189 of the Company Law shall be kept until the end of the lawsuit.

Article 18: The resolutions of the shareholders' meeting shall be made into a deliberation, signed or sealed by the chairman, and the minutes of the meeting shall be distributed to the shareholders within 20 days after the meeting. The production and distribution of the meeting agenda can be made electronically.

For the distribution of the meeting agenda in the preceding paragraph, the company was able to enter the public information observatory's announcement method.

The minutes of the meeting shall record the year, month, day, place of the meeting, the name of the chairman, the method of the resolution, the essential of the meeting agenda and the resolution results (including the statistical tallies of the numbers of votes) . The election of Directors at the shareholders meetings shall be announced the number of votes and shall be kept forever during the company’s existence.

If the shareholders' meeting is held by video conference, in addition to the items that should be recorded in accordance with the provisions of the preceding paragraph, the deliberation should also record the start and end time of the shareholders' meeting, the method of holding the meeting, the name of the chairman and the record, and the handling method and handling situation in the event of an obstacle to the video conference platform or participation by video connection due to natural disasters, incidents or other force majeure events.

In addition to complying with the provisions of the preceding paragraph when convening a video-conference shareholders’ meeting, the company shall specify in the deliberation the alternative measures provided by shareholders who have difficulty participating in video-conference.

Article 19: The number of shares acquired by the solicitor and the number of shares represented by the entrusted agent and the number of shares attended by shareholders in writing or electronically shall be clearly disclosed in the shareholders' meeting at the date of the meeting of the shareholders meeting.

If the shareholders' meeting is held by video conference, the company shall upload the aforesaid information to the video conference platform of the shareholders' meeting at least 30 minutes before the start of the meeting and continue to disclose it until the end of the meeting.

When the company's video conference shareholders' meeting announces the meeting, the total number of shareholders' shares present shall be disclosed on the video conference platform. The same shall apply if the total number of shares and voting rights of the shareholders attending the meeting are otherwise counted during the meeting.

If the resolutions of the shareholders' meeting are material information stipulated by laws or regulations of the Taiwan Stock Exchange Corporation, the company shall transmit the content to the public information observatory within the specified time.

Article 20: The conference personnel handling the shareholders' meeting shall wear identification cards or armbands. The chairman must direct the picket or security personnel to help maintain the order of the venue. When the picket or security guard is present to help maintain order, the "picket" badge or identification card should be worn. The chairman shall have the equipment for sound reinforcement. If the shareholder does not speak with the equipment configured by the company, the chairman shall stop it.If the shareholder violates the rules of procedure and does not obey the chairman's rectification, and the obstruction of the meeting is not stopped, the chairman may direct the picket or security personnel to leave the venue.

Article 21: The chairman may decide to rest at an optional time when the meeting is held. The chairman may decide to suspend the meeting temporarily and announce the time for the resumption of the meeting as appropriate when an irresistible situation occurs. Before the final of the shareholders' meeting (including the extemporary motion), the venue for the meeting will not be used at that time. It is up to the shareholders' meeting to decide to continue the meeting. The shareholders' meeting may decide to procrastinate or resume the assembly within 5 days in accordance with Article 182 of the Company Law.

Article 22: (Information Disclosure by Video Conference)

If the shareholders' meeting is held by video conference, the company shall immediately disclose the voting results and election results of various proposals on the video conference platform of the shareholders' meeting in accordance with the regulations and shall continue to disclose for at least 15 minutes after the chairman announces the adjournment of the meeting.

Article 23: (Location of the Chairman of the Video Shareholders' Meeting and the Recording Officer)

When the company holds a video shareholder meeting, the chairman and the recorder shall be at the same location, and the chairman shall announce the address of the location at the time of the meeting.

Article 24: (Handling of Interruption)

If the shareholders’ meeting is held by video conference, before the chairman announces the adjournment of the meeting, due to natural disasters, incidents or other force majeure events, the video conference platform malfunctions or participation is disabled and lasts for more than 30 minutes, it shall be postponed or renewed within five days. This shall not be governed by Article 182 of the Company Act.

In the event of the occurrence of the preceding paragraph, the meeting shall be postponed or continued. Shareholders who have not registered to participate in the original shareholders meeting by video conference shall not participate in the postponed or continued meeting.

In accordance with the provisions of section 1, the meeting should be postponed or resumed. Shareholders who have registered to participate in the original shareholders meeting by video and completed the registration but have not participated in the postponed or resumed meeting, the number of shares attended, the voting rights, and voting rights exercised at the original shareholders meeting, shall be included in the total number of shares, voting rights, and voting rights of shareholders present at the postponed or continued meeting.

In accordance with the provisions of Section 1, when the shareholders' meeting is postponed or reconvened, no rediscussing or resolution is required for the resolutions that have completed voting and counting and announced the voting results or the list of elected directors.

When the company holds a video-assisted shareholders meeting and the video conference cannot be continued as mentioned in Section 1, if the total number of shares attending the shareholders meeting is still up to the statutory quorum for the shareholders meeting after deducting the number of shares attending the shareholders meeting by video, the shareholders meeting shall continue. There is no need to postpone or continue the assembly in accordance with section 1.

If the meeting should be continued as mentioned in the preceding paragraph, the shareholders who participate in the shareholders' meeting by video conference, the number of shares attended shall be included in the total number of shares of the shareholders present, but all the resolutions of the shareholders' meeting shall be regarded as an abstention.

When the company postpones or renews the meeting in accordance with the provisions of section 1, it shall comply with the provisions set out in section 7 of Article 44-20 of the Code for the Handling of Shares of Public Offering Companies. Relevant preparatory work shall be handled according to the date of the original shareholders' meeting and the provisions of this article.

During the period specified in the latter paragraph of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies Article 12 and section 3 of Article 13, section 2 of Regulations Governing the Administration of Shareholder Services of Public Companies Article 44-5, Article 44-15, section 1 of Article 44-17, the company shall postpone or renew the shareholders meeting date of the general meeting in accordance with the provisions of section 1.

Article 25 :(Disposal of digital gap)

When the company convenes a video conference of shareholders, it shall provide appropriate alternative measures for shareholders who have difficulty attending the shareholders’ meeting by video conference.

Article 26: These rules shall be implemented after the approval of the shareholders' meeting, and the same shall apply to the amendments.

【Appendix 3：Shareholdings of All Directors】

Bionime Corporation

Shareholdings of All Directors

Book closure date: April 30, 2024

Position	Name	Date of election	Term of Office	Shareholding while elected		Current shareholding	
				shares	Percentage of issued shares	shares	Percentage of issued shares
Chairman	Huang,Chun-Mu	6/22/2022	3	2,474,492	4.08%	2,510,692	4.11%
Director	Hua Eng Wire&Cable Co.,Ltd Representative：Liu,Xiu-Mei	6/22/2022	3	7,807,900	12.88%	7,004,900	11.48%
Director	Tonghua Dongbao Pharmaceutical Co., Ltd. Representative：Leng,Chun-Sheng	6/22/2022	3	12,000,000	19.80%	12,000,000	19.67%
Director	Tonghua Dongbao Pharmaceutical Co., Ltd. Representative：Zhang,Wen-Hai	6/22/2022	3				
Director	Yanben Investment Co., Ltd.	6/22/2022	3	1,500,000	2.47%	1,500,000	2.46%
Independent Director	Zeng,Hui-Jin	6/22/2022	3	0	0.00%	0	0.00%
Independent Director	Liu,Mei-An	6/22/2022	3	96,171	0.16%	96,171	0.16%
Independent Director	Chen,Rui-Xin	6/22/2022	3	20,000	0.03%	20,000	0.03%
Independent Director	Lai,Chun-Lin	6/30/2023	2	272,000	0.45%	272,000	0.45%
Total				24,170,563	39.87%	23,465,563	38.36%

1.Type: Common stock

2.Total shares issued: 61,014,594 shares

3. The minimum required combined shareholding of all directors by law: 4,881,167 shares