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CENTER LABORATORIES, INC.

2024

Annual Report

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Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

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Chapter 1 Letter to Shareholders

Dear Shareholders,

Firstly, thank you for giving us all your support and encouragement last year as a shareholder! Center Laboratories is dedicated to bringing resources and experiences together to assist potentially capable biotechnological/large-scale health companies to stand on the international stage. After over a decade of hard work, Center Laboratories, Inc. has not only become an impassioned partner for incubating the biotechnology industry, but also closely associated with the government and legal entities to demonstrate the important role played by the biotechnology industry. This has also added more investment interest to the biotechnology industry and driven the overall biotechnology industry to operate prosperously.

I. 2024 Business Report

(I) Business policy and implementation overview

Center Laboratories is committed to becoming Taiwan's most professional biotechnology investment holding Company through deep incubation of core businesses and strategic investment and acquisition to take the core businesses to the international stage. Center Laboratories' investment business is structured into three primary sectors: (1) large-scale investments with low risk and stable returns, (2) strategic investments in high technology, characterized by high growth potential and risk, and (3) investments in emerging industries with promising future potential. The three major sectors complement each other, with a sound financial structure and stable cash flow as the core, continuously strengthening the core business while developing the second curve. The following are the representative companies and their strategic positions in the three major sectors:

1. Low-risk, stable return large-scale investment:
   (1) Core Businesses: Center Laboratories Inc, Glac Biotech, Mycenax Biotech, TOT Biopharm, KriSan Biotech, Lumosa Therapeutics, Bao Pharma, BioGend Therapeutics, MEDEON Biodesign and other companies are actively involved in operations. The goal is to promote the core businesses to the global stage and generate strong cash flow by 2025.
   (2) Large Pharmaceutical Fund: Concentrated investment in low-risk, highly liquid large funds (GL Capital/Vivo Capital) with a stable return that contributes to cash flow and maintains the Group's financial soundness.
2. High-tech, high-growth, high-risk strategic investments: Focus on biotech investments that can create synergies with core businesses and gradually strengthen the competitiveness of core businesses in niche markets.
3. Investment in Emerging Industries: Through funds and direct investments, we are exploring opportunities in emerging industries to strategically position Center Laboratories for long-term growth.

Center Laboratories' consolidated revenue in 2024 amounted to NT$1.618 billion, representing a growth of 16.06% over the same period last year. The pharmaceutical business rebounded after the pandemic and contributed approximately NT$972 million to revenue, reaching a new high. During 2024, Center Laboratories completed a 100% merger with its subsidiary, Glac Biotech, contributing approximately NT$646 million to the annual revenue. At the same time, the Group continues to adjust its holdings to maintain a stable cash position. The following provides an overview of the 2024 operational performance of Center Laboratories core

businesses:

- **Center Laboratories Inc. Pharmaceutical Business**

  Center Laboratories Inc.'s pharmaceutical business is a leading brand in Taiwan's liquid dosage pharmaceutical market. In 2024, the total revenue reached NT$972 million, with an annual production of 37.89 million bottles. Of this, CNS (Central Nervous System) drug sales amounted to NT$277 million, while non-CNS drug sales accounted for NT$695 million, showcasing steady growth momentum. Looking ahead, the company will continue to deepen its development of geriatric liquid dosage products and actively align with government policies by focusing on the high-growth potential of the long-term care medication market.

  As market demand continues to rise, Center Laboratories Inc. is accelerating its plant expansion plans and optimizing capacity allocation to ensure stable supply while further strengthening its competitive advantage.

- **Glac Biotech**

  Glac Biotech has deeply engaged in the field of functional probiotics and completed a 100% merger with the Center Laboratories Group in June 2024. Glac Biotech specializes in developing various probiotic-related products with functional benefits, holding multiple research patents and a vast collection of over a thousand strains of microorganisms. It is a leading brand with the most complete value chain in the probiotic industry and the widest market coverage.

  Centered in Taiwan, Glac Biotech has established an international-grade probiotic factory to provide comprehensive services to global customers. Over the past year, the volume of ODM orders has rapidly expanded in line with the company's ODM production capacity, and sales channels in various regions (cross-border, Taiwan, and international) have seen significant growth.

- **Mycenax Biotech Inc.**

  Mycenax Biotech is the only company in Taiwan 100% focused on providing CDMO services for biologics. With the completion and opening of the highly automated filling line at its GMP second factory in 2024, Mycenax has further strengthened its ability to offer high-quality, one-stop biologics services (from DNA to DP). In 2024, Mycenax signed a Memorandum of Understanding (MOU) with several companies, including Merck, Apexcella Biomedical Inc., and CHITOSE, to engage in strategic cooperation. This collaboration aims to continue the in-depth development of traditional biopharmaceuticals while actively advancing emerging biopharmaceuticals such as bispecific/multispecific antibodies, antibody-drug conjugates (ADCs), and cell and gene therapies (CGT), which have high technical barriers. In addition, in support of its clients' international drug approval applications, Mycenax underwent factory inspections by regulatory bodies from multiple countries in 2024, gaining valuable experience and reaching new milestones.

- **TOT Biopharm**

  TOT Biopharm International Company Limited is a Hong Kong-listed company specializing in new drug development and CDMO services. With dual growth drivers from ADC CDMO and proprietary drug sales, it maintains its position among the top pharmaceutical companies in China.

  1. CDMO:

In 2024, the CDMO business generated NT$792 million in annual revenue, representing a 29% year-on-year increase, primarily driven by ADC projects, which accounted for 88% of segment revenue. The company added 24 new clients, with a total of 144 active projects. Overseas market expansion began to show results, securing multiple early-stage development contracts. The current backlog of orders amounts to approximately NT$968 million, indicating robust market demand.

2. Proprietary products:

   Sales of proprietary products performed exceptionally well in 2024, reaching NT$3.894 billion, a 40% increase year-on-year, exceeding expectations. The core product, Pusintin®, continued its strong growth, with sales surpassing NT$3.74 billion and further improving market penetration. As the company did not participate in centralized procurement during 2024, its strategy shifted toward increasing gross margins rather than solely expanding market share. Furthermore, the advancement in overseas markets has been smooth, with marketing applications accepted in 20 countries and GMP certifications obtained in Colombia, Egypt, Indonesia, and Pakistan. While product launches in some regions were delayed due to regulatory changes, future growth potential remains promising.

- **KriSan Biotech**

  KriSan Biotech Co., Ltd. specializes in providing high-barrier CDMO (Contract Development and Manufacturing Organization) services. Starting in 2023, the company has actively expanded its client base in the small molecule drug and antibody-drug conjugate (ADC) sectors, while launching a facility optimization plan. By 2024, the company successfully completed the full setup and GMP production of its ADC manufacturing facilities—including linker-payload and drug substance areas—and has delivered over 25 ADC projects for preclinical and clinical use. In addition, KriSan has begun construction of its ADC drug product (DP) GMP filling facility, completing its one-stop CDMO service model.

  Leveraging its proprietary Linker-Payload library, KriSan can rapidly deliver flexible, high-quality linker-payload combinations. This approach expands market reach and establishes collaborative relationships with clients at an early stage, thereby enhancing the conversion rate of subsequent GMP CDMO services. In 2024, KriSan undertook over 40 contract development projects, with ADC-related revenue rising significantly from 4.9% in 2023 to approximately 22%. Meanwhile, its long-standing presence in the small molecule field has built a strong reputation for quality, driving continued growth in GMP manufacturing projects.

- **Lumosa Therapeutics**

  Lumosa Therapeutics adheres to a “reSEARCH & DEVELOPMENT” model, focusing on the development of scientifically grounded and high-potential drug candidates. By operating through a project-based approach, the company effectively shortens development timelines and optimizes resource allocation. Lumosa also actively pursues international strategic alliances, technology licensing, and co-development opportunities to mitigate risk and accelerate time-to-market.

  The company’s novel treatment for acute ischemic stroke, LT3001, reached a key development milestone and is currently undergoing Phase II clinical trials in Taiwan, the U.S., and Europe. These trials are evaluating the safety and efficacy of LT3001 in both

combination with mechanical thrombectomy and as a standalone multi-dose therapy, with patient enrollment successfully initiated. In the China market, its licensing partner Shanghai Pharma has completed Phase II trials, demonstrating favorable safety and preliminary efficacy for LT3001. On the intellectual property front, LT3001 has obtained formulation patents in 15 countries, including the U.S., China, and across Europe, with protection extending to 2040. An additional method-of-use patent has also been filed, potentially extending protection to 2042.

Lumosa continues to strengthen its innovative therapy platform. In collaboration with Center Laboratories, the company co-invested in Cytoengine Co., Ltd., introducing inducible exosome technology aimed at developing new treatments in the neurology field.

- **Bao Pharma**

  Bao Pharma is committed to the development of next-generation biologics with high technological barriers. The company envisions becoming a leader in replacing biochemically extracted products with genetically engineered alternatives, a pioneer in the combined application of recombinant enzymes, antibodies, and gene therapies, and a top player in the niche field of fertility-assisting therapeutics.

  Key product development highlights in 2024: The application for New Drug Approval (NDA) for the recombinant hyaluronidase monotherapy was submitted. The sales rights for the recombinant human follicle-stimulating hormone CTP fusion protein in China were granted to the international company Organon International (China) in September, with Bao Pharma receiving an upfront payment of approximately NT$380 million. The clinical Phase II trial for the recombinant immunoglobulin degrading enzyme, indicated for kidney transplant rejection, has been completed in China, and in November 2024, it received designation as a breakthrough therapy in China. Its second indication, anti-GBM, was approved for clinical Phase II trials in China in August 2024, with plans to recruit 9 to 12 participants. In terms of financial status, Bao Pharma conducted Series C financing in July 2024, securing sufficient funds to support subsequent research and development as well as operations.

- **BioGend Therapeutics**

  BioGend Therapeutics Co. Ltd. is a specialist in regenerative medicine focused on orthopedics and infectious diseases. In 2024, the company reported annual revenue of NT$168 million, representing a 55% year-on-year increase. Key product developments are as follows:

  1. RevoCart: BioGend’s Hsinchu facility successfully passed the inspection for the domestic medical device Quality Management System (QMS) with no major deficiencies. In the domestic market, RevoCart has been widely adopted by numerous medical institutions and physicians, with hundreds of successful surgical cases accumulated. Sales have shown steady growth, contributing to sustainable cash flow. In overseas markets, RevoCart has obtained medical device licenses in Thailand, the Philippines, and Malaysia.
  2. Osteoinductive Factor (OIF): The feasibility clinical trial for open tibial fractures in Taiwan and the U.S. has completed patient enrollment. Interim analysis of clinical data has confirmed the product’s efficacy.
  3. Anti-infective product – Minocycline: Sales of Minocycline continue to grow steadily, contributing to sustainable cash flow. In addition, the company completed the license

update for Fluzole and launched the product to market.

- **Medeon**

  Medeon Biodesign, Inc. specializes in the research and development, as well as the manufacturing, of high-value, advanced medical devices. Currently, the company's operations are divided into two main focuses: cultivating innovative medical device development based on years of R&D experience, and expanding its contract development and manufacturing organization (CDMO) business for advanced medical devices. Through strategic mergers, acquisitions, and internal integration, Medeon is building a highly efficient, technology-driven CDMO platform.

  1. CDMO Business: Medeon's subsidiary, Medeologix, Inc., has successively completed multiple project plans for technology transfer from the United States to Taiwan for mass production during 2024. The company is gradually shifting mass production orders to be shipped directly from Taiwan. Medeologix continues to develop key technologies for medical material development and manufacturing, while maintaining customer relationships with major international medical companies and Silicon Valley startup medical material firms. By integrating and dividing resources within the Group, Medeologix provides proximity services to international clients from its U.S. locations, while Taiwan supports strong demand for large-scale production, offering global innovative medical material manufacturers a one-stop service from development to mass production.
  2. Innovative Medical Device Development: The Urocross device, a minimally invasive treatment for benign prostatic hyperplasia (BPH), successfully completed enrollment of all 240 patients for its U.S. IDE clinical trial in 2024. According to the trial design approved by the U.S. FDA, data collection and statistical evaluation of efficacy indicators may commence three months after the completion of subject enrollment. The Duett thoracic aortic repair device began IDE clinical trials in the U.S. in 2024 and completed its first treatment case in March. Ongoing clinical work continues to gather data and enhance product value. The Cross-Seal, a large-bore vascular closure device for post-catheterization procedures, passed its U.S. FDA on-site inspection in 2023 and obtained Taiwan's first Class III medical device PMA approval. In 2024, under a technology transfer and service agreement, Medeon received the 2A-2 milestone payment and service income from Terumo.

(II) Implementation status of business plan and budget

The consolidated operating revenue of the Company for 2024 was NT$1,617,869,000, an increase of NT$223,861,000 compared to NT$1,394,008,000 in 2023, representing an increase of 16%. The consolidated net loss after tax for 2024 was NT$1,103,408,000, an increase of NT$55,759,000 compared to NT$1,047,649,000 in 2023, representing an increase of 5%.

The individual operating revenue of Center Laboratories for 2024 was NT$971,710,000, an increase of NT$21,181,000 compared to NT$950,529,000 in 2023, representing an increase of 2%. The individual net loss after tax for 2024 was NT$1,103,683,000, an increase of NT$108,262,000 compared to the individual net loss after tax of NT$995,421,000 in 2023, representing an increase of 11%.

(III) Financial Income, Expenses, and Profitability Analysis

1. Consolidated income and expenditure

Unit: NT$ thousand

Item	2023	2024
Operating revenue	1,394,008	1,617,869
Gross profit	618,094	748,953
Operating expenses	539,539	514,893
Operating profit (loss)	78,555	234,060
Non-Operating income and expenses	(1,192,465)	(1,404,094)
Income (loss) before tax	(1,113,910)	(1,170,034)
Net profit (loss) for the period	(1,047,649)	(1,103,408)
EPS (NT$)	(1.50)	(1.55)

2. Consolidated profitability

Unit: %

Item	2023	2024
Return on assets (%)	(3.40)	(3.50)
Return on equity (%)	(5.37)	(5.83)
Net income before tax as a percentage of paid-in capital (%)	(16.11)	(16.13)
Net profit rate (%)	(75.15)	(68.20)
EPS (NT$)	(1.50)	(1.55)

3. Parent company only income and expenditure

Unit: NT$ thousand

Item	2023	2024
Operating revenue	950,529	971,710
Gross profit	501,625	509,307
Operating expenses	342,151	324,474
Operating profit (loss)	159,474	184,833
Non-Operating income and expenses	(1,238,269)	(1,343,304)
Income (loss) before tax	(1,078,795)	(1,158,471)
Net profit (loss) for the period	(995,421)	(1,103,683)
EPS (NT$)	(1.50)	(1.55)

4. Parent company only profitability

Unit: %

Item	2023	2024
Return on assets (%)	(3.27)	(3.64)
Return on equity (%)	(5.10)	(5.83)
Net income before tax as a percentage of paid-in capital (%)	(15.60)	(15.97)
Net profit rate (%)	(104.72)	(113.58)
EPS (NT$)	(1.50)	(1.55)

(IV) Current R&D Status

1. Expanded into overseas markets with the registration of an anti-allergy and asthma product in Hong Kong, currently under review by the Hong Kong health authorities.
2. Completed development of an adjuvant therapy drug for neuralgia and epilepsy. A bioequivalence study report approval letter was obtained in Q4 of 2023, and the registration application was submitted in Q1 of 2024. Drug license approval is expected in 2025.
3. Completed development of new liquid formulations for anticoagulants and diabetes medications. Registration application is expected to be submitted in 2025.
4. The development of a new medication for neonatal and pediatric heart failure has been completed. In July 2024, approval for commissioned manufacturing was obtained, and the project was awarded recognition by the Ministry of Health and Welfare for the "2024 Optimized Pediatric Medical Care Program." Additionally, the application for inspection registration was completed in 2024.
5. Completed evaluation for a new therapeutic indication drug for dyskinesia in Parkinson's disease patients, and obtained conditional waiver for bridging clinical trials.
6. Completed development assessment for a generic drug used to treat depression and anxiety disorders, with development planned for 2025.
7. Continued to screen and evaluate new product developments targeting unmet prescription needs in Taiwan.

II. 2025 Business Plan

(I) Operation policies and business objectives

- **Center Laboratories Inc. Pharmaceutical Business**

  Center Laboratories will continue to advance its business development based on two core missions:

  1. Deepening the value chain integration of liquid oral formulations to strengthen leadership as Taiwan's largest manufacturer in this segment
     - Commercial strategy: Optimize the product portfolio to enhance market competitiveness and reinforce product lifecycle management to ensure long-term and stable growth.
     - Manufacturing strategy: Improve production allocation and boost manufacturing efficiency and quality management to ensure stable supply and meet market demand.
  2. Strengthening market positioning in pediatrics and central nervous system (CNS) therapeutic areas to enhance brand influence
     - Product development: Continuously identify and develop products that address unmet prescription needs, aiming to bring high-value products to market.
     - Brand building: Deepen market awareness and strengthen the company's professional image in the pediatric and CNS sectors. Focus on disease education and product licensing to become the preferred brand in both children's and geriatric medicine markets.

Through precise strategies and efficient execution, Center Laboratories is committed to continuously enhancing its market competitiveness and driving sustainable business growth.

- **Glac Biotech**

  Given the continued optimistic outlook for the health and wellness industry, the main operational plans for 2025 are as follows:

  1. Establish leadership in powder dosage form ODM (stick packs, capsules, tablets) with internationally certified production lines to expand cash flow.
  2. Optimize cross-plant support to increase per capita output value.
  3. Enhance synergy between core probiotic strains and postbiotic ingredient development.
  4. Leverage Taiwan's raw material quality, technical expertise, and ODM scale advantages to expand into international markets.
  5. Explore new business collaborations—such as large distribution channels and private-label applications for postbiotic products.
  6. Build a full-line production capacity for postbiotics.

- **Mycenax Biotech Inc.**

  In 2025, Mycenax will continue to invest in drug development. Following the commissioning of the GMP Plant 2 filling line, the company will fully leverage the dual-GMP plant advantage and implement its business model of "Innovative Development Capability (D) with Appropriate Manufacturing Scale (M)," aligning with its brand positioning of "Big D, Medium M." Mycenax aims to become a global supplier for commercialized biologics by aligning with customers' timelines for drug registration and launch, laying a solid foundation for future revenue growth. Additionally, the company will build a comprehensive one-stop service platform for emerging biologics, such as cell therapy and ADC, through in-house development, strategic alliances, and investments, enriching the CDMO value chain.

- **TOT Biopharm**

  1. CDMO services: TOT Biopharm will continue enhancing its technological edge and market competitiveness. On the technical side, it will further advance site-specific glycan conjugation technology (DisacLink™) and accelerate commercialization to attract high-potential clients. The company will also strengthen its business development in the U.S., Europe, and Japan to improve international market penetration. On the production front, it will refine manufacturing processes, improve production efficiency, and apply digitalization and automation to reduce costs and expand capacity to support CDMO order growth.
  2. Product sales: The company will focus on strengthening market structure and improving gross margins. Pusintin® is expected to maintain stable growth and increase brand impact. The company will actively pursue marketing approvals overseas and bolster business development in the U.S., Europe, and Southeast Asia. It also plans to expand market share through licensing and distribution partnerships to ensure long-term operational stability.

- **KriSan Biotech**

  In 2025, KriSan is actively expanding its business scale, with a continued focus on strengthening its ADC CDMO operations. The company is aiming to surpass NT$100

million in revenue, with ADC CDMO services projected to contribute over 30% of total revenue. In line with global trends in conjugated drug development, KriSan has leveraged its strong foundation in small molecule R&D to expand beyond the well-known ADC technologies into emerging conjugated drug platforms (XDCs). These include peptide-drug conjugates (PDCs) and antibody-oligonucleotide conjugates (AOCs), enhancing its service capabilities in diversified conjugated drug development.

To support business growth, the company will intensify its presence in international markets by deepening collaborations with global CROs and large molecule CDMOs, thereby expanding its global business network and footprint. On the innovation front, it continues to grow its linker-payload library and is building a proprietary conjugation technology platform to create differentiated advantages and reinforce its core competitiveness in the ADC field.

Looking ahead, the company remains committed to optimizing its technological capabilities to provide high-quality services, with the goal of becoming a leading ADC CDMO in Asia. As its technological strengths and client base grow, the company is steadily advancing toward its strategic vision of becoming a benchmark CDMO for kilogram-scale small molecules and ADC drugs in Asia—delivering more competitive solutions to clients worldwide.

- **Lumosa Therapeutics**

  Lumosa Therapeutics remains focused on maximizing the value of new drug development through a business model centered on product out-licensing and co-development partnerships with both domestic and international pharmaceutical companies and distributors. Revenue streams include licensing income—such as upfront and milestone payments—as well as long-term royalties or product sales revenue.

  For fiscal year 2025, the company's key operational plans include actively pursuing global licensing and co-development opportunities, continuing clinical trials, optimizing the CMC process for LT3001, completing critical non-clinical studies, and refining its patent strategy. In the area of its novel exosome induction platform, it will identify and advance optimized candidates with strong market potential to the next stage of development. Additionally, the company will continue evaluating and acquiring new drug development projects with promising market prospects, strengthening collaborations with international pharmaceutical partners, and establishing diversified partnership models. The company is also committed to improving project management efficiency to ensure timely execution of development plans, maintaining cost control, and enhancing operational effectiveness. Lumosa Therapeutics will proactively seek strategic collaborations to maximize company value.

- **Bao Pharma**

  Expected progress across product lines in 2025:

  1. Recombinant human hyaluronidase
     (1) Monotherapy: NDA approval is expected in the second half of 2025.
     (2) Combination with antibiotics: The ceftriaxone sodium project is expected to receive clinical trial approval in the first half of 2025.
     (3) Combination with antibody drugs: Formal partnerships have been established with multiple pharmaceutical companies to co-develop subcutaneous formulations of antibody-based therapies. Several partnered projects have already progressed to Phase II or III clinical trials.
     (4) Combination with solid tumor drugs: The anti-HER2 bispecific antibody project is expected to initiate Phase I clinical trials in the first half of 2025.
  2. Recombinant immunoglobulin-degrading enzyme: Indication 1 – Kidney Transplant Rejection: Phase III trials are scheduled to begin in the first half of 2025. Indication 2 – Anti-GBM Disease: Completion of the ongoing Phase II trial is expected by the end of 2025.
  3. Recombinant human follicle-stimulating hormone (FSH) CTP fusion protein: NDA approval is anticipated in 2025.

  IPO preparation: Bao Pharma has completed its listing application process and is scheduled to go public on the Hong Kong Stock Exchange during 2025.

- **BioGend Therapeutics**

  Expected progress for key products in 2025:

  1. RevoCart: In addition to accelerating sales efforts in the domestic market, the company will actively pursue product certification in overseas markets and engage in international out-licensing negotiations.
  2. OIF: BioGend Therapeutics is evaluating the possibility of bridging existing Phase II clinical trial results from Japan and initiating Phase III trials in both Taiwan and China. At the same time, the company will seek international partners by leveraging clinical data from both the Japanese and U.S.-Taiwan studies to drive the product's global development. The Japanese licensee also plans to conduct a Phase III clinical trial.
  3. Anti-infective products: Beyond cost optimization and sales enhancement for existing products, it will continue advancing regulatory approval and commercialization of new anti-infective products.

- **Medeon**

  1. Medeon will continue to advance product development and generate project-related revenue, including milestone and licensing payments: For its minimally invasive treatment device for benign prostatic hyperplasia, Urocross, data collection and statistical evaluation of efficacy indicators will commence in 2025. Following review of the clinical data package by the U.S. FDA, the company plans to formally submit a premarket application. For the Duett thoracic aortic repair device, clinical trial activities will continue throughout the year. Medeon will also submit a request to the FDA to expand the clinical trial scale, with the goal of using the results to support future marketing approval. Medeon Biodesign will continue to work with Terumo on the post-operative hemostasis device for large-caliber cardiac catheterization (Cross-Seal) in order to receive the remaining milestone payment. For products that have received regulatory approval, the company will continue to discuss licensing or

marketing partner opportunities.

2. Medeon's CDMO division will continue to strengthen its core manufacturing capabilities in high-end medical balloons, catheters, finished and semi-finished assemblies. By aligning with customer development timelines, the CDMO team aims to deliver high-quality, efficient manufacturing services. Medeon will also focus on acquiring new high-potential medical device clients to increase order volume, meet growing global demand for advanced medical device manufacturing, and build a stable revenue stream for the group.

III. Future company development strategy

Facing the global economic challenges of 2025—including geopolitical tensions, supply chain restructuring, and rapidly evolving regulatory environments—Center Laboratories will adopt a more proactive strategic approach to strengthen the competitiveness of its core businesses and accurately capture market trends to ensure steady and sustainable growth.

1. Strengthening core business to generate stable cash flow

   Center Laboratories will continue to deeply engage in its core business operations from multiple dimensions, including production and sales, R&D, and financial management. These efforts aim to accelerate profitability and ultimately enter international markets, providing the group with stable and long-term cash flow. In addition, Center Laboratories will strategically maintain a significant stake—as the second-largest shareholder—in a publicly listed Chinese company as an investment platform to enhance overall investment value.

2. Strategic investments to expand high-growth sectors

   The company's investment strategy will remain focused on cutting-edge industrial technologies, prioritizing high-growth enterprises that offer strong synergies with core operations. Through equity investments or mergers and acquisitions, Center Laboratories will solidify its market leadership and amplify group-level synergies, with an emphasis on strategic rather than purely financial investments.

3. Seizing emerging industries to build long-term growth momentum

   To secure future competitive advantages, Center Laboratories will actively explore emerging industries with high growth potential. The company has identified the hydrogen energy ecosystem as a key focus area, and will leverage both fund investments and co-investment opportunities to establish long-term profitability and growth momentum.

IV. External environment impact and response strategies

The global biotech and pharmaceutical industry is facing multiple challenges, including regulatory changes, intensified market competition, supply chain restructuring, and overall economic uncertainty. Center Laboratories will integrate its resources to support its portfolio companies in navigating this volatile environment and achieving continued growth.

1. Regulations and market competition

   (1) U.S. regulatory and policy changes: U.S. government policies significantly influence the global biotech and pharmaceutical markets. Center Laboratories will closely

monitor the impacts of the Inflation Reduction Act (IRA) on drug cost-effectiveness evaluations and the Biosecure Act on global supply chains to ensure strategic agility and compliance.

(2) Increasing competition in China: As the Chinese government intensifies its support for the biotech sector, competition is becoming increasingly fierce. Leveraging over a decade of investment experience, Center Laboratories will continue to identify high-potential targets and collaborate closely with local partners to maintain investment flexibility and responsiveness.

2. Global supply chain restructuring

(1) The decoupling trend between the U.S. and China in biotech and pharmaceutical supply chains is expected to bring structural changes. Overall, these changes are more likely to benefit than harm Center Laboratories and its core portfolio companies.

(2) Portfolio companies with deep roots in Taiwan and a global outlook—such as Mycenax, KriSan, Medeon, and BioGend Therapeutics—are well positioned to benefit from global order reallocation opportunities.

(3) In response to developments in China, Center Laboratories will pursue "China+1" strategies to help portfolio companies such as TOT Biopharm expand globally and mitigate market concentration risks.

3. Macroeconomic response

(1) High interest rates and inflation pressure: Center Laboratories will maintain prudent operations and utilize financial resources flexibly to navigate market volatility and ensure financial stability.

(2) Economic challenges in China: Despite deflationary trends, a real estate downturn, and export pressure, a sluggish market may also present investment opportunities. Center Laboratories will carefully assess both risks and opportunities and adapt its investment strategy accordingly.

V. Center Laboratories Group's strategic response

In an ever-evolving industry landscape, Center Laboratories firmly believes that continuous innovation and the establishment of strong industry barriers are essential to maintaining a competitive edge. As Taiwan's leading biotech investment and holding company, Center Laboratories will drive group-wide development through three key strategic pillars:

1. Focusing on innovative R&D and complex manufacturing

In innovation, Center Laboratories prioritizes solutions that address unmet clinical needs to ensure technological leadership.

In complex manufacturing, the Group aims to strengthen knowledge, capital intensity, and production barriers to build an irreplaceable market position.

2. Deepening core business operations to enhance efficiency and competitiveness

By implementing intelligent manufacturing systems, Center Laboratories seeks to reduce costs and improve operational efficiency, ultimately boosting the profitability of its portfolio companies.

3. Maximizing Group synergy to enable resource sharing

   Centered around Center Laboratories, the Group will connect global resources and foster deep collaboration among its core businesses to create maximum value.

Conclusion

With a pragmatic yet proactive mindset, Center Laboratories Group will continue to evolve amid global shifts in the biotech industry. Through strengthening core businesses, strategically investing in high-growth opportunities, and seizing emerging industry trends, the Group is committed to sustaining its competitive advantage and ensuring stable growth. Armed with deep industry experience and agile management strategies, Center Laboratories is dedicated to generating long-term value for its shareholders in the face of market challenges.

Chairman: Wang, Su-Chi

Chapter 2 Corporate Governance Report

I. Directors and management team

(I) Director

Directors (I):

Unit: Share April 28, 2025

Title	Nationality/ Place of Incorporation	Name	Gender Age	Elected Date	Term	Date of First Elected	Number of shares held when elected		Current number of shares held		Shares held currently by spouse or minor children		Shares held in the names of others		Main experience (academic) background	Other position	Executives, directors or supervisors who are spouses or within two degrees of kinship			Remarks (Note 5)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman	Republic of China	Jason Technology Co., Ltd.	--	2022.05.20	3 years	2013.06.10 (Note 6)	10,296,402	2.04%	25,423,365	3.51%	0	0	0	0	(Education)NA (Experience) Corporate director, BioEngine Technology Development Inc.	Director, Mycenax Biotech Inc.	--	--	--	--
	Republic of China	Representative: Wang, Su-Chi	Female 51-60				1,178,513	0.20%	1,295,384	0.18%	0	0	0	0	(Education) Department of Business Administration, Chinese Culture University (Experience) Center Laboratories, Inc. Director of Finance and Accounting Department	Chief Investment Officer/Chief Operating Officer of Center Laboratories, Inc. Legal Representative Chairman, Lumosa Therapeutics Co., Ltd. Legal Representative Director, BioGend Therapeutics Co., Ltd. Legal Representative Director, Ever Fortune AI Co., Ltd. Legal Representative Director, Anya Biopharm Inc. Legal Representative Director, BioEngine Technology Development Inc. Legal Representative Director, Ausnutria Dairy (Taiwan) Nutrition & Health Sciences Corporation Legal Representative Director, Youluck International Inc. Director, Bioflag Co., Ltd. (BVI) Legal Representative Director, Glac Biotech Co., Ltd. Director, Bioflag (Huaian) Co., Ltd. Director, Bioflag (Anhui) Co., Ltd. (Suzhou) Director, Jacobio Pharmaceuticals Co., Ltd. Director, BioEngine Development I Limited (HK) Director, Centerlab Investment Holding Limited (HK) Director, Center Laboratories Limited (HK) Director of Center Biotherapeutics Inc. (BVI) Director, Center Venture Holding I Limited(HK) Director, Center Venture Holding II Limited(HK) Director, Center Venture Holding III Limited (Samoa) USD Fund Director, Fangyuan Growth SPC-PCJ Healthcare Fund SP Director, PCJ Capital Management Limited Director, Shengxin Investment Consulting Co., Ltd. Chairman, Youde Investment Consulting Co., Ltd. Chairman, YuShin Investment Consulting Inc.	None	None	None	None
Director	Republic of China	Tsai, Chang-Hai	Male 71-80	2022.05.20	3 years	2022.5.20	0	0	0	0	0	0	0	0	(Education) MD-PhD, Teikyo University, Japan MD, China Medical University, Taiwan (Experience) National Policy Advisor to the President, Office of the President of the Republic of China (Taiwan)	Chairman, China Medical University Hospital System, Taiwan Founder and Chairman, Asia University, Taiwan Founder and Chairman, Asia University Hospital, Taiwan Chairman, Chang-Hai Tsai Educational Foundation	None	None	None	None

Title	Nationality/ Place of Incorporation	Name	Gender Age	Elected Date	Term	Date of First Elected	Number of shares held when elected		Current number of shares held		Shares held currently by spouse or minor children		Shares held in the names of others		Main experience (academic) background	Other position	Executives, directors or supervisors who are spouses or within two degrees of kinship			Remarks (Note 5)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
															Director, Board of Directors of the National Health Research Institutes Chairman, China Medical University Hospital, Taiwan Vice President, China Medical University, Taiwan Chief Resident Doctor, Chang-Geng Memorial Hospital Chairman, China Children's Welfare Charity Foundation, Taiwan					
Director	Republic of China	Chang, Po-Chih	Male 41-50	2022.05.20	3 years	2010.06.14	1,939,613	0.38%	2,091,727	0.29%	8,607	0.0012%	0	0	(Education) Master, Institute of Biotechnology, Chinese Culture University (Experience) Project Manager, BioEngine Technology Development Inc. Director of Business Development Department, BioGend Therapeutics Co., Ltd.	Director of Public Relations Department, BioGend Therapeutics Co., Ltd.	None	None	None	None
Director	Republic of China	Lejean Biotech Co., Ltd.	--	2022.05.20	3 years	May 11, 2004 (Note 7)	43,719,920	8.66%	66,161,405	9.13%	0	0	0	0	(Education)NA (Experience) Legal representative chairman, BioEngine Technology Development Inc.	Chairman, BioEngine Technology Development Inc.	--	--	--	--
	Republic of China	Appointed Representative: Lin, Chia-Ling (Note 8)	Female 41-50				4,082,582	0.81%	5,142,468	0.71%	0	0	0	0	(Education) Bachelor, Department of Economics, MCmaster University (Experience) Manager of Portfolio Management, BioEngine Technology Development Inc.	Manager of Organizational Development and Human Resources Department, Center Laboratories, Inc. Legal Representative Director, Lumosa Therapeutics Co., Ltd. Legal Representative Director, Glac Biotech Co., Ltd. Legal Representative Director, Cytoengine Co., Ltd. Legal Representative Chairman, BioEngine Technology Development Inc. Director, Shanghai Bao Pharmaceutical Co., Ltd. Lejean Biotech Co., Ltd.: Supervisor Jason Biotech Co., Ltd.: Supervisor Supervisor, Royal Foods Co., Ltd.	None	None	None	None
Director	Republic of China	Wechen Co., Ltd.	--	2022.05.20	3 years	2018.06.26	4,571,309	0.91%	5,873,486	0.81%	0	0	0	0	--	--	--	--	--	--
	Republic of China	Assigned Representative: Tsai, Pei-Chen (Note 8)	Female 61-70				1,215,928	0.24%	1,531,596	0.21%	0	0	0	0	(Education) Taipei Medical University School of Pharmacy (Experience) R&D Division Director, Center Laboratories, Inc.	R&D Division Director, Center Laboratories, Inc. Wechen Co., Ltd.: Director Director, YunDer Co., Ltd.	None	None	None	None
Director	Republic of China	Po Chang Investment Co., Ltd.	--	2022.05.20	3 years	2020.06.24	57,599	0.01%	80,000	0.01%	0	0	0	0	(Education)NA (Experience) Corporate director, BioEngine Technology Development Inc.	Director, Chia Her Industrial Co., Ltd. Supervisor of Daxin Pharmaceutical Technology Co., Ltd. Supervisor of BioGQ Co., Ltd.	--	--	--	--

Title	Nationality/ Place of Incorporation	Name	Gender Age	Elected Date	Term	Date of First Elected	Number of shares held when elected		Current number of shares held		Shares held currently by spouse or minor children		Shares held in the names of others		Main experience (academic) background	Other position	Executives, directors or supervisors who are spouses or within two degrees of kinship			Remarks (Note 5)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
	Republic of China	Assigned representative: Chen, Chun-Hong (Note 8)	Male 61-70				0	0	0	0	0	0	0	0	(Education) BA, Business Administration, Union University of Business (Experience) Director, MicroBio Co., Ltd.	Legal Representative Chairman, MasterLink Securities Corporation Legal Representative Chairman, MasterLink Futures Corporation Legal Representative Chairman, MasterLink Venture Capital Corporation Legal Representative Chairman, MasterLink Venture Management Corporation Legal Representative Chairman, MasterLink Securities Venture Capital (Tianjin) Co., Ltd. Legal Representative Chairman, MasterLink Innovation & Venture Capital Management (Tianjin) Co., Ltd. Legal Representative Director, MasterLink Securities (B.V.I.) Corporation Director of Shin Kong Financial Holdings Co., Ltd. Legal Representative Director, Mycenax Biotech Inc. Legal Representative Director, Collins Co., Ltd. Legal Representative Director, Chia Her Industrial Co., Ltd. Legal Representative Director, Hi-Clearance Inc. Legal Representative Supervisor, GrowTrend Biomedical Co., Ltd. Supervisor, Minoshin International Co., Ltd. Director, Taipei Exchange Legal Representative Director, Taiwan Futures Exchange	None	None	None	None
Independent Director	Republic of China	Ho, Mei-Yueh	Female 71-80	2022.05.20	3 years	2020.06.24	0	0	0	0	0	0	0	0	(Education) BS, Agricultural Chemistry, National Taiwan University (Experience) Minister, Ministry of Economic Affairs (R.O.C.) Council Minister, Council for Economic Planning and Development (R.O.C.)	Independent Director/Member of the Audit Committee/Member of the Remuneration Committee, Acer Incorporated Independent Director/Member of the Audit Committee, ASE Technology Holding Co., Ltd. Director, Kinpo Electronics, Inc. Independent Director, Onward Therapeutics SA National Policy Advisor to the President, Office of the President of the Republic of China (Taiwan)	None	None	None	None
Independent Director	Republic of China	Ho, Shih-Chun	Male 51-60	2022.05.20	3 years	2010.06.14	0	0	0	0	0	0	0	0	(Education) EMBA, National Taiwan University Master, Financial Management, Golden Gate University (Experience) 10th Chairman of the National Taiwan University EMBA Alumni Foundation Distinguished Alumnus of the Year 2020-2021, Fu Jen Catholic University President of the Alumni Association of the Department of Business Administration, Fu Jen Catholic University	Legal Representative Vice Chairman, Trade-Van Information Services Co. Independent Director/Member of the Audit Committee/Member of the Remuneration Committee, Collins Co., Ltd. Independent Director/Member of the Audit Committee/Member of the Remuneration Committee, Super Dragon Technology Co., Ltd. Director, Luo Lih-Fen Holding Co., Ltd. Director, Ever Supreme Bio Technology Co., Ltd. Director, Allied Biotech Corp. Director, Forcera Materials Co., Ltd. Chairman, Taiwan Land Investment Co., Ltd. Chairman, Tradeunited Technology (Shanghai) Limited Chairman, Richer Biotechnology Co., Ltd.	None	None	None	None

Note 1: Institutional shareholders are to have the name of institutional shareholders and representatives presented separately (for the representative of institutional shareholders, the name of the institutional shareholders should be indicated) and fill in Table 1 below.

Note 2: Please list the actual age; it may be expressed in intervals, such as 41-50 years old or 51-60 years old.

Note 3: Fill in the date of being elected as the director or supervisor for the first time and with the discontinuity stated, if any.

Note 4: An experience relevant to the current position, such as, employed by the independent auditor's firm or its affiliated companies throughout the time period referred to above, please state the job title and the job responsibilities.

Note 5: Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest-level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (such as increasing the number of independent director seats, and more than half of all directors must not concurrently serve as employees or managers) must be disclosed.

Note 6: Jason Technology Co., Ltd. was once elected as a director in the regular shareholders' meeting of June 10, 2013, and was dismissed after the re-election in the regular shareholders' meeting of June 20, 2016.

Note 7: Lejean Biotech Co., Ltd. was once elected as a director in the regular shareholders' meeting of May 11, 2004, and was dismissed after the re-election in the regular shareholders' meeting of June 13, 2007.

Note 8: Refer to the representatives appointed by the elected institutional shareholders.

Table 1: Major Shareholders of the Institutional Shareholders

April 28, 2025

Name of institutional shareholders	Major Shareholders of the Institutional Shareholders
Jason Technology Co., Ltd.	Lin, Hung-Hsuan (35.83%), Lin, Chia-Ling (25.97%), Lin, Wei-Hsuan (25.69%), Ou, Li-Chu (12.25%), Lin, Jung-Chin (0.26%)
Lejean Biotech Co., Ltd.	Jason Technology Co., Ltd. (92.07%), Lin, Jung-Chin (7.857%), Ou, Li-Chu (0.059%), Lin, Hung-Hsuan (0.005%), Lin, Chia-Ling (0.005%), Lin, Wei-Hsuan (0.004%)
Wechen Co., Ltd.	Chou, Chuan-I (98.33%), Tsai, Pei-Chen (1.67%)
Po Chang Investment Co., Ltd.	Wong, Shu-Yu (94.00%), Chou, Shu-Chen (2.00%), Wong, Yu-En (2.00%), Chen, Chun-Hong (2.00%)

Note 1: If directors and supervisors are representatives of institutional shareholders, the names of institutional shareholders shall be disclosed.

Note 2: The above table shows the names and shareholding ratios of major shareholders (top 10 shareholders) in each of the Company's institutional shareholders. If the major shareholders are institutional shareholders, please fill out Table 2 below.

Note 3: If an institutional shareholder is not a company, the name of the shareholder and the shareholding ratio to be disclosed as previously mentioned shall be the name of the contributor or donor (please refer to the announcement of the courts for inquiries) and the contribution or contribution ratio. Donors who have passed away are marked "deceased".

Table 2: Major Shareholders of the Institutional Shareholders in Table 1

April 28, 2025

Name of juridical persons	Major shareholders
Jason Technology Co., Ltd.	Lin, Hung-Hsuan (35.83%), Lin, Chia-Ling (25.97%), Lin, Wei-Hsuan (25.69%), Ou, Li-Chu (12.25%), Lin, Jung-Chin (0.26%)

Note 1: If the major shareholders in Table 1 are institutional shareholders, please state the name of the institutional shareholders.

Note 2: Fill in the name and shareholding ratio of the major shareholders (with the top-ten shareholding ratio) of the institution.

Note 3: If an institutional shareholder is not a company, the name of the shareholder and the shareholding ratio to be disclosed as previously mentioned shall be the name of the contributor or donor (please refer to the announcement of the courts for inquiries) and the contribution or contribution ratio. Donors who have passed away are marked "deceased".

Directors (II):

1. Disclosure of information on the professional qualifications of directors and the independence of independent directors:

Qualification / Name	Professional qualification and experience (Note 1)	Independence criteria (Note)	Number of public companies that the Independent Director also holds the position as independent director	Whether there are any incidents stipulated in Article 30 of the Company Act taking place
Wang, Su-Chi Chairman	Chairman Wang, Su-Chi has been the Director of Finance and Accounting of our Company for over 20 years. Currently, she also holds the positions of Chief Operating Officer and Chief Investment Officer, and oversees the Company's financial planning, financial risk management, supervision of financial report preparation, and supervision of subsidiaries. She actively participates in risk assessment for investment and merger cases, as well as pre-investment financial analysis and post-investment financial management. During her 20 years of serving the company, she and her team participated in the formulation of strategies and implementation plans, and successfully guided CENTER to enter the capital market, transforming from a small over-the-counter company with a capital of NT$130 million to a biotech investment holding company with a current capital exceeding NT$7 billion, and profits have grown from tens of millions to several billions of NT dollars. She has helped the Company to achieve its profitability goals, while planning a stable cash flow and raising low-cost capital for the company, making an important contribution to the Center Laboratories Group. During her tenure as Head of Corporate Governance, Chairman Wang was responsible for the Board of Directors, the Audit Committee, the Remuneration Committee and the Shareholders' Meeting, and she also served as a director of a number of reinvestment companies, which enabled her to have extensive experience and expertise in corporate governance. She has also served as the deputy spokesperson of the Company for a long time and has established good relationships and communication channels with investors to help them understand the value of Center Laboratories Group, and has been recognized for her comprehensive professionalism and achievements.	NA	0	None
Tsai, Chang-Hai Director	Director Tsai, Chang-Hai is currently the Chairman of China Pharmaceutical University and Healthcare System and the Founder and Chairman of Asia University. Chairman Tsai has led the development of the China Pharmaceutical University and Healthcare System into a world-class university and medical center of excellence. Through his	NA	0	None

Qualification / Name	Professional qualification and experience (Note 1)	Independence criteria (Note)	Number of public companies that the Independent Director also holds the position as independent director	Whether there are any incidents stipulated in Article 30 of the Company Act taking place
	efforts, China Pharmaceutical University Hospital has transformed from a struggling hospital to a medical center with excellent medical and operational performance, second only to National Taiwan University Hospital and Chang Gung Hospital. Chairman Tsai has received the Taiwan Medical Paragon Award, the highest honorary individual award in the Technology Management Awards, and the Vision Magazine's Chinese Business Leaders Outstanding Leadership Award. During his tenure, Director Tsai has led China Pharmaceutical University to be ranked among the world's universities, established international research centers, developed specialty medical centers, brought in technology and experience from foreign research teams, and formed alliances and collaborations with renowned universities and research centers around the world, such as: The Cancer Center has partnered with the world's No.1 University of Texas M.D. Anderson Cancer Center. In addition, Director Tsai has actively recruited top-notch talents at home and abroad, and has recruited former Minister of Education Huang, Jung-Tsun, former President of Taipei Medical University Hsu, Chung-I, former Academician of Academia Sinica and Nobel Prize nominee Li, Wen-Hua, Academician of Academia Sinica and former Vice President of Research at the University of Texas M. D. Anderson Cancer Medical Center Hung, Ming-Chi, and others to join the team. In recent years, Tsai, Chang-Hai has not only provided education, but also led the development of cutting-edge medical science such as cell therapy, artificial intelligence medical science, digital medical science and biomedical industry, cooperated with internationally renowned companies and academic institutions, promoted Taiwan's medical science and industry to enter the international arena, organized the first pharmaceutical school in Taiwan and established the Cloud Institute for Smart Medical Science and Health Industry, and built the Taichung-Shinan International Health Industry Park to promote the formation of a cluster of biomedical industry parks in central Taiwan, bringing significant contributions to Taiwan's biotechnology and medical industry.			

Qualification / Name	Professional qualification and experience (Note 1)	Independence criteria (Note)	Number of public companies that the Independent Director also holds the position as independent director	Whether there are any incidents stipulated in Article 30 of the Company Act taking place
Chang, Po-Chih Director	Director Chang, Po-Chih entered the pharmaceutical sales market in 2000. He has more than 20 years of experience in pharmaceutical sales, and more than 20 years of experience in maintaining KOL relationships and the complete deployment process of new products from the product launch to the sales in the pharmaceutical industry. Started from Pfizer, TTY Biopharm Co., Ltd., and BioGend Therapeutics Co., Ltd., Mr. Chang has sold products from medicines to medical materials, and sold to all types of clients, such as pharmacies, clinics, regional hospitals, and medical centers. He has also led the sales team to successfully achieve excellent results. He has precise insights into the strengths and weaknesses for new products, and the competition they have to face when they are launched.	NA	0	None
Lin, Chia-Ling Director	Director Lin, Chia-Ling, who is currently the manager for the Organization Development and Human Resources Division of our Company worked for BioEngine Technology Development Inc., part of the Center Laboratories Group and a number of biotechnology companies. She has held business management positions for more than 10 years. Her areas of expertise include human resource management, organizational development and construction, marketing strategy and management, brand marketing and public relations, etc. During her tenure at BioEngine Technology Development Inc., Ms. Lin participated in venture capital operations, and is quite familiar with investment research, investment analysis, post-investment management and other matters. In addition, she has successfully planned and implemented the transformation plans of many enterprises and assisted them to successfully achieve specific goals.	NA	0	None
Tsai, Pei-Chen Director	Director Tsai, Pei-Chen graduated from School of Pharmacy of Taipei Medical University. Since she left school, Ms. Tsai has continuously researched in the field of small molecule drugs, and has more than 30 years of experience. Ms. Tsai is the current director of the R&D Department of our Company and has more than 30 years of experience in the fields of oral liquid and small molecule drugs. In 2008, the Company repositioned itself. In addition to the original field of pediatrics, the Company also expanded into the fields of psychiatry and neurology. Ms. Tsai led the legal compliance and R&D team to develop drugs in the CNS field into liquid preparations. They have successfully brought the	NA	0	None

Qualification / Name	Professional qualification and experience (Note 1)	Independence criteria (Note)	Number of public companies that the Independent Director also holds the position as independent director	Whether there are any incidents stipulated in Article 30 of the Company Act taking place
	three advantages of liquid preparations (difficulty in swallowing, dose adjustment, and medication compliance) into the CNS product portfolio, helping the product to be promoted smoothly. In addition to leading the R&D team, Ms. Tsai also serves as the top director of the MIS Division of our Company. During the Company's transformation and reform, she led the IT team to successfully import the internal ERP system based on the business model and continue to improve it, which is still in use today. In 2008, the Company strategically transformed into a biotechnology industrial bank, and formally invested in various fields of the big health industry. Ms. Tsai, Pei-Chen has successfully made use of her past experience of introducing enterprise ERP, and led the team to reorganize the business model and management mode of the reinvested enterprises. After reorganizing the structure of the information system, she tailor-made a fit-in ERP system, and successfully assisted the operation of the reinvested enterprises.			
Chen, Chun-Hong Director	The experience of Director Chen, Chun-Hong covers securities, banking, biotechnology and conventional industries. He worked in Chia Her Industrial Co., Ltd., entered the securities industry as a deputy general manager in 1997 and was in charge of investment business. In 2003, he became the general manager of MicroBio Co., Ltd. Mr. Chen has been serving as the Chairman of MasterLink Securities since 2007. He has successfully guided many well-known biotechnology companies to go public, and is an important promoter for the domestic biotechnology industry to enter the capital market. Mr. Chen also concurrently serves as the Chairman of MasterLink Venture Capital Corporation, director of Shin Kong Commercial Bank Co., Ltd., and director of Taipei Exchange. Mr. Chen has profound experience and expertise in capital planning, securities investment, industry research, business operation and corporate governance.	NA	0	None
Ho, Mei-Yueh Independent Director	After passing the Senior Examination as the first place candidate, Independent Director Ho, Mei-Yueh started her career as a junior technocrat, and served as technical specialist and section chief of the Industrial Development Bureau, and was promoted to the deputy director and director. Ms. Ho was then transferred to the Executive Yuan as the director of the Fifth Division, Deputy Council	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	2	None

Qualification / Name	Professional qualification and experience (Note 1)	Independence criteria (Note)	Number of public companies that the Independent Director also holds the position as independent director	Whether there are any incidents stipulated in Article 30 of the Company Act taking place
	Minister of Council for Economic Planning and Development. She has worked for 30 years as a civil servant and has rich professional financial qualifications. From 2004 to 2006, Ms. Ho served as the Minister of Economic Affairs, and then continued to serve as a Minister Without Portfolio of the Executive Yuan and the Council Minister of Council for Economic Planning and Development. During her tenure in office, in addition to representing Taiwan in WTO negotiations, she also drafted a number of important policy blueprints, including Knowledge Economy Plan, Six-year National Development Plan, Taiwan's Comprehensive Manufacturing Industry Blueprint, etc. In addition, Ms. Ho also participated in a number of economic construction plans, including promoting the biotechnology industry, establishing a global operations research center and innovation R&D center, and expanding public service plans with a budget of NT$20 billion. In addition, many pieces of legislation were formulated from scratch under her watch, and they eventually became law thanks to her planning and coordination, such as the Act for the Establishment and Management of Free Trade Zones, Expanded Public Service Employment Program, Business Mergers And Acquisitions Act, Finance Company Act, and Clauses of the Real Estate Securitization Act, etc. Ms. Ho's impressive qualifications have always been valued by all industries, and she is an important figure in Taiwan's economic development.			
Ho, Shih-Chun Independent Director	Independent Director Ho, Shih-Chun holds a master's degree in financial management from Golden Gate University in San Francisco and a master's degree in business administration from National Taiwan University. Since 1996, he has established Trade-Van Information Services Co., a joint venture with the government. In addition to strengthening customs clearance automation services, he also actively develops network platform services of G to B, B to B and B to C, responding to the demands of enterprises in platform transmission. Mr. Ho has also extended a company's role from undertaking government projects to serving enterprises and individuals. In the field of biotechnology, Mr. Ho has branched into stem cell therapy, regenerative medicine and smart medicine. Through the continuous development of technology and biotechnology as well as the breakthroughs in artificial intelligence (AI) and biotechnology medicine, he is committed to improving the emerging needs in the field of	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	2	None

Qualification / Name	Professional qualification and experience (Note 1)	Independence criteria (Note)	Number of public companies that the Independent Director also holds the position as independent director	Whether there are any incidents stipulated in Article 30 of the Company Act taking place
	general health. Mr. Ho is currently the Chairman of Taiwan Land Investment Co., Ltd., Chairman of Richer Biotechnology Co., Ltd., director of Trade-Van Information Services Co., director of Luo Lih-Fen Holding Co., Ltd., director Ever Supreme Bio Technology Co., Ltd., and director of Allied Biotech Corp., etc. He has more than 30 years of relevant professional experience in operational judgment and leadership decision-making, accounting and finance, crisis management, industry knowledge and international market insights.			
LIN SHIRLEY YI-HSIEN Independent Director (resigned on May 15, 2024)	LIN SHIRLEY YI-HSIEN, an independent director, graduated from Stanford University with a degree in Management Science and Engineering and has been with GL Capital since August 2011 as Managing Director of GL Capital's Private Equity Group. She is also a non-executive director of SciClone Pharmaceuticals (Holdings) Limited, a company listed in Hong Kong, and is responsible for formulating the Group's business plans, strategies and major decisions. LIN SHIRLEY YI-HSIEN is an independent director with extensive and professional practical experience in the areas of investment placement, investment research, and company management and strategic planning.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	0	None

Note 1: Professional qualifications and experiences: Describe the professional qualifications and experience of individual directors and supervisors. If they are members of the Audit Committee and have accounting or financial expertise, their accounting or financial background and work experience shall be described. In addition, whether there are any incidents stipulated in Article 30 of the Company Act taking place shall be described.

Note 2: Specify whether the independent directors are independent, including but not limited to whether the members, their spouses, or relatives within the second degree of kinship are the directors, supervisors or employees of the Company or its affiliated companies; the number and percentage of the shares of the Company held by the members, their spouses, relatives within the second degree of kinship (or held in the name of another person); whether they are the directors, supervisors or employees of a company which has a specific relationship with the Company (please refer to the provisions in the subparagraphs 5 to 8 of paragraph 1 of Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); the amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliates in the past 2 years.

Note 3: For disclosure methods, please refer to the Best Practice Reference Examples section on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

(Note) Each director shall meet the following conditions in the two years prior to election and during their terms of office:

(1) Neither an employee of the Company nor the affiliated companies.

(2) Neither a director/supervisor of the Company nor the affiliated company (unless he/she serves as an independent director of the Company/parent company which is set up in accordance with this Law or the laws of the local state).

(3) The outstanding shares of the Company held under the names of the director/supervisor, their spouses, minor children, and those held under the name of other parties are less than 1% of the total outstanding shares of the Company or not a member listed as one of the top 10 individual shareholders of the Company.

(4) Not a spouse, kin at the second pillar under the Civil Code, or the lineal blood relatives within the third tier under the Civil Code as specified in preceding three paragraphs.

(5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the Company under Paragraph 1 or 2, Article 27 of the Company Act. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.

(6) If a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.

(7) If the Chairman, President, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.

(8) Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified company or institution holds 20% or more and no more than 50% percent of the total number of issued shares of the public company.

(9) Professionals, sole proprietors, partners, directors, supervisors, managers, or their spouses from sole proprietorships, partnerships, companies, or institutions that have not provided audit services or received cumulative remuneration exceeding NT$500,000 within the past two years for business, legal, financial, or accounting services to the Company or its affiliates. However, individuals serving on remuneration committees, tender offer review committees, or special merger and acquisition committees in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act shall not be subject to this restriction.

(10) Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.

(11) Not been a person of any conditions defined in Article 30 of the Company Act.

(12) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.

2. Diversity and independence of the Board of Directors:

(1) Diversity in the Board of Directors: Describe the Board of Directors' diversity policy, goals and achievement. The diversity policy includes, but is not limited to, the selection criteria for directors, the professional qualifications and experience that the members of the Board of Directors shall possess, the composition or ratio of members' gender, age, nationality, and culture, etc., and the company's specific goals and their achievements as described in the aforementioned policy. If the board of directors of

a listed or OTC company has less than one-third of its seats occupied by directors of any given gender, the reasons should be stated along with the measures planned to enhance gender diversity among the board members.

The Company has stipulated in the "Corporate Governance Best Practice Principles" and "Procedures for Election of Directors" that the composition of the Board of Directors shall consider diversity, except that directors who also serve as managers of the Company shall not exceed one-third of the seats on the Board of Directors, and the Company formulates an appropriate diversification policy based on its current situation, operation types and development needs, which shall include but not limited to the following two major aspects of the standard: (1)Basic requirements and values: Gender, age, nationality, and culture. (2)Professional knowledge and skills:A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Following the re-election of the Board of Directors at the shareholders' meeting on May 20, 2022, and the appointment of a new Chairman at the interim Board Meeting on November 30, 2022, the Company had a total of five female directors, accounting for 5 out of 9 board seats. There were also three independent directors, representing 33% of the board, with two-thirds of them having served for no more than three consecutive terms. This composition met the Company's board diversity targets: female directors comprising at least one-third of the board and at least half of the independent directors having served no more than three consecutive terms. However, following the resignation of Independent Director Lin Shirley Yi-Hsien on May 15, 2024, the number of female directors was reduced to four, representing 50% of the board. The number of independent directors dropped to two, accounting for 25% of the board, with half of them serving no more than three consecutive terms. The company will hold a re-election of its board of directors at the 2025 Annual General Meeting, with the goal of board diversity by ensuring that at least one-third of the directors are women and more than half are independent directors, with their consecutive terms not exceeding three terms.

In addition, most of directors have experience of serving as directors or independent directors of numerous listed companies. The members of the Board of Directors have diverse backgrounds in industry, academia, and professions, including industry and management experience, finance and accounting, biotechnology investment, biotechnology research and development, and marketing, and can provide professional advice from different perspectives, which is helpful to enhance the company's operational performance and management efficiency.

(2) Independence of the Board of Directors: State the number and proportion of independent directors, and describe the independence of the Board of Directors, and explain with reasons whether there are no conditions specified in paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act, including a description of whether there are spousal or familial relationship within the second degree of kinship among directors, supervisors, or directors and supervisors.

Pursuant to paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act, except where the Competent Authority has granted approval, the following relationships may not exist among more than half of a company's directors: 1, Spouse. 2. A familial relationship within the second degree of kinship. Except where the Competent Authority has granted approval, a company shall have at least one or more supervisors, or one or more supervisors and directors, among whom no relationship

under the preceding subparagraphs exists.

The Company originally appointed three independent directors. However, following the resignation of Independent Director Lin Shirley Yi-Hsien on May 15, 2024, the Company currently has two independent directors, representing 25% of the total board seats. The Company has no supervisors, and there is no familial relationship among independent directors and other directors. 8 directors have no conditions which correspond to the provisions in paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act. As such, the Board of Directors maintains its independence.

(II) President, Vice President(s), Assistant Vice President(s), and the Manager of Each Department and Branch Institution

Unit: Share April 28, 2025

Job title (Note 1)	Nationality	Name	Gender	Date elected/ appointed	Shareholding under own name		Shares held by spouse or minor children		Shares held in the names of others		Education and work experience (Note 2)	Other position	Managers who are spouses or within two degrees of kinship			Remarks (Note 3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman/ Chief Investment Officer / Chief Operating Officer	Republic of China	Wang, Su-Chi	Female	2024.02.06	1,295,384	0.18%	0	0	—	—	(Education) Department of Business Administration, Chinese Culture University (Experience) Finance and Accounting Department Director, Center Laboratories, Inc.	Refer to page 14.	None	None	None	None
President	Republic of China	Hsu, Jui-Pao	Male	1998.08.03	4,900,891	0.68%	0	0	—	—	(Education) School of Pharmacy, Kaohsiung Medical University (Experience) Director, Taipei Biotech Association Executive Director, Taiwan Pharmaceutical Manufacturer and Development Association	None	None	None	None	None
Plant Director	Republic of China	Lin, Chun-Yu	Female	2017.01.01	46,648	0.0064%	0	0	—	—	(Education) PhD, Taipei Medical University School of Pharmacy (Experience) Deputy Factory Manager, U-Liang Pharmaceutical Co., Ltd. Director of Legal Affairs Department and R&D Department, Synmosa Biopharma Corporation	None	None	None	None	None
Assistant Vice President to the Chairman's Office	Republic of China	Lin, Hsiu-Yueh	Female	1998.08.03	3,092,386	0.43%	0	0	—	—	(Education) Department of Foreign Languages & Literature, National Cheng Kung University (Experience) Administrative Director, Dong-Hsing Pharmaceutical Co., Ltd.	Supervisor, Youluck International Inc. Legal Representative Supervisor, Ausnutria Dairy (Taiwan) Nutrition & Health Sciences Corporation	None	None	None	None
Director, R&D Department I	Republic of China	Tsai, Pei-Chen	Female	1983.07.01	1,531,596	0.21%	0	0	—	—	(Education) School of Pharmacy, Taipei Medical University (Experience) R&D Division Director, Center Laboratories, Inc.	Director, Wechen Co., Ltd. Director, YunDer Co., Ltd.	None	None	None	None
Assistant Vice President of Legal Affairs Department	Republic of China	Lien, Min-Li	Female	2023.01.13	0	0	0	0	—	—	(Education) Branch Campus of University of Texas at Austin Master of Laws Bachelor of Law, National Taiwan University (Experience) Lawyer in the State of New York The Chief Legal Officer of the Business Connector Group at Hon Hai Precision Industry Co., Ltd.	None	None	None	None	None
Manager, Finance and Accounting Department	Republic of China	Mao, An-Ni	Female	2022.12.08	16,629	0.0023%	0	0	—	—	(Education) Department of Accounting and Information, Takming University of Science and Technology (Experience) Deputy manager, Crowe Horwath (TW) CPAs	None	None	None	None	None

Note 1: It shall include information on the president, vice president(s), assistant vice president(s), manager of each department and branch Institution, and those with a position comparable to the president, vice president and senior manager, regardless of the job title, shall also be disclosed.

Note 2: An experience relevant to the current position, such as, employed by the independent auditor's firm or its affiliated companies throughout the time period referred to above, please state the job title and the job responsibilities.

Note 3: Where the Chairman of the Board of Directors, the President or a person of an equivalent post (the highest-level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (such as increasing the number of independent director seats, and more than half of all directors must not concurrently serve as employees or managers) must be disclosed.

II. Remuneration paid to directors, president and vice president

(I) The company, when in one of the following circumstances, shall disclose the remunerations dispensed to its directors or supervisors individually (when adopting individual disclosure, please enter individually the position, name and amount, without having to fill out a table of remunerations by scale):

(1) When there is after-tax deficit in the most recent three years' individual entity or parent company only financial statements, it is a must to reveal every director and supervisor's remuneration, except those that already have after-tax net profit and the said profit is enough to cover the deficit: In 2023 and 2024, the individual financial statements reported an after-tax loss.

(2) If the circumstance of shares held by the directors should fall short for three consecutive months or longer in the most recent year, the remunerations of individual directors shall be disclosed; when the circumstance of shares held by the supervisors should fall short by three consecutive months or longer in the most recent years, the remunerations of individual supervisors shall be disclosed: None.

(3) If the directors or supervisors' average mortgaging percentage exceeds 50% in any given three months in the most recent year, the particular month of the remunerations of the individual directors or supervisors with a mortgaging ratio exceeding 50% shall be disclosed: None.

(4) When the entire directors and supervisors collecting the directors and supervisors' remunerations in all companies stated in the financial statements to the after-tax net earnings should exceed two percent, and that the remunerations the individual directors or supervisors collect also exceed NT$15 million, the individual remunerations of the directors or supervisors shall be disclosed. (Note: The remuneration of directors and supervisors shall be calculated based on the item of "directors' remuneration" in the attached table plus "supervisors' remuneration," excluding related remuneration received by concurrent employees.): N/A.

(5) A TWSE-listed or TPEx-listed company which is ranked in the second lowest in the corporate governance evaluation for the most recent fiscal year, or in the most recent fiscal year or as of the printing date of the annual report for that year, has been placed under an altered trading method, been suspended from trading, been delisted from the exchange, or the situations deemed by the Corporate Governance Evaluation Committee that it shall be excluded from evaluation: None.

(6) A TWSE-listed or TPEx-listed company with the average annual salary of full-time non-supervisory employees in the most recent year being less than NT$500,000: None.

(7) For a TWSE-listed or TPEx-listed company, net profit after tax increased by more than 10% in the last financial year. However, there were no cases where the average annual salary of full-time, non-managerial employees did not increase from the previous year.

(8) There are no listed or OTC companies that have experienced a decline of more than 10% in after-tax profits and exceeding NT$5 million in the most recent fiscal year, as well as an increase of more than 10% and exceeding NT$100,000 in average director remuneration (excluding remuneration for concurrent employees).

(II) If the company falls under any of the circumstances described in items (1) or (5) above, it shall individually disclose the remuneration information of the top five highest-paid managerial officers (such as the General Manager, Deputy General Manager, CEO, or CFO): In 2023 and 2024, the individual financial statements reported an after-tax loss.

A. Remuneration of Directors and Independent Directors

Unit: NT$ thousands; December 31, 2024

Title	Name	Directors' remuneration								A total of A+B+C+D as a percentage of net income after tax (Note 10)		Concurrent employees receive relevant compensation								A total of A, B, C, D, E, F and G as a percentage of net income after tax (Note 10)		Compensation received from non-consolidated affiliates or parent company (Note 11)
		Compensation (A) (Note 2)		Retirement pension (B)		Director remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)				Salary, bonus and special expenses (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6)						
																The Company		All companies in the financial statements (Note 7)				
		The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	Cash amount	Stock amount	Cash amount	Stock amount	The Company	All companies in the financial statements (%) (Note 7)	
Chairman	Jason Technology Co., Ltd.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Representative: Wang, Su-Chi	0	0	0	0	0	0	55	55	55 (0.0050%)	55 (0.0050%)	5761	5761	27	27	0	0	0	0	5,843 (0.5294%)	5,843 (0.5294%)	56
Director	Tsai, Chang-Hai	0	0	0	0	0	0	50	50	50 (0.0045%)	50 (0.0045%)	0	0	0	0	0	0	0	0	50 (0.0045%)	50 (0.0045%)	0
Director	Chang, Po-Chih	0	0	0	0	0	0	50	50	50 (0.0045%)	50 (0.0045%)	0	0	0	0	0	0	0	0	50 (0.0045%)	50 (0.0045%)	1748
Director	Lejean Biotech Co., Ltd.	0	0	0	0	0	0	50	50	50 (0.0045%)	50 (0.0045%)	0	0	0	0	0	0	0	0	50 (0.0045%)	50 (0.0045%)	0
Director	Wechen Co., Ltd.	0	0	0	0	0	0	55	55	55 (0.0050%)	55 (0.0050%)	0	0	0	0	0	0	0	0	55 (0.0050%)	55 (0.0050%)	0
Director	Po Chang Investment Co., Ltd.	0	0	0	0	0	0	50	50	50 (0.0045%)	50 (0.0045%)	0	0	0	0	0	0	0	0	50 (0.0045%)	50 (0.0045%)	0
Independent Director	Ho, Mei-Yueh	600	600	0	0	0	0	135	135	735 (0.0666%)	735 (0.0666%)	0	0	0	0	0	0	0	0	735 (0.0666%)	735 (0.0666%)	0
Independent Director	Ho, Shih-Chun	600	600	0	0	0	0	125	125	725 (0.0657%)	725 (0.0657%)	0	0	0	0	0	0	0	0	725 (0.0657%)	725 (0.0657%)	23
Independent Director	Lin Shirley Yi-Hsien (Note)	300	300	0	0	0	0	60	60	360 (0.0326%)	360 (0.0326%)	0	0	0	0	0	0	0	0	360 (0.0326%)	360 (0.0326%)	0

Independent Director Lin Shirley Yi-Hsien resigned on May 15, 2024.
Please state the policy, system, standards and structure of independent directors' remuneration payment, and describe the relevance to the amount of remuneration, responsibilities, risks, time invested and other factors:
The remuneration paid to independent directors of the Company is based collectively on industrial characteristics, the industrial payment level, independent directors' contribution to operations, the degree of undertaken risks. After being assessed by the Remuneration Committee, any proposal for remuneration is submitted to the Board of Directors for resolution.
From the current (ninth) term of the Board of Directors, independent directors are entitled to participate in the annual distribution of directors' remuneration in addition to receiving fixed monthly remuneration and travel expenses for attending board meetings and the Audit and Remuneration Committee.
Other than the disclosures in the table above, the remuneration received by the Company's directors for their services provided (such as serving as non-employee consultants of the parent Company/all of the companies listed in the financial reports/reinvested enterprises, etc.) in the most recent year: None.

(Table)

Note 1: The name of the directors shall be enlisted separately (of institutional shareholders, the institutional shareholder's name and the representative shall be enlisted separately), with amount of various payouts to be disclosed in a consolidated manner. If the directors also serve as the president or vice presidents, the table and the below table (3-1), (3-2-1) or (3-2-2) shall be entered.

Note 2: Which refers to the most recent year's directors' remunerations (including the directors' remunerations, position stipends, resignation payout, various bonuses, incentive payouts and the like).

Note 3: The latest amount of director's remuneration as passed by the Board of Directors.

Note 4: Which pertains to the most recent year's directors' pertinent business execution expenditures (including the travel expenses, special dispensed expenditures, various subsidies, dormitory, car allocation and related tangible goods allocation and so forth). When allocating with housing, car, other transportation means or exclusive personal expenditures, it shall disclose the nature of the asset allocated, the actual or market value actuated rent, fuel and other payouts. Also, when allocating with a driver, please include in the footnote explaining pertinent remuneration the company pays said driver, but excluding from the remunerations.

Note 5: Which refers to the most recent year in which the directors doubling as employees (including doubling as the president, vice president, other managers and employees) have collected of the wages, position stipends, resignation payouts, various bonuses, incentive payouts, travel expenses, especially dispensed expenditures, various subsidies, dormitory, car allocation and related tangible goods allocation and the like). When allocating with housing, car, other transportation means or exclusive personal expenditures, it shall disclose the nature of the asset allocated, the actual or market value actuated rent, fuel and other payouts. Also, when allocating with a driver, please include in the footnote explaining pertinent remuneration the company pays said driver, but excluding from the remunerations. According to IFRS 2's recognition of remuneration in "Share-Based Payments," the remuneration shall include employee stock options, restricted-right employee shares and share subscription from participation in cash capital increase.

Note 6: Which refers to when directors who serve as employee (including the position of president, vice president, other manager and employee) receive employees' remuneration (including stock and cash), the percentage of employees' remuneration shall be distributed based the board of directors' approval of the year. Those who unable to estimate the amount shall have this year's amount calculated based on last year's amount and to fill up the attached form 1-3.

Note 7: The total sum of various remunerations dispensed to company directors by all companies (including the company) stated in the consolidated financial statements.

Note 8: The total sum of various remunerations the company dispenses to each director, and disclosing the name of the directors that fall within the scale of pay propensity.

Note 9: It is mandated to disclose the total sum of various remunerations dispensed to each company director by all companies (including the company) stated in the consolidated financial statements, and disclosing the name of the directors that fall within the scale of pay propensity.

Note 10: Net profit after tax refers to the net after-tax profit of the parent company or the respective financial statement for the latest year.

Note 11:

a. In this field the amount of remuneration paid to the Director by the Company's re-invested businesses other than the subsidiaries or parent company should be clearly indicated (Please input "none" if not applicable).

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

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

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

B. Remuneration to the President and the Vice Presidents

Unit: NT$ thousands; December 31, 2024

Title	Name	Salary (A) (Note 2)		Retirement pension (B)		Bonuses and allowances (C) (Note 3)		Employees' profit sharing bonus (D) (Note 4)				A total of A+B+C+D as a percentage of net income after tax (Note 6)		Compensation received from non-consolidated affiliates or parent company (Note 7)
								The Company		All companies in the financial statements (Note 5)				
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	Cash amount	Stock amount	Cash amount	Stock amount	The Company	All companies in the financial statements (Note 5)	
President	Hsu, Jui-Pao	2,112	2,112	108	108	1,474	1,474	0	0	0	0	3,694 (0.33%)	3,694 (0.33%)	None
Chief Investment Officer and Chief Operating Officer	Wang, Su-Chi	5,036	5,036	27	27	725	725	0	0	0	0	5,788 (0.52%)	5,788 (0.52%)	None

∗ Regardless of the position, all positions comparable to that of the president and vice presidents (i.e., the chairman, CEO, director and so forth) shall all be disclosed

(Explanation):

1. The retirement pension is appropriated in accordance with the retirement pension system stipulated in the "Labor Pension Act," which requires 6% of employee's salary to be distributed to the Labor Insurance Bureau. There is no actual payment amount.
2. Due to losses in 2024, no employee compensation was distributed.

(Table)

Note 1: The name of the president and vice presidents shall be itemized separately, and their respective payout amounts disclosed in a consolidated manner. The directors doubling as the president or vice presidents shall fill out the table and the preceding table (1-1) or (1-2-1) and (1-2-2).

Note 2: Which pertains to entering the most recent year's president and vice presidents' wages, position stipends, resignation payouts.

Note 3: Which pertains to entering the most recent year's president and vice presidents' various bonuses, incentive payouts, travel stipends, special dispensed expenditures, various subsidies, dormitory, car allocation and related tangible supply of goods and other remuneration amounts. When allocating with housing, car, other transportation means or exclusive personal expenditures, it shall disclose the nature of the asset allocated, the actual or market value actuated rent, fuel and other payouts. Also, when allocating with a driver, please include in the footnote explaining pertinent remuneration the company pays said driver, but excluding from the remunerations. According to IFRS 2's recognition of remuneration in "Share-Based Payments," the remuneration shall include employee stock options, restricted-right employee shares and share subscription from participation in cash capital increase.

Note 4: Which refers to when president and vice president who serve as employee receive employees' remuneration (including stock and cash), the percentage of employees' remuneration distributed based on the remuneration amount approved by the board of directors this year. Those who unable to estimate the amount shall have this year's amount calculated based on last year's amount and to fill up the attached form 1-3.

Note 5: It is mandated to disclose the total sum of various remunerations dispensed to company president and vice presidents by all companies (including the company) stated in the consolidated financial statements.

Note 6: The total sum of various remunerations the company dispenses to each president and vice president, and disclosing the name of the president and vice presidents that fall within the scale of pay propensity.

Note 7: It is mandated to disclose the total sum of various remunerations dispensed to each company president and vice president by all companies (including the company) stated in the financial statements, and disclosing the name of the president and vice presidents that fall within the scale of pay propensity.

Note 8: Net profit after tax refers to the net after-tax profit of the parent company or the respective financial statement for the latest year.

Note 9:

a. The column shall precisely enter the pertinent remuneration amount company president and vice presidents collect from reinvested entities beyond the subsidiaries (If there is none, please fill in "none").
b. If company president and vice presidents collect pertinent remunerations from reinvested entities beyond the subsidiaries, the remunerations company president and vice presidents collect from reinvested entities beyond the subsidiaries shall be merged into the remuneration scale table column E, and also change the column name to "all reinvested entities."
c. The remuneration refersto pay, remuneration(including remuneration for employee, director and supervisor) and expenses of executing business received by the Company's presidents and vice presidents who employ as director, supervisor or manager in reinvested companies other than the subsidiaries.

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

C. The remuneration of the top five highest-paid executives before 2024

Unit: NT$ thousands; December 31, 2024

Title	Name	Salary (A) (Note 2)		Retirement pension (B)		Bonuses and allowances (C) (Note 3)		Employees' profit sharing bonus (D) (Note 4)				A total of A+B+C+D as a percentage of net income after tax (Note 8)		Compensation received from non-consolidated affiliates or parent company (Note 9)
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company		All companies in the financial statements (Note 5)		The Company	All companies in the financial statements (Note 5)	
								Cash amount	Stock amount	Cash amount	Stock amount			
Chief Investment Officer and Chief Operating Officer	Wang, Su-Chi	5,036	5,036	27	27	725	725	0	0	0	0	5,788 (0.52%)	5,788 (0.52%)	None
President	Hsu, Jui-Pao	2,112	2,112	108	108	1,474	1,474	0	0	0	0	3,694 (0.33%)	3,694 (0.33%)	None
Assistant Vice President	Lien, Min-Li	2,501	2,501	108	108	637	637	0	0	0	0	3,246 (0.29%)	3,246 (0.29%)	None
Plant Director	Lin, Chun-Yu	2,082	2,082	108	108	406	406	0	0	0	0	2,596 (0.24%)	2,596 (0.24%)	None
R&D Director	Tsai, Pei-Chen	1,700	1,700	97	97	422	422	0	0	0	0	2,219 (0.20%)	2,219 (0.20%)	None

Note: 1. The retirement pension is appropriated in accordance with the retirement pension system stipulated in the "Labor Pension Act," which requires 6% of employee's salary to be distributed to the Labor Insurance Bureau. There is no actual payment amount.

2. Due to losses in 2024, no employee compensation was distributed.

(Table)

Note 1: The term 'top five highest-paid executives' refers to the company's managers. The criteria for identifying these managers are based on the regulations set forth in the letter of the Ministry of Finance, Securities and Futures Commission dated March 27, 2003, with reference number 0920001301. As for the principle of determining the 'top five highest remunerations,' it is based on the total amount received by company executives from salaries, retirement pensions, bonuses, and special allowances from all companies within the consolidated financial reports, as well as the total amount of employee compensation (i.e., the sum of A, B, C, and D). The top five individuals with the highest remunerations are determined after sorting. If a director concurrently holds the aforementioned managerial position, this form and the form (1-1) above should be completed.

Note 2: The form should include the salaries, job allowances, and severance pay of the top five highest-paid executives in the previous fiscal year.

Note 3: It should also include various bonuses, incentive bonuses, transportation expenses, special support expenses, various allowances, dormitories, vehicle allocations, and other compensation amounts provided in kind to the top five highest-paid executives in the previous fiscal year. When allocating with housing, car, other transportation means or exclusive personal expenditures, it shall disclose the nature of the asset allocated, the actual or market value actuated rent, fuel and other payouts. Also, when allocating with a driver, please include in the footnote explaining pertinent remuneration the company pays said driver, but excluding from the remunerations. According to IFRS 2's recognition of remuneration in "Share-Based Payments," the remuneration shall include employee stock options, restricted-right employee shares and share subscription from participation in cash capital increase.

Note 4: The form should include employee compensation amounts (including stocks and cash) distributed to the top five highest-paid executives approved by the board of directors in the previous fiscal year. If it is not possible to estimate, the proposed distribution amount for this year should be calculated based on the proportion of actual distribution amounts from the previous year, and Form 1-3 should also be completed.

Note 5: The total sum of various remunerations dispensed to the Company's top five highest-paid executives by all companies (including the company) stated in the consolidated financial statements.

Note 6: Net profit after tax refers to the net after-tax profit of the parent company or the respective financial statement for the latest year.

Note 7:

a. In this field the amount of remuneration paid to the top five highest-paid executives by the Company's re-invested businesses other than the subsidiaries or parent company should be clearly indicated (Please input "None." if not applicable).

b. Remuneration refers to the compensation, reward (including that for an employee, director or supervisor) and business execution expenses received by the Company's top five highest-paid executives for acting as a director, supervisor or manager of the Company's re-invested businesses other than the subsidiaries or parent company.

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

D. Name of the managers received the employee remuneration and the deployment of remuneration in 2024: Due to losses in 2024, no employee compensation was distributed.

(III) Analysis of the ratio of total remuneration paid by the Company and by all companies included in consolidated financial report to Directors, President, and Vice Presidents / Net income (%) for the most recent two years, and explanation of remuneration policy, standard, and combination, the procedure of remuneration determination, and the relation between business performance and future risk:

1. Analysis of the ratio of the total remuneration paid to the Directors, President, and Vice Presidents of the Company to the net profit after tax in the past two fiscal years

Title	2023				2024			
	Total remuneration (NT$ thousands)		As a percentage of net income after tax (%)		Total remuneration (NT$ thousands)		As a percentage of net income after tax (%)	
	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements
Director (Note 1)	7,212	7,267	(0.72)	(0.73)	2,130	2,130	(0.19)	(0.19)
President and the Vice Presidents (Note 2)	3,467	3,467	(0.35)	(0.35)	9,482	9,482	(0.86)	(0.86)

Note 1: The Chairman received a fixed monthly compensation in 2023 but has not received such compensation since 2024.

Note 2: There was no Vice President in 2023. In 2024, Chairman Wang, Su-Chi concurrently holds the positions of Chief Investment Officer and Chief Operating Officer, with a rank equivalent to Vice President.

2. The policy, standards and packages, and the procedures for determining the remuneration, along with their correlation with operating performance and future risk exposure:

In accordance with Article 25 of the Company's Articles of Incorporation, if the Company makes profits for the year, the profits shall be appropriated for the remuneration to directors at an amount no more than 2% of the profit. In addition, all directors attending the meeting of the Board of Directors and the independent directors attending the functional committee should receive the traffic allowance for business. From the current (ninth) term of the Board of Directors, independent directors are entitled to participate in the annual distribution of directors' remuneration in addition to receiving fixed monthly remuneration. The Chairman received a fixed monthly compensation in 2023 but has not received such compensation since 2024.

The compensation for the Company's President and Chief Investment Officer/Chief Operating Officer primarily consists of salary, bonuses, and employee profit-sharing. Bonus payments for the President are determined in accordance with the "Measures of Distributing Bonus to the President," while bonuses for Vice Presidents are based on performance evaluations under the "Rules for Performance Development Plan and Performance Evaluation (PDP/OKR)." Employee dividends are distributed based on the Company's profitability and individual performances, and 0.1% to 10% of the Company's profit are allocated as employee dividends in accordance with Article 25 of the Articles of

Incorporation.

Since the establishment of the Remuneration Committee of our Company, the Remuneration Committee has reviewed the appropriateness of the compensation of the directors based on the results of the annual performance evaluation of the Board of Directors (measured in five major areas, including participation in the Company's operations, improvement of the quality of decisions made by the Board of Directors, composition of the Board of Directors, selection and continuing education of directors, and internal control) and the results of the annual self-evaluation of the directors' performance (evaluated in six major areas, including mastery of the Company's objectives and tasks, awareness of the directors' responsibilities, participation in the Company's operations, internal relations and communication, professional and continuing education of directors, and internal control), taking into account the industry standard, the Company's operating condition, risk management, the business responsibilities, contribution and performance of the directors, and submitted the remuneration to the Board of Directors for discussion and resolution.

The President's bonus is determined based on the evaluation results under the "Measures of Distributing Bonus to the President," which includes assessment items such as revenue achievement, CNS revenue performance, attainment of annual strategic goals (KPI), and incentive bonuses for exceeding operating profit targets. The Chief Investment Officer/Chief Operating Officer's bonus is determined based on the evaluation results under the "Rules for Performance Development Plan and Performance Evaluation (PDP/OKR)," with assessment items including financial and investment performance, post-investment management and value enhancement, organizational development and team building, and achievement of strategic execution indicators. The reasonableness of the compensation is reviewed by the Remuneration Committee, taking into consideration industry standards, the Company's operating performance, risk management, and the individual's responsibilities, contributions, and performance, and is then submitted to the Board of Directors for resolution.

The Company reviews the remuneration system on a timely basis based on actual operating conditions and relevant regulations. All business decisions are made after weighing various risk factors, with the aim of achieving a balance between sustainable operations and risk management.

III. Implementation of corporate governance

(I) Board of Directors Meeting Status

Information on the Operation of the Board of Directors

The Board held 11 (A) meetings in 2024. The attendance record of the directors is specified as below:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (%) [B/A]	Remarks
Chairman	Jason Technology Co., Ltd. Representative: Wang, Su-Chi	11	—	100%	—
Director	Tsai, Chang-Hai	9	—	82%	—
Director	Chang, Po-Chih	10	—	91%	—
Director	Lejean Biotech Co., Ltd. (Note)	10	—	91%	—
Director	Wechen Co. Ltd. (Note)	11	—	100%	—
Director	Po Chang Investment Co., Ltd. (Note)	10	—	91%	—
Independent Director	Ho, Mei-Yueh	11	—	100%	—
Independent Director	Ho, Shih-Chun	10	1	91%	—
Independent Director	LIN SHIRLEY YI-HSIEN	4	1	80%	Resigned on May 15, 2024

Note: Lejean Biotech Co., Ltd. appointed Lin, Chia-Ling to present, Wechen Co., Ltd. appointed Tsai, Pei-Chen to present, and Po Chang Investment Co., Ltd. appointed Chen, Chun-Hong to present.

(Table)

Note 1: If a director or a supervisor is a juridical person, the name of institutional shareholder and its representatives shall be disclosed.

Note 2:

(1) If a director or a supervisor resigns before the end of year, the date of resignation shall be noted in the column of remark. The actual attendance rate (%) shall be counted by the number of the Board meetings in the period of service and such person's actual number of attendances in person.

(2) If a director or supervisor is re-elected before the end of year, both new and old directors or supervisors shall be filled in, and the information that such person is an old or a new director or supervisor as well as the date of renewal or re-election shall be noted in the column of remark. The actual attendance rate (%) shall be counted by the number of the Board meetings in the period of service and such person's actual number of attendances in person.

■Other matters to be recorded:

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

(I) The circumstances referred to in Article 14-3 of the Securities and Exchange Act:

Date	Matters specified in Article 14-3 of the Securities and Exchange Act	Independent Director's Opinion Resolution	Resolution	State of the Company's Implementation
2024.02.06 (The 26th session of the 9th Board)	Proposal 1: The Company plans to invest in Vivo Capital Fund X, L.P.	None	Approved	N/A
2024.03.12 (The 27th session of the 9th Board)	Proposal 5: Proposal for the Company's 2023 "Internal Control System Effectiveness Evaluation" and "Internal Control System Statements"	The resolution was passed without objection, and the subsidiary is requested to prepare the "Statement of Internal Control	The resolution was passed without objection and will be implemented as recommended	Implemented in accordance with the resolutions of the Audit Committee and the Board of Directors.

		System" starting from next year.	by the Audit Committee.	
	Proposal 6: Proposal for the evaluation of the independence and competency as well as remuneration of the Company's certified public accountant in 2024	None	Approved	N/A
2024.04.22 (The 28th session of the 9th Board)	Proposal 1: The Company intends to acquire shares of Bioflag International Corporation (Cayman) by issuing new shares as consideration	None	Approved	N/A
	Proposal 3: Participation in the stock acquisition of SciClone Pharmaceuticals (Holdings) Limited	None	Approved	N/A
	Proposal 5: Proposal for the issuance of new common shares by private placement in cash	None	Approved	N/A
	Proposal 7: To issuance new common shares transferred from convertible corporate bonds (41237) for capital injection	None	Approved	N/A
2024.08.13 (The 30th session of the 9th Board)	Proposal 1: Loan of funds to Bioflag Co., Ltd. (BVI)	None	Approved	N/A
	Proposal 6: To issuance new common shares transferred from convertible corporate bonds (41237) for capital injection	None	Approved	N/A
2024.09.25 (The 31st session of the 9th Board)	Proposal 1: Acquisition of shares in subsidiary Bioflag International Corporation (Cayman)	None	Approved	N/A
	Proposal 4: Subscription to the cash capital increase shares of Lumosa Therapeutics Co., Ltd.	None	Approved	N/A
2024.11.01 (The 32nd session of the 9th Board)	Proposal 1: Proposal for the issuance and subscription rules of the Company's first employee stock option plan in 2024	None	Approved	N/A
2024.11.12 (The 33rd session of the 9th Board)	Proposal 2: Proposal to establish the Company's "Sustainable Information Management Procedures" and the related "Internal Control System," "Rules for Internal Audit Implementation," and "Self-Assessment Checklist for the Effectiveness of the Internal Control System"	None	Approved	N/A
2024.11.21 (The 34th session of the 9th Board)	Proposal 1: Proposal for the granting of the Company's first employee stock warrants of 2024	None	Approved	N/A
	Proposal 2: Amendments to the "Internal Control System" and the "Rules for Internal Audit Implementation"	None	Approved	N/A
2024.12.09 (The 35th session of the 9th Board)	Proposal 1: Proposal for authorization of quota for acquisition of securities	None	Approved	N/A
2025.03.11 (The 37th session of the 9th Board)	Proposal 4: Proposal for the issuance of new shares for capital increase through capitalization of earnings	None	Approved	N/A
	Proposal 6: Proposal for the issuance of new common shares by private placement in cash	None	Approved	N/A
	Proposal 8: Proposal for the Company's 2024 "Internal Control System Effectiveness Evaluation" and "Internal Control System Statements"	None	Approved	N/A
	Proposal 9: Proposal to change the CPA appointed to audit the Company's financial statements, including evaluation of the independence, competency, and compensation of the newly appointed CPA	No objection was raised, and the proposal was approved as submitted, with additional details regarding CPA Chi, Chia-Yu provided after the meeting.	The resolution was passed without objection and will be implemented as recommended by the Audit Committee.	Implemented in accordance with the resolutions of the Audit Committee and the Board of Directors.
	Proposal 11: Amendments to the "Internal Control System" and the "Rules for Internal Audit Implementation"	None	Approved	N/A
2025.04.09 (The 38th session of the 9th Board)	Proposal 1: The Company's Third Share Buyback Plan for Transfer to Employees	None	Approved	N/A
2025.05.12 (The 39th session of the 9th Board)	Proposal 2: Amendment to the Capital Utilization Plan for the Company's 6th Domestic Secured Convertible Bonds and 7th Domestic Unsecured Convertible Bonds.	None	Approved	N/A
	Proposal 8: Amendment to the Internal Control System and the Implementation Rules for Internal Audits.	None	Approved	N/A

(II) Further to the aforementioned matters, any adverse opinion or qualified opinion of the independent directors against the resolutions of the Board, which appears on record or is expressed in writing: Not applicable.

II Where a director shall abstain from motions that pose a conflict of interests, please specify the director's name, the content of the motion, cause of the conflict of interests, and the circumstance of the vote.

(1) On February 6, 2024, the Board meeting discussed the 4th proposal to "authorize the acquisition of stock." Director Lin, Chia-Ling, being a second-degree relative of Mr. Lin, Jung-Chin, the representative of the corporate director for Adimmune Corporation, abstained from the discussion and voting due to a conflict of interest.

(2) On February 6, 2024, the Board meeting discussed the 6th proposal for "the Chairman to concurrently serve as the Company's chief investment officer and chief operating officer and the remuneration". Chairman Wang, Su-Chi abstained from discussion and voting to avoid conflict of interest due to her capacity as the Chairman.

(3) On February 6, 2024, the Board meeting discussed the 7th proposal to "ratify the Company's Signing of the 'Drug License Transfer Agreement' and 'Co-Marketing Agreement'," with the related party BioGend Therapeutics Co., Ltd. (hereinafter referred to as BioGend). Chairman Wang, Su-Chi recused herself from the discussion and voting due to a conflict of interest, as she is the representative of the corporate director of BioGend. Director Lin, Chia-Ling also recused herself because she is a second-degree relative of BioGend Director Lin, Jung-Chin.

(4) On March 12, 2024, the Board meeting discussed the 7th proposal to "release non-compete restrictions on directors." Chairman Wang, Su-Chi, Director Lin, Chia-Ling, and Director Chen, Chun-Hong, abstained from discussion and voting to avoid conflict of interest due to being interested parties of the proposal.

(5) On March 12, 2024, the Board meeting for the 8th proposal to "release non-compete restrictions on managers." Chairman Wang, Su-Chi abstained from discussion and voting to avoid conflict of interest due to being interested parties of the proposal.

(6) On April 22, 2024, the Board meeting discussed the 1st proposal for "the Company to acquire Bioflag International Corporation (Cayman) by issuing new shares as consideration." The recusal situation of the directors is as follows:

Title	Stakeholder	Reasons for Recusal
Director	Jason Technology Co., Ltd. Representative: Wang, Su-Chi	・ Jason Technology Co., Ltd., a shareholder of Bioflag KY, is a counterparty to the stock exchange transaction. ・ Chairman Wang, Su-Chi, a shareholder of Bioflag KY, is a counterparty to the stock exchange transaction. Due to having a conflict of interest in this case, recusal is mandated by law, and the individual will not participate in the discussion or voting.
Director	Lejean Biotech Co., Ltd. Appointed Representative: Lin, Chia-Ling	・ Lejean Biotech Co., Ltd., has the same chairman as Jason Technology Co., Ltd., which is a shareholder of Bioflag KY and the counterparty in this share exchange transaction. ・ Director Lin, Chia-Ling is a first-degree relative of the chairman of Jason Technology Co., Ltd., which is a shareholder of Bioflag KY and the counterparty in this share exchange transaction. Due to having a conflict of interest in this case, recusal is mandated by law, and the individual will not participate in the discussion or voting.
Independent Director	Lin Shirley Yi-Hsien	Independent Director Lin Shirley Yi-Hsien is a partner of GL Fund GP. GL Sandrose Investment L.P., a shareholder of Bioflag KY, is the counterparty in this share exchange transaction. Due to having a conflict of interest in this case, she will recuse herself by law and will not participate in the discussion or voting.

(7) On April 22, 2024, the Board meeting discussed the 2nd proposal to "increase capital for Shanghai Bao Pharmaceutical Co., Ltd." Director Lin, Chia-Ling recused herself from the discussion and voting due to a conflict of interest, as she is a first-degree relative of Mr. Lin, Jung-Chin, a director of Shanghai Bao Pharmaceutical Co., Ltd., and will not participate in the discussion or voting as mandated by law.

(8) On April 22, 2024, the Board meeting discussed the 3rd proposal to "participate in the stock acquisition of SciClone Pharmaceuticals (Holdings) Limited." Independent Director Lin Shirley Yi-Hsien recused herself from the discussion and voting due to a conflict of interest, as she is a director of SciClone Pharmaceuticals (Holdings) Limited, and will not participate in the discussion or voting as mandated by law.

(9) On April 22, 2024, the Board meeting discussed the 8th proposal for "distribution of individual manager performance bonuses for 2023 of the Company." Director Tsai, Pei-Chen, also serving as a manager of the Company, recused herself from the discussion and voting due to a conflict of interest and will not participate in the discussion or voting as mandated by law.

(10) On May 13, 2024, the Board meeting discussed the 1st proposal for "the Company intended to increase the investment in Anya Biopharm Inc." Chairman Wang, Su-Chi recused herself from the discussion and voting due to a conflict of interest, as she is a director of Anya Biopharm Inc., and will not participate in the discussion or voting as mandated by law.

(11) On May 13, 2024, the Board meeting discussed the 3rd proposal for "individual manager salary adjustment." Chairman Wang, Su-Chi and Director Tsai, Pei-Chen, who also serve as managers of the Company, recused themselves from the discussion and voting due to a conflict of interest, and will not participate in the discussion or voting as mandated by law.

(12) On May 13, 2024, the Board meeting discussed the 4th proposal for "the appointment of the legal representative of the investment holding company." Chairman Wang, Su-Chi, being a party involved, and Director Lin, Chia-Ling, being a first-degree relative of Mr. Lin, Jung-Chin, who is appointed as the legal representative in this case, recused themselves from the discussion and voting due to a conflict of interest, and will not participate in the discussion or voting as mandated by law.

(13) On August 13, 2024, the Board meeting discussed the 3rd proposal for "the loan to Bioflag Co., Ltd. (BVI)." Since Chairman Wang, Su-Chi is also the chairman of the Bioflag Co., Ltd. (BVI), she is required by law to recuse herself due to a conflict of interest and will not participate in the discussion or voting.

(14) On August 13, 2024, the Board meeting discussed the 4th proposal for "the approval of the Company's appointment of corporate directors for Anya Biopharm Inc. and Lumosa Therapeutics Co., Ltd." As Chairman Wang, Su-Chi is personally involved, she is required by law to recuse herself due to a conflict of interest and will not participate in the discussion or voting.

(15) On August 13, 2024, the Board meeting discussed the 4th proposal for "the lifting the non-compete restriction on managers." Since Chairman Wang, Su-Chi is personally involved, she is required by law to recuse herself due to a conflict of interest and will not participate in the discussion or voting.

(16) On September 25, 2024, the Board meeting discussed the 3rd proposal for "the subsidiary Bioflag International Corporation (Cayman) plans to waive claims against Bioflag Co., Ltd. (BVI)." Since Chairman Wang, Su-Chi is also the chairman of Bioflag Co., Ltd. (BVI), she is required by law to recuse herself due to a conflict of interest and will not participate in the discussion or voting.

(17) On September 25, 2024, the Board meeting discussed the 4th proposal for "the Company plans to subscribe to Lumosa Therapeutics Co., Ltd.'s cash capital increase shares." Since Chairman Wang, Su-Chi also serves as the chairman of Lumosa Therapeutics, she is required by law to recuse herself due to a conflict of interest and will not participate in the discussion or voting.

(18) On September 25, 2024, the Board meeting discussed the 4th proposal for "the Company proposes to assist Anya Biopharm Inc. in registering its stock on the emerging market board." Since Chairman Wang, Su-Chi is a director of Anya Biopharm, she is required by law to recuse herself due to a conflict of interest and will not participate in the discussion or voting.

(19) On November 1, 2024, the Board meeting discussed the 2nd proposal for "the approval of the disposal of Anya Biopharm Inc. shares." Since Chairman Wang, Su-Chi is a director of Anya Biopharm, she is required by law to recuse herself due to a conflict of interest and will not participate in the discussion or voting.

(20) On November 21, 2024, the Board meeting discussed the 1st proposal for "the Company's first issuance of employee stock options for 2024." Since Chairman Wang, Su-Chi, Director Tsai, Pei-Chen, and Director Lin, Chia-Ling are among the employees receiving the stock options, they are required by law to recuse themselves due to a conflict of interest and will not participate in the discussion or voting.

(21) On December 9, 2024, the Board meeting discussed the 1st proposal for "the approval of authorization limit for securities acquisition." Since Chairman Wang, Su-Chi is the chairman of Lumosa Therapeutics, and Director Lin, Chia-Ling is also a director at Lumosa Therapeutics, they are required to recuse themselves due to a conflict of interest and will not participate in the discussion or voting.

(22) On January 10, 2025, the Board meeting discussed the 3rd proposal for "the principles for year-end bonus distribution and manager compensation." Since Chairman Wang, Su-Chi and Director Tsai, Pei-Chen also serve as managers, and Director Lin, Chia-Ling is an employee of Center Laboratories, they are required to recuse themselves due to a conflict of interest and will not participate in the discussion or voting.

(23) On January 10, 2025, the Board meeting discussed the 7th proposal for "the approval of subsidiary Glac Biotech Co., Ltd.'s additional lease of Company facilities." Since Chairman Wang, Su-Chi and Director Lin, Chia-Ling are directors of the subsidiary Glac Biotech Co., Ltd., they are required to recuse themselves due to a conflict of interest and will not participate in the discussion or voting.

(24) On May 12, 2025, the Board meeting discussed the 3rd proposal for "the nomination of Board candidates (including independent directors) for 2025." Since Independent Directors Ho, Mei-Yueh and Ho, Shih-Chun are involved in nominating independent director candidates, they are required to recuse themselves due to a conflict of interest and will not participate in the discussion or voting.

(25) On May 12, 2025, the Board meeting discussed the 11th proposal for "the performance bonus allocation for individual managers for 2024." Since Chairman Wang, Su-Chi and Director Tsai, Pei-Chen also serve as managers, and Director Lin, Chia-Ling is an employee of Center Laboratories, they are required to recuse themselves due to a conflict of interest and will not participate in the discussion or voting.

III Information on the cycle and period, scope, method and content of the Board of Directors' self-evaluation

Implementation Status of Board of Directors Evaluation

Cycle (Note 1)	Period (Note 2)	Scope (Note 3)	Method (Note 4)	Content (Note 5)
Once a year	From January 1, 2024 to December 31, 2024	1. The Board of Directors 2. Individual directors 3. Functional committees (including the Audit Committee and the Remuneration Committee)	• The implementation shall be carried out by the administrative (meeting affairs) unit through a questionnaire-based approach. Each evaluated unit shall complete its self-assessment by December 31 each year. The administrative unit shall consolidate and record the evaluation results and submit a report to the Board of Directors by the end of the first quarter of the following year. •The evaluation methods for each evaluated unit are as follows: 1.Board of Directors: Internal self-assessment 2.Individual Board Members: Self-assessment by each board member 3.Functional Committees (including the Audit Committee and the Remuneration Committee): Internal self-assessment	1. The self-evaluation of the Board of Directors covers five aspects of assessment as follows: A. Participation in the operation of the Company B. Improvement of the Board of Directors' decision-making quality C. Composition and structure of the Board of Directors D. Election and continuing education of the directors E. Internal control 2. The self-evaluation of the Board members covers six aspects of assessment as follows: A. Alignment of the goals and mission of the Company B. Awareness of the duties of a director C. Participation in the operation of the Company D. Management of internal relationship and communication E. The director's professionalism and continuing education F. Internal control 3. The performance self-assessment of the Audit Committee covers the following five key dimensions: A. Level of participation of the Audit Committee B. Understanding of the Audit Committee's responsibilities C. Quality of decision-making by the Audit Committee D. Composition of the Audit Committee and selection of its members E. Oversight of internal control 4. The performance self-assessment of the Remuneration Committee covers the following four key dimensions: A. Level of participation of the Remuneration Committee B. Understanding of the Remuneration Committee's responsibilities C. Quality of decision-making by the Remuneration Committee D. Composition of the Remuneration Committee and selection of its members

Note 1: Specify the implementation cycle of the Board of Directors evaluation, for example, once a year.

Note 2: Specify the period of the Board of Directors evaluation, for example, to evaluate the performance of the Board of Directors from January 1, 2019 to December 31, 2019.

Note 3: The scope of evaluation includes performance evaluation of the Board of Directors, individual directors and functional committees.

Note 4: Evaluation methods include internal self-of the Board of Directors, self-evaluation of directors, peer evaluation, evaluation by external outsourced professional institutions, experts or other appropriate evaluation methods.

Note 5: Based on the assessment scope, the evaluation content shall include at least the following items:

(1) Performance evaluation of the Board of Directors: at least including the extent of participation in the Company's operations, the quality of decision-making, the composition and structure of the Board, the election and continuous education of directors, and internal control, etc.

(2) Performance evaluation of individual director members: at least including alignment of the goals and mission of the Company, awareness of the duties of a director, the extent of participation in the Company's operations, management of internal relationship and communication, professionalism and continuing education, internal control, etc.

(3) Performance evaluation of functional committees: at least including the extent of participation in the Company's operations, awareness of the duties of the functional committees, decision-making quality, composition and member election of the functional committee, and internal control, etc.

■Evaluation results：

The Company has completed the 2024 performance self-evaluations for the Board of Directors, the individual director members, and the functional committees (including the Audit Committee and the Remuneration Committee) in accordance with the "Regulations for Board Performance Evaluation." The evaluation results were all rated as excellent, and the self-evaluation results were reported to the Board of Directors on January 10, 2025.

IV The goals for strengthening the Board's functions in the current and the previous year (e.g., establishment of an Audit Committee, promotion of information transparency, etc.) and evaluation of the implementation:

(1) Enhance the functions of the Company's Board of Directors, and to establish performance targets to enhance the operational efficiency of the Board of Directors, the Company has conducted internal assessments on the 2024 performance of the Board, the Board members, and functional committees. A report was presented at the Board meeting on January 10, 2025.

(2) Strengthening corporate governance: A report was presented at the Board meeting on January 10, 2025, detailing the intellectual property management plan linked to the operational goals for 2024, along with the establishment of intellectual property management regulations. In addition, the report covered information security management, communications with stakeholders, and the implementation of ethical business practices.

(3) Strengthening the diversity of directors: The Board of Directors will aim to maintain at least quarter seats for female directors and more than half of independent directors whose consecutive terms shall not exceed three consecutive terms. In the 2022 board election, the board consisted of nine members, with four female directors, making up 4/9 of the total seats. Among the three independent directors, two had not served more than three consecutive terms. However, following the resignation of Independent Director Lin Shirley Yi-Hsien on May 15, 2024, the number of female directors was reduced to four, representing 50% of the board. The number of independent directors dropped to two, accounting for 25% of the board, with half of them serving no more than three consecutive terms. The company will hold a re-election of its board of directors at the 2025 Annual General Meeting, with the goal of board diversity by ensuring that at least one-third of the directors are women and more than half are independent directors, with their consecutive terms not exceeding three terms.

(4) Ongoing director training: All Company directors completed six hours of training in 2024, ensuring they maintain their core values, professional strengths, and expertise.

The Status of Independent Directors' Participation in Board Meetings

A (Attend in person), B (By proxy), C (Absence)

2024	01/18	02/06	03/12	04/22	05/13	08/13	09/25	11/01	11/12	11/21	12/09
Ho, Mei-Yueh	A	A	A	A	A	A	A	A	A	A	A
Ho, Shih-Chun	B	A	A	A	A	A	A	A	A	A	A
Lin Shirley Yi-Hsien (Note)	A	B	A	A	A	NA					

(Note) Independent Director Lin Shirley Yi-Hsien resigned on May 15, 2024.

2025	01/10	03/11	04/09	05/12
Ho, Mei-Yueh	A	A	A	A
Ho, Shih-Chun	A	A	A	A

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

1. Information on the Operation of the Audit Committee

   During the shareholders' meeting on June 24, 2019, the Company will elect new board members and appoint three independent directors to establish an audit committee, replacing the role of supervisors. The current audit committee was formed on May 20, 2022, consisting of three independent directors. However, following the resignation of independent director Lin Shirley Yi-Hsien on May 15, 2024, the audit committee now consists of only two members.

   (1) Primary responsibilities and work duties for 2024:
   - — Review financial reports.
   - — Review adoption of or amendment to internal control system.
   - — Assess the effectiveness of the internal control system.
   - — Review major asset transactions.
   - — Review major loaning of funds and making of endorsements/guarantees.
   - — Review the offering, issuance, or private placement of equity securities.
   - — Review the appointment, dismissal and compensation of CPAs.

(2) The Company had convened 11 (A) Audit Committee meetings in 2024 with the following attendance:

Title	Name	Professional qualification and experience	Actual no. of meetings attended (B)	By Proxy	Actual attendance rate (%) [B/A] (Note 1, Note 2)	Remarks
Independent Director (Convener)	Ho, Mei-Yueh	Please refer to Directors (II) on page 22-24	11	0	100%	—
Independent Director	Ho, Shih-Chun		11	0	100%	—
Independent Director	LIN SHIRLEY YI-HSIEN		4	1	80%	Resigned on May 15, 2024

Note 1: If an independent director resigns before the end of year, the date of resignation shall be noted in the column of remark. The actual attendance rate (%) shall be counted by the number of the Audit Committee meetings in the period of service and such person's actual number of attendances in person.

Note 2: If an independent director is re-elected before the end of year, both new and old directors or supervisors shall be filled in, and the information that such person is an old or a new independent director as well as the date of renewal or re-election shall be noted in the column of remark. The actual attendance rate (%) shall be counted by the number of the Audit Committee meetings in the period of service and such person's actual number of attendances in person.

- Other matters to be recorded:

I. If any of the following circumstances occurs in the operation of the Audit Committee meeting, please indicate the date of the meeting, the session number, the contents of the motion, the contents of independent directors' objections, reservations or major proposals, the resolutions of the Audit Committee, and the Company's handling of the opinions of the Audit Committee :

(I) Matters listed in Article 14-5 of the Securities and Exchange Act.: Refer to the Table below.

(II) Further to the aforementioned matters, other resolutions approved by two-thirds of all the directors but yet to be approved by the Audit Committee: None.

■Table（Operational Performance of the Year)

The Audit Committee	Content of main motions and follow-up measures	Matters specified in Article 14-5 of the Securities and Exchange Act	Resolutions approved matters which have not been adopted by the Audit Committee but resolved with consent of over two-thirds of all members of the Board of Directors but yet to be approved by the Audit Committee
The 2nd Term The 16th Meeting 2024.02.06	1. The Company plans to invest in Vivo Capital Fund X, L.P.	√	N/A
	· **Resolution of Audit Committee (February 6, 2024): Passed by the present members unanimously.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		

The Audit Committee	Content of main motions and follow-up measures	Matters specified in Article 14-5 of the Securities and Exchange Act	Resolutions approved matters which have not been adopted by the Audit Committee but resolved with consent of over two-thirds of all members of the Board of Directors but yet to be approved by the Audit Committee
The 2nd Term The 17th Meeting 2024.03.12	1. Proposal for the Company's 2023 Parent Company Only and Consolidated Financial Statements	√	N/A
	2. Proposal for the Company's 2023 Business Report	√	N/A
	3. Proposal for the appropriation of capital to cover loss for 2023	√	N/A
	4. Proposal for the Cash Distribution from Capital Surplu	√	N/A
	5. Proposal for the Company's 2023 "Internal Control System Effectiveness Evaluation" and "Internal Control System Statements"	√	N/A
	6. Proposal for the evaluation of the independence and competency as well as remuneration of the Company's certified public accountant in 2024	√	N/A
	· **Resolution of Audit Committee (March 12, 2024): Passed by the present members unanimously.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		
The 2nd Term The 18th Meeting 2024.03.27	1. Proposal for the Appointment of an Independent Expert	√	N/A
	· **Resolution of Audit Committee (March 27, 2024): Except for Committee Member Lin Shirley Yi-Hsien, who recused herself due to a conflict of interest, the proposal was approved without objection by the remaining members of the Audit Committee.**		
	· **Result of Execution:** In accordance with the resolution passed by the Audit Committee.		
The 2nd Term The 19th Meeting 2024.04.22	1. The Company intends to acquire shares of Bioflag International Corporation (Cayman) by issuing new shares as consideration	√	N/A
	2. Participation in the stock acquisition of SciClone Pharmaceuticals (Holdings) Limited	√	N/A
	3. Proposal for the issuance of new common shares by private placement in cash.	√	N/A
	4. To issuance new common shares transferred from convertible corporate bonds (41237) for capital injection	√	N/A
	· **Resolution of Audit Committee (April 22, 2024): Except for Agenda Items 1 and 2, from which Committee Member Lin Shirley Yi-Hsien recused herself due to a conflict of interest, the remaining Audit Committee members approved the proposals without objection.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		
The 2nd Term The 20th Meeting 2024.05.13	1. The Company's Consolidated Financial Statements for 2024 Q1	√	N/A
	· **Resolution of Audit Committee (May 13, 2024): Passed by the present members unanimously.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		

The Audit Committee	Content of main motions and follow-up measures	Matters specified in Article 14-5 of the Securities and Exchange Act	Resolutions approved matters which have not been adopted by the Audit Committee but resolved with consent of over two-thirds of all members of the Board of Directors but yet to be approved by the Audit Committee
The 2nd Term The 21st Meeting 2024.08.13	1. The Company's Consolidated Financial Statements for 2024 Q2	√	N/A
	2. Loan of funds to Bioflag Co., Ltd. (BVI)	√	N/A
	3. To issuance new common shares transferred from convertible corporate bonds (41237) for capital injection	√	N/A
	· **Resolution of Audit Committee (August 13, 2024): Passed by the present members unanimously.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		
The 2nd Term The 22nd Meeting 2024.09.25	1. Acquisition of shares in subsidiary Bioflag International Corporation (Cayman)	√	N/A
	2. Subscription to the cash capital increase shares of Lumosa Therapeutics Co., Ltd.	√	N/A
	· **Resolution of Audit Committee (September 25, 2024): Passed by the present members unanimously.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		
The 2nd Term The 23rd Meeting 2024.11.01	1. Proposal for the issuance and subscription rules of the Company's first employee stock option plan in 2024	√	N/A
	· **Resolution of Audit Committee (November 1, 2024): Passed by the present members unanimously.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		
The 2nd Term The 24th Meeting 2024.11.12	1. The Company's Consolidated Financial Statements for 2024 Q3	√	N/A
	2. Proposal to establish the Company's "Sustainable Information Management Procedures" and the related "Internal Control System," "Rules for Internal Audit Implementation," and "Self-Assessment Checklist for the Effectiveness of the Internal Control System"	√	N/A
	3. Proposal for the Company's annual audit plan for 2025	√	N/A
	· **Resolution of Audit Committee (November 12, 2024): Passed by the present members unanimously.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		
The 2nd Term The 25th Meeting 2024.11.21	1. Proposal for Granting the First Issuance of Employee Stock Option in 2024 to Eligible Employees	√	N/A
	2. Amendments to the "Internal Control System" and the "Rules for Internal Audit Implementation"		
	· **Resolution of Audit Committee (November 21, 2024): Passed by the present members unanimously.**		

The Audit Committee	Content of main motions and follow-up measures	Matters specified in Article 14-5 of the Securities and Exchange Act	Resolutions approved matters which have not been adopted by the Audit Committee but resolved with consent of over two-thirds of all members of the Board of Directors but yet to be approved by the Audit Committee
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		
The 2nd Term The 26th Meeting 2024.12.09	1. Proposal for authorization of quota for acquisition of securities	√	N/A
	· **Resolution of Audit Committee (December 09, 2024): Passed by the present members unanimously. Following the chairman's recommendation.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		
The 2nd Term The 27th Meeting 2025.03.11	1. Proposal for the Company's 2024 Parent Company Only and Consolidated Financial Statements	√	N/A
	2. Proposal for the Company's 2024 Business Report	√	N/A
	3. Statement of loss offset and earnings distribution for 2024	√	N/A
	4. Proposal for the issuance of new common shares for capital increase out of earnings	√	N/A
	5. Proposa for the Cash Distribution from Capital Surplus	√	N/A
	6. Proposa for the issuance of new common shares by private placement in cash	√	N/A
	7. Proposal for the Company's 2024 "Internal Control System Effectiveness Evaluation" and "Internal Control System Statements"	√	N/A
	8. Proposal to change the CPA appointed to audit the Company's financial statements, including evaluation of the independence, competency, and compensation of the newly appointed CPA	√	N/A
	9. Amendments to the "Internal Control System" and the "Rules for Internal Audit Implementation"	√	N/A
	· **Resolution of Audit Committee (March 11, 2025): Passed by the present members unanimously.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		
The 2nd Term The 28th Meeting 2025.04.09	1. The Company's Third Share Buyback Plan for Transfer to Employees.	√	N/A
	· **Resolution of Audit Committee (April 09, 2025): Passed by the present members unanimously.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		
The 2nd Term The 29th Meeting 2025.05.12	1. The Company's Consolidated Financial Statements for 2025 Q1	√	N/A
	2. The change of the capital utilization plan for the sixth domestic secured convertible corporate bonds and the seventh domestic unsecured convertible corporate bonds	√	N/A
	3. Amendment to the Internal Control System and the	√	N/A

The Audit Committee	Content of main motions and follow-up measures	Matters specified in Article 14-5 of the Securities and Exchange Act	Resolutions approved matters which have not been adopted by the Audit Committee but resolved with consent of over two-thirds of all members of the Board of Directors but yet to be approved by the Audit Committee
	Implementation Rules for Internal Audits.		
	· **Resolution of Audit Committee (May 12, 2025): Passed by the present members unanimously.**		
	· **Result of Execution: The resolution was unanimously approved by all directors present.**		

II. Where an independent director shall abstain from motions that pose a conflict of interests, please specify the director's name, the content of the motion, cause of the conflict of interests, and the circumstance of the v meeting for the 1st proposal for ote:

(1) On March 27, 2024, the Audit Committee meeting for the 1st proposal for "Appointment of Independent Experts Case." Due to Lin Shirley Yi-Hsien, an independent director, being a partner at GL Fund GP, and GL Sandrose Investment L.P. being the expected beneficiary of the stock exchange, she recused herself from the discussion and voting in accordance with the law.

(2) On April 22, 2024, the Audit Committee meeting for the 1st proposal for "the Company to acquire shares of Bioflag International Corporation (Cayman) by issuing new shares as consideration." Independent Director Lin Shirley Yi-Hsien recused herself from the discussion and voting due to a conflict of interest, as she is a general partner of GL Capital, and GL Sandrose Investment L.P. is a shareholder of Bioflag KY and the counterparty in this share exchange transaction. She will not participate in the discussion or voting as mandated by law.

(3) On April 22, 2024, the Audit Committee meeting for the 2nd proposal to "participate in the stock acquisition of SciClone Pharmaceuticals (Holdings) Limited." Independent Director Lin Shirley Yi-Hsien recused herself from the discussion and voting due to a conflict of interest, as she is a director of SciClone Pharmaceuticals (Holdings) Limited, and will not participate in the discussion or voting as mandated by law.

III. Communication between independent directors and the chief internal auditor and CPAs (must include material matters of communication, methods, results relating to the Company's financial reports and business conditions):

A. Communication with the Chief Internal Auditor (at least once per quarter)

Date	Method	Subject Matters	Result
2024.03.12	The Audit Committee	1. Report on the implementation status of internal audit 2. Explanation of the "Internal Control System Effectiveness Evaluation" and "Internal Control System Statements" of 2023	The resolution was passed without objection, and the subsidiary is

			requested to prepare the "Statement of Internal Control System" starting from next year.
2024.05.13	The Audit Committee	Report on the implementation status of internal audit	No opinion from independent directors
2024.08.13	The Audit Committee	Report on the implementation status of internal audit	No opinion from independent directors
2024.11.12	The Audit Committee	1. Report on the implementation status of internal audit 2. Proposal to establish the Company's "Sustainable Information Management Procedures" and the related "Internal Control System," "Rules for Internal Audit Implementation," and "Self-Assessment Checklist for the Effectiveness of the Internal Control System" 3. Proposal for the Company's annual audit plan for 2025	No opinion from independent directors
2025.03.11	The Audit Committee	1. Report on the implementation status of internal audit 2. Explanation of the "Internal Control System Effectiveness Evaluation" and "Internal Control System Statements" of 2024 3. Proposal for the amendments to "Internal Control System" and the "Rules for Internal Audit Implementation"	No opinion from independent directors
2025.05.12	The Audit Committee	1. Report on the implementation status of internal audit 2. Amendment to the Internal Control System and the Implementation Rules for Internal Audits.	No opinion from independent directors

B. Communication with accountants (at least once per quarter)

Date	Method	Subject Matters	Result
2024.03.12	The Audit Committee	Explanation of the audit result of the consolidated and parent company only financial statements of 2023	No opinion from independent directors
2024.05.13	The Audit Committee	Explanation of the audit result of the consolidated financial statements of Q1 2024	No opinion from independent directors
2024.08.13	The Audit Committee	Explanation of the audit result of the consolidated financial statements of Q2 2024	No opinion from independent directors
2024.11.12	The Audit Committee	Explanation of the audit result of the consolidated financial statements of Q3 2024	No opinion from independent directors
2025.03.11	The Audit Committee	Explanation of the audit result of the consolidated and parent company only financial statements of 2024	No opinion from independent directors
2025.05.12	The Audit Committee	Explanation of the audit result of the consolidated financial statements of Q1 2025	No opinion from independent directors

(III) The status of the Company's implementation of corporate governance, any deviation from such implementation of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies," and reasons thereof:

Assessed items		Implementation status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
		Yes	No	Summary	
I	Has the Company instituted its own corporate governance best practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and made disclosure?	√		The Company has established the "Corporate Governance Best Practice Principles" approved by the Board of Directors.	No difference.
II	Shareholding structure & shareholders' rights				No difference.
(I)	Has the Company established its internal operation procedure for responding to the suggestions, queries, disputes, and legal actions of the shareholders in accordance with the procedure?	√		(I) The Company has a spokesperson and deputy spokesperson system to properly handle shareholder suggestions, doubts, and disputes in accordance with internal procedures.	
(II)	Has the Company kept the list of the dominant shareholders that exercise de facto control of and the ultimate controllers of the Company?	√		(II) The Company's stock agency assists the Company in managing the list of the dominant shareholders that exercise de facto control of and the ultimate controllers of the Company.	
(III)	Has the Company established and exercised risk control and firewall mechanisms with its affiliates?	√		(III) The Company conducts transactions with affiliated companies in accordance with the "Procedures for Transactions with Specific Companies, Group Enterprises and Related Parties" and "The Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises."	
(IV)	Has the Company instituted internal rules and regulations prohibiting insiders from using undisclosed information in the market for the trading of securities?	√		(IV) Any trading between insiders are is prohibited in accordance with the Company's "Procedures for Handling Material Inside Information."	
III	The Organization and Function of the Board				There should be other functional committees created depending on practical
(I)	Has the Board of Directors formulated diversity policies, specific management objectives and fully implement them?	√		(I) The Company has stipulated an approach to the diversity of Board members in the "Corporate Governance Best Practice Principles" and "Procedures for Election of Directors." The Company's directors are	

Assessed items	Implementation status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary	
			selected and nominated based on the Company's operation, business type and development needs. In addition to the knowledge, skills and accomplishments necessary to perform duties, other considerations such as gender balance, age, academic experience, expertise, and independence are taken into account to ensure the Board of Directors' professionalism, independence and diversity. Following the re-election of directors at the Company's 2022 Shareholders' Meeting, there were five female directors, accounting for 5 out of 9 board seats. In addition, there were three independent directors, representing 33% of the board, with two-thirds of them serving for no more than three consecutive terms—meeting the Company's diversity goals of maintaining at least one-third female directors and ensuring that over half of the independent directors serve no more than three consecutive terms. However, following the resignation of Independent Director Lin Shirley Yi-Hsien on May 15, 2024, the number of female directors was reduced to four, representing 50% of the board. The number of independent directors dropped to two, accounting for 25% of the board, with half of them serving no more than three consecutive terms. The company will hold a re-election of its board of directors at the 2025 Annual General Meeting, with the goal of board diversity by ensuring that at least one-third of the directors are women and more than half are independent directors, with their consecutive terms not exceeding three terms. In addition, most of directors have experience of serving as directors or independent directors of numerous listed	needs in the future, otherwise no major deviations in other aspects.

Assessed items	Implementation status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary	
			companies. The members of the board of directors have diverse backgrounds in industry, academia, and professions, including industry and management experience, finance and accounting, biotechnology investment, biotechnology research and development, and marketing, and can provide professional advice from different perspectives, which is helpful to enhance the company's operational performance and management efficiency. (Please refer to Table 1 for the diversification of the Board of Directors.)	
(II) Has the Company voluntarily established other functional committees besides the establishment of a remuneration committee and audit committee?		√	(II) The Company has established the Remuneration Committee and the Audit Committee, and other kinds of functional committee area yet to be established.	
(III) Has the Company established the rules and regulations and the methods for the evaluation of Board performance, and has it conducted performance evaluations at regular intervals each year?	√		(III) The Company has stipulated the "Regulations for the Evaluation of the Performance of the Board," and implemented self-evaluation accordingly for the Board of Directors, the individual director members, and the functional committees. The evaluation results of 2024 are all excellent, which has been reported to the Board meeting on January 10, 2025 as reference for deciding on remuneration and re-election nomination of individual directors. (For further details, please refer to page 40-41 Implementation Status of Board Directors Evaluation)	
(IV) Has the Company assessed the independence status of the CPAs at regular intervals?	√		(IV) In accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies," listed companies shall, at least annually, refer to Audit Quality Indicators (AQIs) to evaluate the independence and suitability of their appointed CPAs. The AQIs and assessment report for the Company's CPAs were submitted to and approved by both the Audit Committee and the Board of Directors on March 11, 2025. Based on the Company's	

Assessed items		Implementation status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
		Yes	No	Summary	
				evaluation, CPA Chi, Chia-Yu and CPA Cheng, Chung-Hao of Full-Fill & Co., CPAs were found to have no issues regarding suitability or violations of independence. For details on the assessment results of CPA independence and Audit Quality Indicators (AQIs), please refer to Note 2.	
IV	Does the TWSE/TPEx listed company have a dedicated unit/staff member in charge of the Company' corporate governance affairs (including but not limited to providing information required for director/supervisor's operations, convening board/shareholders' meetings in compliance with the law, apply for/change company registry and producing meeting minutes of board/shareholders' meetings)?	√		The Company's Corporate Governance Officer, Manager Tang, Ching-Yu, concurrently serves in this role and has completed 12 hours of continuing education in accordance with legal requirements for the year 2024. The authority of the head of the corporate governance is (1) handling matters relating to board meetings and shareholders' meeting according to laws (2) producing minutes of board meetings and shareholders' meetings (3) assisting in onboarding and continuous development of directors (4) furnishing information required for business execution by directors (5) assisting directors with legal compliance (6)reporting to the board of directors the results of its examination of the qualifications of independent directors at the time of their nomination, election and during their term of office with respect to compliance with relevant laws and regulations (7) handling matters related to changes in directors (8) other matters as provided in the Articles of Incorporation or contract, etc.	No difference.
V	Has the Company set up channels of communication for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), dedicated a section on the Company's website for stakeholder affairs, and responded adequately to stakeholders' inquiries on significant corporate social responsibility issues?	√		The Company respects and safeguards stakeholders' legitimate rights and interests in a duly manner. A function on website dedicated specially to stakeholders is set up through which professional staff respond to important corporate social responsibility issues of concern so as to ensure that the communication channel is smooth. Any comments by stakeholders can be communicated with the management or directors in any form such as letters or telephones. If you have any rights or problems, please contact our spokesperson, Ms. Lin, Hsiu-Yueh, or our deputy spokesperson, Ms. Tang, Ching-Yu (Tel: 02-26558680 ext 301, 518; Email:	No difference.

Assessed items		Implementation status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
		Yes	No	Summary	
				catherine@centerlab.com.tw; kathleen.tarng@centerlab.com.tw). The Company regularly reports to the Board of Directors each year on stakeholders' concerns, communication channels, and response measures. The communication activities with various stakeholders in 2024 were reported to the Board on January 10, 2025.	
VI	Does the Company commission any professional shareholder services agency to hold shareholders' meeting and other relevant affairs?	√		The Company has commissioned the shareholder services agent, Capital Securities Corporation to handle affairs relevant to the shareholders' meeting	No difference.
VII	Information Disclosure				There are no discrepancies, except for the annual financial report not being disclosed earlier in February.
(I)	Has the Company set up a website to disclose information pertaining to financial services and corporate governance?	√		(I) The Investor Relations section on the Company's website (http:// www. centerlab.com.tw) is established to disclose finance, business, and corporate governance information as a reference for investors.	
(II)	Has the Company utilized other methods of information disclosure (such as setting up a website in English, assigning someone to be responsible for the collection and disclosure of company information, implementing the spokesperson system, and/or recording the investors' conference and uploading it to the Company website)?	√		(II) The Company has not only designated a dedicated person to collect and disclose the Company's information, but also implemented the system of spokesperson and deputy spokesperson. Investor conference briefings are available for download in the Investors' Relations Section => Shareholders' Service on the Company's website.	
(III)	Has the Company publish and report annual financial report within two months after the end of a fiscal year, and publish and report financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?		√	(III) The Company has submitted its quarterly financial reports and monthly operating results ahead of the statutory deadlines. However, due to the large number of investee companies, the annual financial report has not yet been announced and filed earlier in February.	
VIII	Has the Company disclosed other information to facilitate a better understanding of its corporate governance (Including but not limited to employee's rights,	√		1. Employee rights and employee care: The Company has established various employee welfare measures, education, trainings, retirement systems, etc. to protect employee rights and care for employees; the	No difference.

Assessed items	Implementation status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary	
employee care, investor relations, supplier relations, stakeholders' rights, further studies of directors and supervisors, implementation of risk management policies and measurement standards, implementation of customer policies and purchase of liability insurance for the directors and supervisors of the Company)?			communication channels between employees and management are efficient, and labor relations are good. 2. Investor relations: The Company implemented the system of spokesperson and deputy spokesperson, and their contact information is open to investors for reflecting opinions at any time. 3. Supplier relationship and stakeholders' rights: The Company maintains equal and good relationship with its suppliers and stakeholders. 4. Stakeholder rights: The Company's website discloses important information about finance, business, corporate governance, etc., and has set up a dedicated area to serve stakeholders. 5. Status of further studies of directors: Please refer to Note 3 for details of directors' participation in further studies in 2024. 6. Implementation of Customer Policy**:** The Company is committed to providing customers with stable and high-quality products, while meeting delivery schedule requirements to enhance customer confidence and satisfaction. In addition, any customer-related privacy or personal data is handled in accordance with relevant management regulations to ensure that there is no data leakage or loss. 7. Implementation of Risk Management Policy and Risk Assessment Standards: Each department, based on the nature of its operations and the principle of risk diversification, incorporates various risk factors into its management framework. Risk indicators are established, along with transaction procedures, authorization levels, and quantitative or feasible standards. Risks are assessed regularly, and a risk early-warning mechanism is in place to serve as the basis for appropriate risk responses.	

Assessed items	Implementation status (Note 1)			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary	
			8. An insurance policy of US$8 million in total has been purchased from Chubb Limited to serve as the directors liability insurance.	

IX Please explain the improvement of the Company's corporate governance evaluation results released by the Corporate Governance Center of the Taiwan Stock Exchange Corporation in the past year, and propose priorities and measures for criteria that have not been improved: (not applicable if not included as a company to be evaluated)

The 2024 Corporate Governance Evaluation results have been announced, and the Company ranked in the top 21%-35%. In 2025, three independent directors will be elected at the Annual General Meeting, and the Company will encourage directors to attend the shareholders' meeting in person and submit the Sustainability Report for Board approval to further strengthen the corporate governance mechanism.

Note 1: Regardless of ticking "Yes" or "No," the implementation status shall be explained in the column of the abstract illustration.

Note 2: The corporate governance self-assessment report refers to a report on the company's current operation and implementation status in the respective evaluation projects based on the company's self-assessment.

Note 1: The status of diversification of the board's members

Name of the directors under diversity evaluation	Gender	Nationality	Age	Industry knowledge	Business management	Leadership and decision-making	Finance and accounting	Biotechnology and investment	Biotechnology research and development	Sales and marketing
Legal Representative of Jason Technology Co., Ltd.: Wang, Su-Chi	Female	ROC	51-60	√	√	√	√	√		
Tsai, Chang-Hai	Male	ROC	71-80	√	√	√		√	√	√
Chang, Po-Chih	Male	ROC	41-50	√	√	√				√
Legal Representative of Lejean Biotech Co., Ltd.: Lin, Chia-Ling	Female	ROC	41-50	√	√	√	√	√		
Legal Representative of Wechen Co., Ltd.: Tsai, Pei-Chen	Female	ROC	61-70	√	√	√			√	
Legal Representative of Po Chang Investment Co., Ltd.: Chen, Chun-Hong	Male	ROC	61-70	√	√	√	√	√		
Ho, Mei-Yueh	Female	ROC	71-80	√	√	√	√			
Ho, Shih-Chun	Male	ROC	51-60	√	√	√	√	√		√

■Tenure of Independent Directors: Ho, Mei-Yueh – 5 years (appointed on June 24, 2020)、Ho Shih-Chun – 15 years (appointed on June 14, 2010)

Note 2:

- Evaluation of the independence of CPAs:

No	Independent assessment items	Compliance with independence criteria
1	Whether the CPA and the CPA's family members hold no direct or indirect significant financial interests in the audit client.	Yes
2	Whether the CPA is not in a commercial relationship with the audit client or its directors and managers that will affect the CPA's independence.	Yes
3	Whether the CPA has not, currently or within the past two years, held the position of the audited client's board of directors, supervisors, managers, or any position imposing a significant influence on the audit case; and can confirm that the aforementioned will not be taken during the audit period in the future.	Yes
4	During the audit period, whether the CPA and the CPA's family members do not hold the position of the audited client's board of directors, supervisors, managers, or any position imposing a significant influence on the audit case. During the audit period, if the CPA's close family members hold a position of the audited client's Board of Directors, supervisors, managers, or any position imposing a significant influence on the audit case, the degree of violating the independence criteria has been mitigated to the minimum.	Yes
5	Whether the CPA and the principal or the person in charge or the manager of the entity being audited are in relationships of spouses, direct blood relatives, lineal relatives by marriage, or collateral blood relatives within the second degree of kinship.	Yes
6	Whether the CPA has not received valuable grant or gifts from the audited client or their directors, supervisors, and managers (the value of which does not exceed the standard of general social etiquette).	Yes
7	The audit team has implemented necessary independence/conflict of interest procedures, and has not violated the independence or been involved in unresolved conflicts of interest.	Yes

- Audit Quality Indicators (AQI) Assessment:

Dimension	AQI	Evaluation criteria	Appropriateness
Professionalism	Audit experience	Do accountants and auditors have sufficient auditing experience to perform audit work?	Yes
	Training hours	Have accountants and auditors received adequate education and training to acquire professional knowledge and skills?	Yes
	Turnover rate	Does the firm maintain sufficient senior human resources?	Yes
	Professional support	Does the firm have enough non-audit professionals, including IT auditors, valuation experts, etc., to support the audit team?	Yes
Quality control	Accountant workload	Is the number of audit cases undertaken by accountants and the hours spent on auditing excessive?	Yes
	Audit engagement	Is the audit team's level of involvement at each audit stage appropriate?	Yes
	Engagement Quality Control Review (EQCR)	Has the EQCR accountant dedicated sufficient hours to reviewing audit cases?	Yes
	Quality control support	Does the firm have adequate quality control resources, including risk management and audit professional	Yes

Dimension	AQI	Evaluation criteria	Appropriateness
	capability	consultants, to support the audit team?	
Independence	Proportion of non-audit services	Does the proportion of non-audit services provided to individual clients affect independence?	Yes
	Client familiarity	Does the cumulative number of years a firm has provided audit services to an individual client potentially affect independence?	Yes
Supervision	External inspection deficiencies and sanctions	Do the firm's quality control and audit cases comply with relevant laws and standards?	Yes
	Regulatory agency improvement mandate	Do the firm's quality control and audit cases comply with relevant laws and standards?	Yes
Innovation capability	Innovative planning or initiatives	Has the firm committed to enhancing audit quality, including adopting or planning initiatives to improve audit quality?	Yes

Note 3: The status of directors' participation in further studies

Title	Name	Date	Host Institution	Course Name	Hour(s)
Chairman	Wang, Su-Chi	2024/07/09	Taipei Exchange	AI Strategy and Governance	3 hours
		2024/09/10	Taipei Exchange	Insider Equity Promotion and Briefing Session of OTC-Listed and Emerging Stock Board Companies: Taipei Session 1	3 hours
Director	Tsai, Chang-Hai	2024/09/20	Taiwan Investor Relations Institute	Trade Secrets and Information Security Practices under Securities Regulations	3 hours
		2024/11/29	Taiwan Investor Relations Institute	A Discussion on Blind Spots and Countermeasures in Cybersecurity Governance	3 hours
Director	Chang, Po-Chih	2024/10/30	Taiwan Corporate Governance Association	Corporate Governance Evaluation Indicators That Directors and Supervisors Must Know — Latest Trends in Intellectual Property Management	3 hours
		2024/11/26	Taiwan Corporate Governance Association	Responsibility for Unethical Business Practices and Analysis of Securities Law Violations	3 hours
Legal Representative of Institutional Shareholder	Lin, Chia-Ling	2024/09/10	Taipei Exchange	Insider Equity Promotion and Briefing Session of OTC-Listed and Emerging Stock Board Companies: Taipei Session 1	3 hours

Title	Name	Date	Host Institution	Course Name	Hour(s)
		2024/09/12	Securities & Futures Institute	Insider Trading Case Studies and Related Legal Liabilities	3 hours
Legal Representative of Institutional Shareholder	Tsai, Pei-Chen	2024/10/04	Taiwan Corporate Governance Association	Global Trends and Risk Management in Digital Innovation and Artificial Intelligence Development	3 hours
		2024/10/25	Taiwan Corporate Governance Association	Trends in Anti-Money Laundering and Counter-Terrorism Financing Management in the Financial Sector	3 hours
Legal Representative of Institutional Shareholder	Chen, Chun-Hong	2024/07/26	Taiwan Academy of Banking and Finance	Corporate Governance Seminar - Sustainable Business	3 hours
		2024/09/05	Taiwan Securities Association	Applications and Future Trends of Generative AI	3 hours
		2024/09/05	Taiwan Securities Association	Understanding the Low-Carbon Transition to Achieve Long-Term Value Growth	3 hours
Independent Director	Ho, Mei-Yueh	2024/04/11	Taiwan Corporate Governance Association	Climate Change, Industrial Policy, and Risk Management	3 hours
		2024/05/09	Taiwan Corporate Governance Association	Information Security and Risk Management	1.5 hours
		2024/08/08	Taiwan Corporate Governance Association	Tax Governance in the New Tax Environment and Updates on Securities Regulations	1.5 hours
		2024/08/14	Taiwan Institute of Directors	The Real Value Created by Circular and Low-Carbon Innovation: Understanding Circular Economy and Governance	3 hours
		2024/10/08	Taiwan Corporate Governance Association	An Analysis of the Impact of the U.S. Election on Global Economic and Trade Conditions	3 hours
Independent Director	Ho, Shih-Chun	2024/08/20	Taiwan Corporate Governance Association	Trends and Risk Management in Digital Technology and Artificial Intelligence	3 hours
		2024/08/20	Taiwan Corporate Governance Association	How Companies and Directors Can Avoid Violating Insider Trading Laws	3 hours

(IV) If the Company has a Remuneration Committee or Nomination Committee, please disclose their composition, duties and operation:

A. Remuneration Committee

1. Remuneration Committee Member Information

On December 27, 2011, the Board of Directors resolved to establish the Remuneration Committee and enacted the "Remuneration Committee Charter" to evaluate the remuneration policies and systems for directors and managers, as well as to formulate and review the performance evaluation and remuneration policies, systems, standards, and structures for directors and managers. The professional qualifications and experience of the members are as follows:

December 31, 2024

Qualification / Identity (Note 1)	Name	Professional qualification and experience (Note 2)	Independence criteria (Note 3)	No. of other listed companies working as Remuneration Committee member for
Independent Director (Convener)	Ho, Mei-Yueh	Please refer to Directors (II) on page 22-24	Please refer to Directors (II) on page 22-24	1
Independent Director	Ho, Shih-Chun			2
Independent Director	Lin Shirley Yi-Hsien (Note)			0
Others	Yen, Kuo-Lung	Yen, Kuo-Lung holds a Master's degree in Public Finance from National Chengchi University and is a CPA licensed through national examination. Yen, Kuo-Lung is currently a practicing CPA at Answer CPAs, and possesses extensive practical experience and expertise in financial analysis and operations, corporate governance, and risk management. Yen, Kuo-Lung has previously served as an independent director for listed companies including Sentelic, Nichidenbo Corporation, and Win Win Precision Technology, and currently serves as an independent director for Mycenax Biotech, Sunfon Construction, and Win Win Precision Technology.	In compliance with the independence requirements set forth in Article 6 of the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange."	2

(Note) Independent Director Lin Shirley Yi-Hsien resigned on May 15, 2024.

Note 1: Please specify the relevant job tenures, professional qualifications and experience and independence of the members of the Remuneration Committee in the form. If they are independent directors, a note informing the readers to refer to Appendix I on page 14 for Information on Directors and Supervisors (I) may be used. For identity, please annotate whether the person is an independent director, etc. (Please specify if the person is the convener).

Note 2: Professional Qualifications and Experience: Specify the professional qualifications and experience of individual members of the Remuneration Committee.

Note 3: Independence Criteria: Specify whether the members of the Remuneration Committee are independent, including but not

limited to whether the members, their spouses, or relatives within the second degree of kinship are the directors, supervisors or employees of the Company or its affiliated companies; the number and percentage of the shares of the Company held by the members, their spouses, relatives within the second degree of kinship (or held in the name of another person); whether they are the directors, supervisors or employees of a company which has a specific relationship with the Company (please refer to the provisions in the subparagraphs 5 to 8 of paragraph 1 of Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliates in the past 2 years.

Note 4: For disclosure methods, please refer to the Best Practice Reference Examples section on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

2. Information on the Operation of the Remuneration Committee:

(1) There are three members in the Remuneration Committee of the Company.

(2) The term of office for the members is from May 20, 2022 to May 19, 2025. The Remuneration Committee held 6 meetings (A) in the most recent year (2024). The attendance of the members are as follows:

Title	Name	Actual no. of meetings attended (B)	By Proxy	Actual attendance rate (%) [B/A]	Remarks
Independent Director (Convener)	Ho, Mei-Yueh	6	--	100%	--
Independent Director	Ho, Shih-Chun	5	1	83.33%	--
Committee Member	Yen, Kuo-Lung	2	--	100%	Appointed on August 13, 2024
Independent Director	LIN SHIRLEY YI-HSIEN	3	1	75%	Resigned on May 15, 2024
Other matters to be recorded: I If the Board of Directors does not adopt or amend the suggestions made by the Remuneration Committee, the date and session of the Board of Directors' meeting, resolutions, the voting result, and handling of opinions of the Remuneration Committee by the Company shall be disclosed (if the remuneration approved by the Board of Directors is better than the suggestion of the Remuneration Committee, the discrepancies and related reasons shall be stated): None. II If the members of the Remuneration Committee have any dissenting or qualified opinions on the resolutions of the Remuneration Committee, where such opinions are documented or issued through written statements, the date, and session of the meeting of the Remuneration Committee, resolutions, all the members' opinions, and handling of these opinions shall be stated: None.					

Note 1: If a member of the Remuneration Committee resigns before the end of year, the date of resignation shall be noted in the column of remark. The actual attendance rate (%) shall be counted by the number of the meeting of the Remuneration Committee in the period of service and such member's actual no. of meetings attended.

Note 2: If the Remuneration Committee is re-elected before the end of year, both new and old members of the Remuneration Committee shall be filled in, and the information that such member is an old or a new member as well as the date of re-election shall be noted in the column of remark. The actual attendance rate (%) shall be counted by the number of the meeting of the Remuneration Committee in the period of service and such member's actual number of attendances in person.

3. The function of the Remuneration Committee:

Abiding by the Company's "Remuneration Committee Charter," the Committee should faithfully perform the following functions (Major Tasks for the Year) and powers with the due care of good administer, and submit its suggestions to the Board of Directors for discussion:

(1) Review the annual and long-term performance targets and remuneration policies, systems, standards and structures of the Company's directors and managers

(2) Evaluate the achievement of the performance goals for the Company's directors and managers, and determine individual content and amount of remuneration.

4. Motions for discussion by the Remuneration Committee in the most recent year and resolutions:

Date	Motions	Resolutions	The Company's response to the Remuneration Committee's opinion
2024.01.18 (The 5th meeting of the 5th term)	1. Proposal for the year-end bonus distribution principles and distribution amounts to managers. 2. Proposal for the appropriation ratio of employee compensation and director renumeration in 2023. 3. Proposal for the bonus scheme for the President.	Passed by all the present members unanimously after the Chairperson has requested for opinions.	Resolution submitted to the Board meeting (January 18, 2024) and passed by all the present members unanimously.
2024.02.06 (The 6th meeting of the 5th term)	1. Chairman concurrently serves as the Chief Investment Officer and Chief Operating Officer of the Company, and their compensation proposal.	Passed by all the present members unanimously after the Chairperson has requested for opinions.	Resolution submitted to the Board meeting (February 6, 2024) and passed by all the present members unanimously.
2024.04.22 (The 7th meeting of the 5th term)	1. Proposal for the performance bonus distribution plan for individual managers of the Company for 2023.	Passed by all the present members unanimously after the Chairperson has requested for opinions.	Resolution submitted to the Board meeting (April 22, 2024) and passed by all the present members unanimously.
2024.05.13 (The 8th meeting of the 5th term)	1. Proposal for individual manager salary adjustment.	Passed by all the present members unanimously after the Chairperson has requested for opinions.	Resolution submitted to the Board meeting (May 13, 2024) and passed by all the present members unanimously.
2024.11.01 (The 9th meeting of the 5th term)	1. Proposal for the issuance and subscription rules of the Company's first employee stock option plan in 2024.	Passed by all the present members unanimously after the Chairperson has requested for opinions.	Resolution submitted to the Board meeting (November 1, 2024) and passed by all the present members unanimously.
2024.11.21 (The 10th meeting of the 5th term)	1. Proposal for Granting the First Issuance of Employee Stock Option in 2024 to Eligible Employees	Passed by all the present members unanimously after the Chairperson has requested for opinions.	Resolution submitted to the Board meeting (November 21, 2024) and passed by all the present members unanimously.

Date	Motions	Resolutions	The Company's response to the Remuneration Committee's opinion
2025.01.10 (The 11th meeting of the 5th term)	1. Proposal for the year-end bonus distribution principles and distribution amounts to managers. 2. Proposal for the appropriation ratio of employee compensation and director renumeration in 2024.	Passed by all the present members unanimously after the Chairperson has requested for opinions.	Resolution submitted to the Board meeting (January 10, 2025) and passed by all the present members unanimously.
	3. Proposal for the measures of distributing bonus to the president.	Upon inquiry by the Chairperson, all attending committee members raised no objections. In accordance with the Chairperson's recommendation, the proposal will be reserved for the time being. The President is requested to propose more challenging strategic objectives and supplement the relevant information, to be submitted for review at the next Remuneration Committee and Board of Directors meetings.	Approved without objection by all directors present at the Board of Directors meeting on January 10, 2025. In line with the recommendation of the Remuneration Committee, the proposal will be reserved. The President is requested to propose more challenging strategic objectives and provide additional supporting information for further review at the next Remuneration Committee and Board of Directors meetings.
2025.03.11 (The 12th meeting of the 5th term)	1. Proposal for the measures of distributing bonus to the president.	Passed by all the present members unanimously after the Chairperson has requested for opinions.	Resolution submitted to the Board meeting (March 11, 2025) and passed by all the present members unanimously.
2025.05.12 (The 13th meeting of the 5th term)	1. Proposal for the Allocation of Performance Bonuses and Salary Adjustments for Individual Managers for Fiscal Year 2024.	Passed by all the present members unanimously after the Chairperson has requested for opinions.	Resolution submitted to the Board meeting (May 12, 2025) and passed by all the present members unanimously.

B. The Nomination Committee: The Company does not have a Nomination Committee.

(V) Promoting the Implementation of Sustainable Development and Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
I Has the Company established a governance structure for promoting sustainable development and a specific (or ad hoc) unit to promote for sustainability, and have the management authorized by the Board of Directors to handle matters and report the processing results to the Board of Directors? (TWSE-listed or TPEx-listed companies should fill in the implementation status, which is not a matter of compliance or interpretation.)	√		**1. Describe the Company's governance structure to promote sustainable development.** The Company's Board of Directors appointed President as the Chairperson of corporate Sustainability Committee, who is responsible for the planning and implementation of sustainable development policies, systems or related management guidelines and promotion of plans. **2. Describe the implementation status of each organization of the Company, including but not limited to:** **(1) Promote the name, timing and authorization of the Board of Directors of the specific (or part-time) unit for sustainable development.** **(2) Promote the composition, operation and implementation of the members of the unit in the current year (such as: work plan and responsibility)** **(3) Promote the frequency of reporting to the Board of Directors (at least once a year) or the date of reporting to the Board of Directors in the current year.** The Company's Corporate Sustainability Committee was established on March 2, 2022. The President is appointed by the Board of Directors as the Chairperson, who is responsible for the planning and implementation of sustainable development policies, systems or related management guidelines and promotion of plans, and regularly reports to the Board of Directors every year. There are five task forces under the Sustainability Committee: Corporate	No difference

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			Governance Task Force, Partner Co-Prosperity Task Force, Environmental Sustainability Task Force, Workplace Friendliness Task Force, and Social Contribution Task Force. The members are composed of relevant business units, and the head of the unit serves as the leaders of the task forces to jointly promote the sustainable development of the Company. Task forces analyze material issues for the stakeholders, and discuss the economic, environmental, and social issues, etc. Also, they track and review various promotion indicators, and achieve the goal of sustainable development through continuous improvement and progress. The Chairperson of sustainable development reported on the promotion of sustainable development in 2024 to the Board of Directors on January 10, 2025. **3. Describe the supervision of the board of directors on sustainable development, including but not limited to: Management policy, strategy and goal setting, review measures, etc.** On January 10, 2025, the Board of Directors had no comment on the report of the Director of Sustainable Development.	
II Has the Company implemented the risk assessment of environmental, social, and corporate governance issues related to corporate operation and establish relevant risk management policies or strategies based on the principle of materiality? (Note 2) (TWSE-listed or TPEx-listed companies should fill in the	√		**1. Describe the boundary of the risk assessment (the scope of subsidiaries covered). In addition, the boundary of this risk assessment should be the same as the boundary of subsequent environmental and social issues in this appendix, and if there is any difference, the boundary should be specified in each issue.** The boundary of the 2024 risk assessment primarily covers the Company, including the Taipei office and the Hsinchu facility. **2. Identify risk assessment criteria,**	No difference

<table>
<tr><th rowspan="2">Promoted items</th><th colspan="3">Implementation status (Note 1)</th><th rowspan="2">Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td>implementation status, which is not a matter of compliance or interpretation.)</td><td></td><td></td><td>processes, results and risk management policies or strategies that identify significant environmental, social and corporate governance-related issues.
The Company's Sustainability Development Committee conducts analyses based on the materiality principle outlined in the Sustainability Report, engages in communication with internal and external stakeholders, and reviews and integrates assessment data from various departments. Based on these efforts, the Committee evaluates material ESG issues and formulates risk management policies aimed at the effective identification, assessment, monitoring, and control of such risks, while implementing concrete action plans to mitigate their potential impact.
・ The risk control policies for material issues are as follows:
<table><tr><th>Material Issues</th><th>Risk Assessment Item</th><th>Policy Description</th></tr><tr><td>Environment</td><td>Environmental impact and management</td><td>The Company has formulated various environmental protection and monitoring management systems, strictly abides by the laws and regulations set by the competent authority, and strengthens the promotion of energy conservation and carbon reduction, electricity and water conservation, waste sorting and reduction to employees, and hopes to reduce pollution emissions and environmental impact it has caused.</td></tr><tr><td>Society</td><td>Occupational safety</td><td>The Company regularly holds fire drills and industrial safety education and training every year to cultivate employees'</td></tr></table></td><td></td></tr>
</table>

Promoted items	Implementation status (Note 1)					Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)			
					capabilities of emergency response and self-management of occupational safety. In addition, health checks are arranged for specific staff members and special check items are added to monitor whether exposure to chemicals has an impact on their health.	
				Product safety	The Company's products, from R&D and certification to production, manufacturing and sales, all abide by the laws and regulations of the government, and the Company strictly controls the quality of products to ensure the safety and efficacy of drugs and maintain public health.	
			Corporate governance	Compliance	The establishment of a governance organization and the implementation of an internal control mechanism ensure the compliance of Company's operations with relevant laws and regulations.	
				Strengthen the functions of directors	The Company arranges further education sessions for directors every year, and director liability insurances are purchased by the Company for directors; the Company also strengthens the diversity of directors.	
				Stakeholder communication	The Company has established various communication channels, actively communicates with stakeholders, and the spokesperson and acting spokesperson are responsible for handling public relations issues and responding to questions.	

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
III Environment issue (I) Has the Company established environmental policies suitable for the Company's industrial characteristics?		√	**1. Describe how to implement an effective environmental management system and the regulations under which it is implemented.** The Company complies with various environmental protection laws and regulations, and has obtained the "Stationary Pollution Source Operation Permit." The waste gas generated during the pharmaceutical manufacturing process is treated by air pollution control equipment and then discharged, and the air pollution control fee is regularly declared and paid. The Company has obtained the "Water Pollution Prevention and Control Permit," regularly samples and inspects the wastewater to meet the wastewater discharge standards, and pays the sewage treatment fee on a monthly basis. The Company has implemented waste sorting, disposed of general and business wastes based on the "Business Waste Cleaning Plan", and entrusted a qualified waste disposal company to clear and transport the wastes. The Company complies with PIC/S GMP, as the storage sites of pharmaceutical raw materials and chemical substances are clearly marked and graded in accordance with regulations. Also, there are material safety data sheets for employees as references to maintain the safety of employees during operation. The Company has joined the Environmental Protection Agency's Joint Prevention Organization of Regional Toxicity and Chemical Substances of Concern, and will implement measures to protect, respond and clean up with mutual assistance within the industry when accidents involving toxic and chemical substances of concern occur. However, the Company has not yet established an environmental management	The Company has not yet established an environmental management system.

<table>
<tr><th rowspan="2">Promoted items</th><th colspan="3">Implementation status (Note 1)</th><th rowspan="2">Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>system.
2. Describe the international certification standards that the company has passed (which should be valid as of the printing date of the annual report) and the scope of their coverage: None</td><td></td></tr>
<tr><td>(II) Does the Company endeavor to upgrade the efficient use of energy and make use of environmental-friendly recycled materials?</td><td></td><td>√</td><td>Describe the company's policy on improving energy efficiency and using recycled materials, including but not limited to: Base year data, promotional measures, goals and achievement status.
The Company continues to promote various energy-saving measures, publicize the importance of conservation of electricity and water, and implement sorting and recycling of household wastes and various wastes in order to achieve waste reduction, and cooperate with long-term raw material suppliers to implement container recycling and reuse.
However, the Company has not yet established a policy on improving energy efficiency and using recycled materials.</td><td>The Company has not yet established a policy on improving energy efficiency and using recycled materials.</td></tr>
<tr><td>(III) Does the Company assess the present and future potential risk and opportunities of climate change in relation to the Company and adopt related countermeasures?</td><td>√</td><td></td><td>Describe how the company assesses the current and future potential risks and opportunities of climate change on the enterprise, its assessment results, and the relevant response countermeasures it has taken.
The Company has appointed the Sustainability Committee as the highest organization for climate change management, with the President as the Chairperson. The committee reviews the Company's climate change strategy and goals, manages climate change risks and opportunities, reviews the implementation status and discusses future plans, and reports to the Board of Directors annually.
(1) Assess climate change risks and response strategies
<table><tr><th>Main Risk in Climate Change</th><th>Potential Operational and Financial Impact</th><th>Center Laboratories' Strategic Responses for the Future</th></tr></table></td><td>No difference</td></tr>
</table>

Promoted items	Implementation status (Note 1)						Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)				
			Extreme climate disasters	Extreme weather may cause natural disasters such as heavy rainfall and flooding, which will cause damage to operating facilities, injury to personnel, and disruption of raw materials or transportation supply chain.	・Increase in operating expenses ・Decline in revenue ・Increased employee safety risks	1. Plan the business interruption recovery management plan. 2. Establish the management method of climate disaster prevention and control, to enhance the awareness of climate disaster and the concept of environmental safety and health of personnel, and take preventive measures in advance. 3. Take stock of raw material suppliers to ensure that there are alternative suppliers for raw material sources to reduce risks.	
			Market information uncertainty	Consumers are less willing to buy products that are not environmentally friendly, and may even require stores and manufacturers to be proactive on environmental issues, which in turn will cause development costs and production costs to rise.	・Increase in production costs ・Increase in R&D expenses ・Decline in corporate reputation	Continue to pay attention to the market's feedback on sustainability issues, and discuss the possibility of carbon and plastic reduction in the product itself, packaging design, and marketing, so that we can gradually make our products move toward sustainability.	

<table>
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<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>(2) Assess climate change opportunities and strategies for response
<table><tr><th colspan="2">Main Opportunities in Climate Change</th><th>Challenges and Opportunities</th><th>Center Laboratories' Strategic Direction</th></tr><tr><td>Increase in market demand</td><td>Due to global warming causing extreme weather conditions and pollution emissions, the number of patients with respiratory diseases has increased, leading to a corresponding increase in the demand for medication.</td><td>· Increase in market share
· Sales growth
· Increase in operating costs</td><td>Proactively develop diversified products to meet the needs of various indications, intelligently optimize production lines, and enhance production efficiency.</td></tr></table></td><td></td></tr>
<tr><td>(IV) Does the Company gather statistics of the greenhouse gas emission, water consumption and the gross weight of the waste in the past two years and establish policies for reduction of greenhouse gas emission and water consumption or other waste management?</td><td></td><td>√</td><td>1. Please provide the following: the most recent two years of statistics, intensity (e.g., calculated per unit of product, service, or revenue), and data coverage (e.g., all factories and subsidiaries).
(1) Greenhouse gas: Including carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, nitrogen trifluoride and others that have been declared by the central authority, etc. The distinction is made between direct emissions (Category I, i.e. emissions directly from sources owned or controlled by the company), indirect emissions from energy sources (Category II, i.e. indirect greenhouse gas emissions from imported electricity, heat or steam) and other indirect emissions (Category II, i.e. emissions from company activities that are not indirect emissions from energy sources but from sources owned or controlled by other companies):</td><td>In accordance with the "Pathway to Sustainable Development for Listed Companies," our company has set 2024 as the benchmark year for the greenhouse gas inventory. We will complete the inventory report in 2025 and have planned carbon reduction targets and strategies based on the</td></tr>
</table>

<table>
<tr><th rowspan="2">Promoted items</th><th colspan="3">Implementation status (Note 1)</th><th rowspan="2">Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>report data.</td></tr>
</table>

・ Amount of greenhouse gas emission

Year		2023	2024
Emissions (tons CO2e)	Category I	153.39	224.52
	Category II	2,551.71	2,654.42
	Category III	--	207.19
	Total	2,705.1	3,086.13
Total intensity (tons CO2e/NT$ million revenue)		2.85	3.17

* The data scope covers the Taipei headquarters, Hsinchu Plant, and Hsinchu Warehouse Center.

(2) Amount of water consumption:

・ Amount of water consumption in a year: (Hsinchu Plant only)

Unit: Million Liters	2023	2024
Water withdrawal	49.654	39.649
Water discharge	42.099	31.718
Water consumption	7.555	7.931

(3) Waste: Distinguish the total weight of hazardous waste and non-hazardous waste. In the case they did not come from manufacturing industries, it is unnecessary to differentiate, only the total weight of waste is disclosed, and the statistical method is explained according to the characteristics of the industry.

・ Waste: (Hsinchu Plant only)

Category	Waste items	Total annual waste weight (metric tons)	
		2023	2024
Hazardous business waste	Waste liquid, waste containers (B0199, B0399)	4.51	5.47
	Waste liquid, waste containers (B0299)	0.0234	0.071
General business waste	Household waste	6.7	17.22
	General waste generated from business activities	18.3	15.43
General business waste -	Cardboard boxes	112.99	116.10

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			recycling | | | Total weight | 142.5234 | 154.291 **2. Describe policies for greenhouse gas reduction, water use reduction, or other waste management, including but not limited to: Base year data, reduction targets, promotion measures and achievement status, etc.:** In accordance with the "Pathway to Sustainable Development for Listed Companies," our company has set 2024 as the benchmark year for the greenhouse gas inventory. We will complete the inventory report in 2025. The baseline data remains unchanged. However, since the facility is undergoing renovation and expansion from years 2024 to 2028, it is currently not feasible to establish specific emission reduction targets. Once the renovation is completed, a new baseline year will be set, and carbon reduction goals will be determined. Greenhouse gas reduction Center Laboratories continuously explores energy-saving solutions to minimize the environmental impact caused by energy loss in production processes. In 2024, the Company replaced 28 LED lights in its facility, with an estimated annual energy savings of 3,136 kWh and a carbon emission reduction of 1,549.184 tons CO_2e. **3. Describe the verification status of various information (which should be valid as of the printing date of the annual report) and the scope of their coverage:** The Company is aligning with the "Pathway to Sustainable Development for Listed Companies" and plans to begin carbon inventory verification in 2027.	
IV Social issues (I) Does the Company develop management policies and	√		**Describe policies and specific management programs to protect human rights (e.g: human rights assessment, human rights risk**	No difference

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
procedures in accordance with relevant regulations and international human rights conventions?			**mitigation measures, and related education and training), and the relevant laws and regulations and international human rights conventions that they are based on.** 1. Human rights policies: In order to fulfill its corporate social responsibility, the Company is committed to safeguarding the basic human rights of all employees, customers, suppliers and stakeholders. International human rights conventions such as the "Universal Declaration of Human Rights," "The UN Global Compact," "United Nations Guiding Principles on Business and Human Rights," and International Labour Organization's "Declaration of Fundamental Principles and Rights at Work" aim to put an end to any infringement and violations of human rights, so that all employees of the Company can be treated reasonably, equally and with dignity. 2. Human rights protection policies: (1) Full compliance of labor laws and regulations The Company abides by all labor laws and regulations and provides fair and reasonable wages and working conditions. (2) Constructing a friendly working environment The Company implements equal rights at work, does not discriminate on the basis of race, skin color, religion, nationality, gender, sexual orientation, age, disability, etc., and strictly prohibits all forms of forced labor, employment and harassment, and is committed to creating a working environment that is dignified, safe, equal, diverse, and inclusive. (3) Reasonable working hours The Company prohibits the employment of child labor, clearly specifies the working hours and the rules for	

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			extending working hours, and pays attention to and manages the attendance of employees. (4) Building up a healthy and safe workplace The Company complies with safety and health regulations, regularly inspects employees' health and safety protection measures, and aims to establish a working environment which is healthy, safe, and tidy. (5) Harmonious labor-management communication The Company's labor-management communication channels are smooth and diverse, and regular labor-management meetings are held to communicate opinions and build consensus, and the Company respects employees' freedom of assembly and association. (6) Providing channels for expressing employee grievances The Company has a smooth channel for expressing employee grievances. When employees encounter all sorts of problems within the Company, they can file complaints with supervisors at all levels through the internal grievance channel. In addition, in order to maintain gender equality in work and provide a work and service environment free from sexual harassment, the Company has a designated complaint mailbox for sexual harassment prevention. Confidentiality is maintained during the investigation to avoid revealing the complainant's names or other sufficiently identifiable information. 3. Assessment of human rights risk and mitigation measures Emphasized issues | Risk mitigation measures	

<table>
<tr><th rowspan="2">Promoted items</th><th colspan="3">Implementation status (Note 1)</th><th rowspan="2">Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Working hours of employees</td><td>1. Fully comply with the relevant provisions in Labor Standards Act
2. Continue to publicize the Company's rules concerning normal working hours and extended working hours
3. Assist employees and supervisors to control working hours and extend working hours
4. Remind employees of their rights on leaves</td></tr>
<tr><td>Occupational safety and health</td><td>1. Regular fire inspections and fire drills
2. Regular safety and health education and training for employees
3. Regular cleaning and disinfection of the office spaces
4. Warning signs for dangerous machines and places
5. Regular employee health check and health consultation</td></tr>
<tr><td>Discrimination and sexual harassment</td><td>1. Provision of equal job opportunities and rights
2. Prohibition of discrimination and sexual harassment are clearly stated in Work Rules and related regulations
3. Disseminate the information on the prevention of sexual harassment and workplace bullying
4. Disseminate the information on relevant channels for employee grievances and protect the rights and interests of complainants</td></tr>
<tr><td>Labor disputes</td><td>1. Fully comply with the relevant provisions in Labor Standards Act
2. Hold labor-management meetings regularly to communicate opinions from both sides</td></tr>
</table>
4. Related education and training
In 2024, the Company took a total of 26 hours to train new employees on human rights. According to relevant laws and regulations, the pre-employment training for new employees include prohibition of forced labor and child labor, anti-discrimination, anti-harassment, management of working hours, and protection of humane treatment.</td><td></td></tr>
<tr><td>(II) Does the Company establish and implement proper employee</td><td>√</td><td></td><td>1. Employee benefits should include, but are not limited to, employee compensation,</td><td>No difference</td></tr>
</table>

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
welfare measures (including the salary, holidays and other welfare) and reflect the corporate business performance or achievements in the employee compensation?			**diversity and equality in the workplace (including, but not limited to, the percentage of female employees and senior management), vacation, various allowances, bonuses and subsidies.** (1) Employee welfare measures: The Company has established an Employee Welfare Committee, and the Company provides employee welfare funds every year to plan and provide high-quality benefits for employees, such as: employee travel subsidies, birthday gift cash, marriage allowances, maternity allowances, funeral allowances, etc., and other benefits such as free health check-up programs for employees. As for the leave system, on the basis of a fixed two-day week off, employees in the first year of employment will be given seven days of special leaves every year (those who have not worked for a year are granted leaves on the basis of the ratio of the duration employed). When employees require a longer period of leaves in the case of childcare, serious injury, major accident, etc., they can also apply for a leave of absence without pay, in order to take into account the needs of personal and family care. (2) Workplace diversity and equality: The Company committed to ensuring equal pay for equal work and equal opportunities for promotion, regardless of gender, age, ethnicity, nationality, place of birth, or physical and mental conditions. We also strive to maintain gender balance in managerial positions, promoting inclusive and sustainable economic growth. In 2024, female employees accounted for an average of 50.51% of the total workforce, while	

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			female managers (including supervisors and above) made up an average of 73.68% of all management positions. The Company emphasizes on the rights and welfare of employees, shares profit and surplus with employees, and maintains a good working environment, including all-round physical and spiritual care for all groups: A. Employ physically challenged colleagues and have reached 100% of the goal of employing disadvantaged persons and tailor-made suitable job positions and environmental facilities for them; B. Implement the empowerment of women in a friendly workplace so that colleagues of all genders can work with peace of mind. In addition, to uphold gender equality in the workplace and to provide a work and service environment free from sexual harassment, the Company has established regulations on the prevention, complaint, and disciplinary measures for workplace sexual harassment. A dedicated email address has also been set up for reporting and handling sexual harassment complaints. **2. Describe who the business performance or results are reflected in employee compensation and their implementation.** (1) Business performance is reflected in employee compensation: The Company's Articles of Incorporation stipulate that if there is profit in a fiscal year, 0.1% to 10% of the profit shall be allocated as employee compensation, and the business performance results shall be shared with employees. Due to the lack of profit in 2024, no employee compensation will be distributed. (2) Overall remuneration policy:	

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			The Company adjusts the salary every year based on the market salary level, economic trends and individual performance of employees, depending on the actual situation of each employee. The Company has adjusted the salary of employees who meet the standards in the 2024 annual assessment.	
(III) Does the Company provide employees with a safe and healthy work environment, and provide safety and health education to employees regularly?	√		**1. Describe the measures for employee safety and health working environment, employee education policy and its implementation.** (1) Disaster prevention drill and safety inspection of building equipment: The Hsinchu Plant conducts fire drills and hazardous chemical disaster prevention drills every six months. Meanwhile, the Nangang office cooperates with the building management committee to conduct quarterly fire equipment inspections and annual disaster drills. A service supplier is commissioned to carry out comprehensive inspection and maintenance of the appearance and performance of fire safety equipment every year. A service supplier is commissioned to conduct public safety inspections of buildings every 2 years. A professional service provided is commissioned to be responsible for the maintenance of the elevator equipment every month, and a record sheet is made after every inspection session; a safety inspection is applied to the inspection institution pursuant to the regulations. The Company also conducts occupational safety and health education and training for employees on a regular basis. The office environment is cleaned and disinfected regularly by cleaning staff to provide a safe and hygienic	No difference

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			working environment for employees. (2) Management of chemicals: The Quality Control Department of the Company has registered and reported the Priority Management Chemicals online, and the list is updated every year. One example of the use of regulated chemicals in our factories is 3,3'-Dimethyl-[1,1'-biphenyl]-4,4'-diamine, which can be purchased and used only after an application has been approved and a permit has been obtained. To obtain this permit, the quality control personnel must undergo training and pass the examination, and obtain the certificate of "Supervisor in Charge of Specified Chemical Substance Operations." The factories must also be equipped with showers and ventilation, and conduct spot checks and maintain the equipment maintenance records and compile environmental monitoring reports every month. (3) Environment monitoring: All factories of the Company conduct environmental monitoring on the organic solvents and specific chemical substances (linked to regulated chemicals) used in the quality control laboratory of the Hsinchu factory in accordance with the "Regulations for the Implementation of Labor Working Environment Monitoring." The monitoring institution will provide a report after sampling and inspection in the operating environment is completed. The chemical residues in the laboratory of the Plant are far below the standard. Due to the temporary nature of the operations in the chemical laboratory of the Quality Control Division at the Hsinchu plant, which involves the use of organic solvents and specific chemicals,	

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			and the short duration of the operations, as well as the fact that the monitored chemical exposure concentrations have been consistently below half of the permissible exposure limit for two consecutive years, there is no requirement to monitor the concentrations more than once every six months. (4) Schedule health checks for specific workers: All Company facilities comply with the "Occupational Safety and Health Act," and quality control operators undergo additional specialized health screening during their annual medical checkups to ensure that chemical exposure does not negatively impact their health. There are five special health hazards being used in the factories: 13 Benzidine and its salts, etc., 16 benzene, 19 arsenic, 24 chromic acid and chromates, 30 formaldehyde. During the annual employee health check, these health hazards are checked together. **2. Describe the relevant verification that the company has obtained (which should be valid as of the printing date of the annual report) and the scope of their coverage:** None. **3. Describe the number of employee occupational accidents, the number of employees affected by the accidents and its ratio to the total number of employees in the current year, as well as the related improvement measures:** In 2024, there were no employee occupational accidents within the Company. **4. Describe the number of fire accidents, the number of casualties by the accidents and its ratio to the total number of employees in the current year, as well as the related improvement measures.**	

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			In 2024, there were no employee fire incidents within the Company. The Company holds fire drills and disaster prevention drills for incidents involving toxic chemical substances in the factory every six months. A service supplier is commissioned to carry out comprehensive inspection and maintenance of the appearance and performance of fire safety equipment every year. A service supplier is commissioned to conduct public safety inspections of buildings every 2 years. A professional service provided is commissioned to be responsible for the maintenance of the elevator equipment every month, and a record sheet is made after every inspection session; a safety inspection is applied to the inspection institution pursuant to the regulations. The Company also conducts occupational safety and health education and training for employees on a regular basis. The office environment is cleaned and disinfected regularly by cleaning staff to provide a safe and hygienic working environment for employees.	
(IV) Does the Company have an effective career capacity development training program established for the employees?	√		**The training program covers various aspects (such as new employee training, professional development, and management training), scope (including supervisors at all levels and peers), and implementation status.** 1. The Company has planned complete functional training for supervisors and colleagues at all levels, including (1) new employee training, (2) professional advanced training based on industrial value chain planning, (3) supervisor training to improve management skills, etc., to assist colleagues to continue to learn and grow through multiple learning methods, and introduce (4) training courses on corporate culture belief development to cultivate key competencies of our colleagues. The total number of hours dedicated to employee training in 2024 was 2,786 hours. The internal online platform of	No difference

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			Centerlab University provides around 45 courses to support employees' self-paced learning and development." 2. Performance interviews are held regularly every year. Supervisors and employees discuss and set up personal annual development plans. Through regular review and feedback, they help improve employees' career development capabilities.	
(V) Does the Company follow relevant laws and international standards, and formulate relevant policies and complaint procedures for the protection of consumer or customer rights and interests regarding issues such as customer health and safety, customer privacy, marketing and labeling of products and services?	√		**Describe the laws and international standards followed by each matter, and explain the name, content and complaint procedure of the policy on protection of the rights and interests of consumers or customers:** The Company is in the pharmaceutical manufacturing industry, which is a highly regulated industry. Products have strict quality control and requirements from research, development, certification to production, manufacturing and sales to ensure that safe and effective medicines can be provided to patients and safeguard the health of the general public. First of all, before the drug is certified, it is necessary to carry out various impurity research and stability tests for all raw materials, auxiliary materials and formulas, and establish various analysis and testing methods to ensure the stability of product quality. Furthermore, a product needs to be produced in three batches in a factory which meets the PIC/S specifications and ensure that these batches are of good quality, and the said batches must be used in the clinical trial of this product before it may obtain a drug certificate. Also, the sales of medicines are possible only by procurement through exclusive channels such as hospitals, clinics and pharmacies, and prescribed by professional physicians based on the patient's condition, ensuring that they receive the best treatment while protecting their privacy. In addition, not only the Company has a customer service department and dedicated pharmacists to solve customers' and patients' questions and	No difference

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			concerns about the product at any time, but the Food and Drug Administration, Ministry of Health and Welfare has also established a defective product notification system, which facilitates the reporting and handling of defective products. At the same time, there is Taiwan Drug Relief Foundation to provide relief for patients suffering from serious hazards caused by the use of drugs. To sum up, the Company's products, complying with numerous laws and regulations, not only have good quality and curative effect, but also maintain the safety and health of the general public.	
(VI) Does the Company establish supplier management policies and ask them to follow relevant regulations on the issues of environmental protection, occupational safety and health, or labor rights? How is the implementation status?	√		**1. Specify the supplier's management policy and related compliance norms and their contents of the supplier in environmental protection, occupational safety and health or labor human rights should be positive and put forward specific requirements (such as: subject to relevant verification):** With respect to supplier issues such as environmental protection, occupational safety and labor rights, our company not only requires new suppliers to sign a Supplier Social Responsibility Commitment, but also requires existing suppliers to complete an ESG Supplier Questionnaire to ensure they are addressing these relevant issues. **2. Describe the implementation of supplier management policies and related compliance regulations (e.g: the implementation of self-evaluation, counseling or education, performance evaluation and other implementation circumstances by suppliers):** Since 2023, existing suppliers have been monitored annually through the distribution of ESG questionnaires at the end of each year to track their progress and performance on various sustainability issues. For raw material suppliers, the questionnaire is sent to those accounting for the top 80% of the	No difference.

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			annual transaction amount. For logistics and warehousing suppliers, the questionnaire is distributed to all. Starting in 2024, statistical analyses have been conducted based on the questionnaire responses, and suppliers are scored accordingly. Suppliers scoring below 10 points are classified as high-risk. The Company continues to engage these high-risk suppliers on social responsibility topics to enhance the sustainability and stability of the overall supply chain. In 2024, the ESG questionnaire was sent to the top 24 raw material suppliers by transaction amount, representing 79.1% of the Company's total annual transaction value. The response rate was 100%.	
V Does the Company refer to the internationally accepted reporting standards or guidelines to prepare reports that disclose non-financial information of the Company, such as sustainability reports? Do any third-party assurance or verification opinion is acquired for the above-mentioned reports?	√		**1. Describe the internationally accepted preparation standards or guidelines referred and the reports prepared to disclose non-financial information.** The Company's 2024 Annual Sustainability Report was prepared in accordance with the GRI Standards issued by the Global Reporting Initiative (GRI) in 2016, and is structured according to the core options of the GRI Standards. The reported information is also based on domestic and international sustainability standards, such as the Regulations Governing the Preparation and Filing of Continuing Reports by Listed Companies and the United Nations Sustainable Development Goals (SDGs) and the Task Force on Climate-related Financial Disclosures (TCFD) framework. **2. If confirmation or assurance is obtained, the name of the verification unit, the item or scope of the verification and the standard to be followed should be specified:** The 2024 Sustainability Report was verified by GREAT International Certification Co.,	No difference.

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	
			Ltd. and assured with a Type 1 Moderate Level of Assurance in accordance with the AA1000 Assurance Standard.	

VI If a Company has its own sustainable development principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," please describe the differences between its operation and the established principles:

The Company has established the "Sustainable Development Best Practice Principles," which is generally operated in the same way as the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies." However, some policies have yet to be formulated. In the future, the Company will gradually formulate policies on environmental management systems, greenhouse gas reduction and water use reduction, energy efficiency and use of recycled materials.

VII Other important information to help understand the implementation of promoting sustainable development:

1. **Social contribution**:

   The Company makes periodic donations to schools, medical associations, charitable organizations, and biotechnology/medical institutions as part of its commitment to giving back to society and promoting compassion. In 2024, recipients included Zhangbin Show Chwan Memorial Hospital, the Taiwanese Society of Psychiatry, the Taiwan Neurological Society, the Taiwan Bio Industry Organization, the Asia-Pacific Psycho-Oncology Exchange Foundation, Taipei Medical University, the Cheng Ching Foundation, the Taiwan Movement Disorder Society, the Taiwan Association of Psychiatric Clinics, and the Taiwan Society for Dementia. A total of over NT$2.44 million was donated during 2024.

   Staying rooted in the community, the Company also fulfills its corporate social responsibility by supporting local elementary schools. In 2024, a donation of NT$20,000 was made to the Education Savings Account of Zhongxing Elementary School in Hukou Township, Hsinchu County, aimed at assisting economically disadvantaged students or families facing sudden hardships. This fund provided aid to 29 individual cases during 2024, helping ensure that students receive timely support and can continue their education with peace of mind.

2. **Youth talent development**:

   The Company places high importance on cultivating talent in Taiwan. In collaboration with China Medical University, we have established an industry-academia master's degree program, offering on-campus lectures and sharing industry experience to bridge academic and practical knowledge. The Company has also launched the "Talent Training Camp" summer internship program to nurture future industry professionals. In 2024, a total of 18 young students participated in the "Talent Training Camp" summer internship program, aiming to create more opportunities for Taiwan's biotech industry and its next generation of professionals, thus fulfilling our corporate social responsibility.

3. **Industry-academia collaboration**:

   To support local education and enhance students' hands-on experience, the Company actively partners with colleges and universities near our Hsinchu facilities. We provide internship opportunities and arrange on-the-job training to strengthen young talent's technical and practical skills, in alignment with industry development and employment demands. The industry-academia collaboration activities for 2024 are summarized in the following table:

Promoted items	Implementation status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary (Note 2)	

Year	School	Department	Contract period	Number of contract parties	Number of interns
2023-2024	Jen-Teh Junior College of Medicine, Nursing and Management	Department of Biotechnology and Pharmaceutical Management	2023/9/1-2024/6/30	2	1
2024	Yuanpei University of Medical Technology	Department of Biotechnology and Pharmaceutical Technology	2024/7/1-2025/5/31	2	2

Note 1: If the "Implementation Status" is "Yes," please specifically describe adopted policies, strategies, measures and implementation status. If "Implementation Status" is "No," please describe any deviation materials and reasons in the column of Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons, as well as future policies and measures to be taken. However, regarding the promotion of projects 1 and 2, TWSE/TPEx Listed Companies should specify the governance and supervisory framework for sustainable development, including but not limited to management policies, strategy and goal formulation, and review measures. Also describe the Company's risk assessment policies or strategies on environmental, social, and corporate governance issues related to corporate operation and their evaluation.

Note 2: Materiality principle refers to the significant influence of environmental, social and governance on investors and other stakeholders.

Note 3: For disclosure methods, please refer to the Best Practice Reference Examples section on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

Climate-related Information of TWSE/TPEx Listed Companies

1. Implementation of Climate-related Information

<table>
<tr><th>Item</th><th>Implementation status</th></tr>
<tr><td>1. Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.</td><td>1. The Board of Directors is responsible for decision-making and oversight of sustainable development, including climate change risks and opportunities. It supervises the Company's policies, strategies, and objectives related to sustainability and climate issues. The Sustainability Committee, chaired by the President, leads various sustainability initiatives and reports to the Board of Directors annually. In terms of climate action, the committee coordinates and integrates the work of various departments, assesses climate-related risks and opportunities, formulates responses, implements greenhouse gas inventory and disclosure, and tracks carbon management performance.</td></tr>
<tr><td>2. Explain how identified climate risks and opportunities impact the Company's business, strategy, and finances (in the short, medium, and long term).</td><td>2. The key risks and opportunities of climate change and the corresponding strategies are as follows:
<table>
<tr><th colspan="2">Main Risk in Climate Change</th><th>Potential Operational and Financial Impact</th><th>Center Laboratories' Strategy</th></tr>
<tr><td>Extreme climate disasters</td><td>Extreme weather may cause natural disasters such as heavy rainfall and flooding, which will cause damage to operating facilities, injury to personnel, and disruption of raw materials or transportation supply chain.</td><td>・ Increase in operating expenses
・ Decline in revenue
・ Increased employee safety risks</td><td>・ Plan the business interruption recovery management plan.
・ Establish the management method of climate disaster prevention and control, to enhance the awareness of climate disaster and the concept of environmental safety and health of personnel, and take preventive measures in advance.
・ Take stock of raw material suppliers to ensure that there are alternative suppliers for raw material sources to reduce risks.</td></tr>
<tr><td>Market risk</td><td>Consumers are less willing to buy products that are not environmentally friendly, and may even require stores and manufacturers to be proactive on environmental issues, which in turn will cause development costs and production costs to rise.</td><td>・ Increase in production costs
・ Increase in R&D expenses
・ Decline in corporate reputation</td><td>Continue to pay attention to the market's feedback on sustainability issues, and discuss the possibility of carbon and plastic reduction in the product itself, packaging design, and marketing, so that we can gradually make our products move toward sustainability.</td></tr>
</table>
<table>
<tr><th>Main Opportunities in Climate Change</th><th>Challenges and Opportunities</th><th>Center Laboratories' Strategy</th></tr>
<tr><td>Due to global warming causing extreme weather conditions and pollution emissions, the number of patients with respiratory diseases has increased, leading to a corresponding increase in the demand for medication.</td><td>・ Increase in market share
・ Sales growth
・ Increase in operating costs</td><td>Proactively develop diversified products to meet the needs of various indications, intelligently optimize production lines, and enhance production efficiency.</td></tr>
</table></td></tr>
</table>

Item	Implementation status
3. Clarify the financial implications of extreme weather events and transition measures.	3. Same as above.
4. Clarify how the process of identifying, assessing and managing climate risks is integrated into the overall risk management system.	4. The Company will continue to disclose risks and opportunities related to climate change in accordance with the framework of the Task Force on Climate-related Financial Disclosures (TCFD). In the future, the Company will also progressively disclose information in accordance with the TCFD framework.
5. If scenario analysis is used to assess resilience to climate change risks, the context, parameters, assumptions, analysis factors and key financial implications should be explained.	5. The Company referenced the 2°C Scenario (2DS) in discussions during the Sustainability Committee meeting and simultaneously used tools provided by TCCIP as a reference for assessing physical climate risk scenarios. Ultimately, we adopted the 2DS/RCP2.6 scenario as our Company's physical climate risk framework. Under this scenario, we describe climate change risks and opportunities, including physical risks and regulatory transition risks.
6. If there is a transition plan to address climate-related risks, please provide a description of the contents of the plan, as well as the indicators and targets used to identify and manage physical and transition risks.	6. The Company does not have a transition plan to address climate-related risks.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.	7. The Company does not use internal carbon pricing as a planning tool.
8. If climate-related targets are set, explain the activities covered, the scope of greenhouse gas emissions, the planning schedule, and annual progress. If carbon offsets or renewable energy certificates (RECs) will be used to meet the targets, the source and quantity of carbon offsets or RECs should be identified.	8. The Company has not set any climate-related goals.
9. Inventory and confirmation of greenhouse gas emissions, reduction targets, strategies and specific action plans (to be completed in Sections 1-1 and 1-2).	9. See Tables 1-1 and 1-2 below.

1-1. Greenhouse Gas Inventory and Verification Status for the Past Two Years

1-1-1. Greenhouse Gas Inventory Information

Provide greenhouse gas emissions (in metric tons CO2e), intensity (in metric tons CO2e per million dollars), and data coverage for the past two years.

Greenhouse Gas Emissions and Emission Intensity in the Past Two Years

Year		2023	2024
Emissions (metric tons CO_2e)	Category I	153.39	224.52
	Category II	2,551.71	2,654.42
	Category III	-	207.19
	Total emissions (Category I + Category II + Category III)	**2,705.10**	**3,086.13**
Intensity (metric tons CO_2e/NT$ million)	Category I	0.16	0.23
	Category II	2.68	2.73
	Category III	-	0.21
	Total intensity (Category I + Category II + Category III)	**2.85**	**3.17**
Total revenue (in NT$ millions)		950.529	971.710

1. The Company has defined its greenhouse gas inventory boundaries using the operational control approach, in accordance with the requirements and recommendations of ISO/CNS 14064-1 and the guidelines issued by the Ministry of Environment. The data coverage includes the Taipei headquarters, the Hsinchu Plant, and the Hsinchu Warehouse Center.
2. For Category III emissions, only an initial estimate of gasoline and diesel fuel consumption from business vehicles at the Taipei headquarters has been included. No biogenic energy sources are used.

Note 1: The distinction is made between direct emissions (Category I, i.e. emissions directly from sources owned or controlled by the company), indirect emissions from energy sources (Category II, i.e. indirect greenhouse gas emissions from imported electricity, heat or steam) and other indirect emissions (Category II, i.e. emissions from company activities that are not indirect emissions from energy sources but from sources owned or controlled by other companies).

Note 2: The scope of direct emissions and energy-related indirect emissions data should be handled in accordance with the timeline specified in Article 10, Section 2 of these Guidelines. Other indirect emissions information may be disclosed on a voluntary basis.

Note 3: Greenhouse Gas Inventory Standards: The Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or revenue, but at least the data should be presented in terms of revenue (in million New Taiwan Dollars).

1-1-2. Greenhouse gas verification information

A description of the confirmed situation for the two most recent fiscal years preceding the date of printing of the annual report, including the scope of the engagement, the confirming entities, the confirming criteria, and the confirming opinions.
The Company has not conducted an audit for the past two years (Year 2023 and Year 2024).

Note 1: In accordance with Article 10(2) of these Guidelines, the prescribed timetable should be followed. If the company does not obtain a full GHG assurance report by the date of publication of the annual report, it should state that "full assurance information will be disclosed in the sustainability report". If the company does not prepare a sustainability report, it should be noted that "full assurance information will be disclosed in the MOPS and full assurance information should be disclosed in the next year's annual report.

Note 2: The institution should comply with the relevant regulations of the Sustainability Report set by Taiwan Stock Exchange Corporation and Taipei Exchange.

Note 3: For disclosure information, please refer to the Best Practice Reference Examples section on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

1-2. Greenhouse gas reduction targets, strategies, and specific action plans

Provide the baseline year and data, reduction targets, strategies, specific action plans, and the achievement of reduction targets for greenhouse gas emissions.
In accordance with the "Sustainable Development Guidemap for TWSE and TPEx Listed Companies," our company has set 2024 as the base year for greenhouse gas inventory and will complete the inventory report in 2025. The base year data is as stated above; however, due to ongoing renovation and expansion plans at our facilities from 2024 to 2028, it is currently unable to set specific emission reduction targets. A new base year will be established after the completion of the renovation, and carbon reduction targets will be set accordingly.

Note 1: Processing shall be performed in accordance with the schedule set forth in the Order, as provided in Article 10, Section 2 of these Guidelines.

Note 2: The reference year should be the year in which the greenhouse gas inventory within the boundary of the consolidated financial statements is completed. For example, according to the provisions of Article 10, companies with a capital of more than NT$10 billion should complete the inventory of the consolidated financial statements for 2024 by 2025. Therefore, the reference year is 2024. If the company has completed the inventory of the consolidated financial statements earlier, it may use the earlier year as the reference year. Additionally, the data for the reference year may be calculated as a single year or as an average of multiple years.

Note 3: For disclosure information, please refer to the Best Practice Reference Examples section on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

(VI) Implementation of ethical corporate management and deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies" and reasons thereof:

Assessed items	Implementation status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies" and reasons thereof:
	Yes	No	Summary	
I Establish ethical business policies and programs				No difference.
(I) Has the Company clearly shown its ethical operational policy and methods in its regulations and external documents, in addition, and has the Board of Directors and management proactively implemented the commitment to ethical business operations in practice?	√		(I) In order to establish a corporate culture in line with ethical corporate management and robust development, the Company has formulated the "Ethical Corporate Management Best Practice Principles," which has been approved by the Board of Directors to clearly define the Company's codes of ethics. The Company has disclosed the Principles on its website to communicate related policies externally. In addition, the Board of Directors and the management also actively fulfill the promise in order to create maximized benefit for shareholders and employees.	
(II) Has the Company established preventative programs for unethical behavior, and clearly stated operational procedures, behavioral code, and disincentive measures and grievance systems in each proposal and implemented them in practice?	√		(II) The Company has proposed the "Procedures for Ethical Management and Guidelines for Conduct," which includes the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies." Preventive measures for each item in Article 7, Paragraph 2, have been approved by the Board of Directors.	
(III) Does the Company undertake preventative measures for the items included in Paragraph 2, Article 7 in the "Policies of ethical management for Listed and Traded Companies in the Stock Exchange" in addition to other operational activities which pose higher risks of unethical behavior?	√		(III) The Company has specifically regulated the handling procedures for various unethical conducts in the "Procedures for Ethical Management and Guidelines for Conduct" and the "Ethical Corporate Management Best Practice Principles", and has, according to the said procedures, adopted "Measures for the Report on Illegal, Unethical and Dishonest Conduct" for setting up reporting and complaints access, hearing procedure for compliants and practices for protection, rewards and penalties, etc. Once the	

Assessed items		Implementation status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies" and reasons thereof:
		Yes	No	Summary	
				designated unit receives a whistle-blowing case, it shall submit facts evidence and other information and request relevant management to handle while keeping the identity of whistleblowers and the content of such reports confidential. Where necessary, a special investigation team may be formed to conduct verification. The team members shall have no interest in the case and have independence. As of the publication date of the annual report in 2024, no such report or complaint has been received by the Company.	
II	Implementing ethical corporate management				No difference.
(I)	Has the Company assessed the integrity records of its business partners, and specified ethical business policy in contracts with its trading partners?	√		(I) The Company requires supplier partners to sign a Social Responsibility Commitment, ensuring labor rights protection, a safe and healthy workplace, environmental sustainability, and ethical business practices. Additionally, it conducts an annual ESG supplier questionnaire, including business integrity assessments. If any improper or dishonest behavior is identified, it will terminate transactions with the supplier.	
(II)	Has the Company established a dedicated unit under the Board of Directors to promote ethical corporate management, and periodically (at least once a year) report to the Board of Directors and supervise the implementation of the ethical corporate management policy and unethical conduct prevention plan?	√		(II) The Company's Operations Management Division is responsible for promoting the goal of ethical corporate management, and reports the situation to the Board of Directors from time to time. The implementation status for the 2024 has been reported to the Board of Directors on January 10, 2025.	
(III)	Has the Company established policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	√		(III) The Company has established rules and guidelines for ethical business practices, board meeting procedures, ethical conduct for directors and executive officers, and procedures for handling reports of illegal and	

Assessed items	Implementation status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies" and reasons thereof:
	Yes	No	Summary	
			unethical conduct. These documents outline the rules for directors, officers and other stakeholders to avoid and disclose conflicts of interest and provide appropriate channels for reporting.	
(IV) Has the Company established effective accounting system and internal control systems to facilitate ethical corporate management, does the internal auditing unit formulate audit plans based on unethical conduct risk assessment results, and does it audit compliance with the unethical conduct prevention plan or commission a CPA to perform the audit?	√		(IV) The Company has established an accounting systems and internal control systems in accordance with relevant laws and regulations. Internal audits formulate audit plans based on risk assessments, and regularly inspect into the compliance status of internal control, and report the status to the Board of Directors. In addition, the Company's CPAs regularly audit the compliance status of internal control every year.	
(V) Does the Company regularly hold internal and external educational trainings on ethical corporate management?	√		(V) The Company regularly promotes the concept of ethical business practices in internal meetings, encourages participation in external professional training programs, and disseminates ethical business guidelines company-wide via email. In 2024, the Company conducted a total of 52 hours of internal training on integrity management. The training topics included the "Code of Ethical Conduct for Employees" and the "Procedures for Handling Reports of Unlawful, Unethical, or Integrity-Related Incidents." In addition, directors and the corporate governance officer completed a total of 21 hours of continuing education on topics related to integrity management. Courses included: "Insider Trading Case Studies and Related Legal Liabilities," "Responsibility for Unethical Business Practices and Analysis of Securities Law Violations," "How Companies and Directors Can Avoid Violating Insider Trading Laws," "Corporate Governance Evaluation Indicators That Directors and Supervisors	

Assessed items		Implementation status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies" and reasons thereof:
		Yes	No	Summary	
				Must Know — Latest Trends in Intellectual Property Management," "Trade Secrets and Information Security Practices under Securities Regulations," "Trends in Anti-Money Laundering and Counter-Terrorism Financing Management in the Financial Sector," and "Comprehensive Intellectual Property Protection Strategies – Using AI to Enhance IP Compliance Management."	
III	Implementation of the Company's whistleblowing system				No difference.
(I)	Does the Company define a specific whistleblowing and rewarding system, and establish convenient whistleblowing channels, and assign competent dedicated personnel to deal with the situation?	√		(I) The Company has set up the "Measures for Handling the Reporting of Illegal and Unethical Behaviors or Misconducts" to establish reporting channels, handling procedures, and rewards and punishments system for such behaviors or misconducts. There is also a grievance mechanism for whistleblowers to complain about inappropriate procedural treatments.	
(II)	Has the Company defined the standard operating procedure for investigation after acceptance of a whistleblowing, the follow-up actions to be taken after the investigation, and relevant nondisclosure mechanism?	√		(II) The Company's "Measures for Handling the Reporting of Illegal and Unethical Behaviors or Misconducts" has defined the standard operating procedure for investigation after acceptance of a whistleblowing, the follow-up actions to be taken after the investigation, and relevant nondisclosure mechanism.	
(III)	Does the Company have taken proper measures to protect the whistleblowers from inappropriate disciplinary actions due to their whistleblowing?	√		(III) The Company shall not disclose either the whistleblower's identify or the reported content. It shall also promise to protect staff from inappropriate disciplinary actions due to their whistleblowing.	
IV	Enhancement of information disclosure Has the Company disclosed the content of its "Ethical Corporate Management Best Practice Principles" on its official website and MOPS, and the	√		The Company has disclosed the details of "Ethical Corporate Management Best Practice Principles" and the effect of implementation thereof (both stated in the Company's annual report) on the Market Observation Post System and the Company website.	No difference.

Assessed items		Implementation status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies" and reasons thereof:
		Yes	No	Summary	
	results of implementation?				
V	If the Company has established its own ethical corporate management best practice principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," please specify the state of implementation and any deviation thereof: No significant differences.				
VI	Other important information that helps to understand the Company's integrity in operation: (e.g., the Company's review and revision of its established integrity management in operation) To enable robust development of the Company, the "Ethical Corporate Management Best Practice Principles" is formulated and approved by the Board of Directors. To regulate and define the whistleblowing system and enhance the effect of ethical corporate management, the "Measures for Handling the Reporting of Illegal and Unethical Behaviors or Misconducts" is established to define the operating procedures and processing unit for dealing with whistleblowing cases.				

Note 1: Regardless of ticking "Yes" or "No," the implementation status shall be explained in the column of the abstract illustration.

(VII) Other information material to the understanding of corporate governance within the Company shall also be disclosed:

1. The Company's insiders such as newly appointed directors and managers will, at the commence of the venue, receive the latest version of the "Relevant Regulations and Precautions Related to Insiders' Equity of OTC-listed Companies or Listed Emerging Companies "prepared by Taipei Exchange, in order to ensure compliance of the regulations.
2. Has the company formulated policies to appropriately reflect operating performance or results in employee compensation:
   (1) Employee Compensation Ratio as Stipulated in the Articles of Incorporation and the Compensation Ratio for Entry-Level Employees

   -- In accordance with Article 25 of the Company's Articles of Incorporation, which states that 'If the Company generates profits in a given fiscal year, 0.1% to 10% of the profits shall be allocated as employee compensation and board compensation, with the board compensation not exceeding 2%, the Company did not distribute any employee compensation for the fiscal year 2024 due to a loss incurred during the year.

   -- The Company has submitted a proposed amendment to Article 25 of its Articles of Incorporation for approval at the 2025 Annual General Shareholders' Meeting, to specify the allocation ratio of employee compensation to entry-level employees. The proposed amendment is as follows:

   If the Company generates profits in a given fiscal year, 0.1% to 10% of the profits shall be allocated as employee compensation, and no more than 2% as director

compensation. However, if the Company has accumulated losses, such losses shall first be covered before any allocations are made. Of the total amount allocated for employee compensation, no less than 10% shall be distributed to entry-level employees.

Upon approval at this year's shareholders' meeting, the Company will comply with this provision in future profit allocations to ensure appropriate compensation is distributed to entry-level employees.

(2) The Company has established various bonus systems and incentive compensation programs to reward employees:

- Performance Bonus (PDP/OKR) and Salary Adjustments: The Company has a 'Performance Development Plan (PDP/OKR) and Performance Bonus Evaluation Method,' which covers management-level indicators, departmental goals, management objectives, functional targets, and individual performance goals. Bonuses are distributed to employees based on annual performance evaluations, and salary adjustments are made for employees who meet the required standards. The performance evaluations for 2024 were completed in February 2025, and the performance (PDP/OKR) bonuses and salary adjustments were distributed in May 2025.
- Year-End Bonus: The Company provides a fixed year-end bonus of 1.5 months' salary for in-house employees and 1 month's salary for field employees. The year-end bonus for 2024 was distributed in January 2025.
- Sales Performance Bonus: The Company's sales department has an incentive program based on individual or departmental performance targets. The bonus is calculated and paid monthly, with the performance bonus being distributed to employees by the 10th of the following month.
- Employee Stock Option Certificates: To motivate and enhance employee loyalty, the Company issued 3,000,000 employee stock option certificates on November 21, 2024. The employees granted these options can exercise their stock options during the agreed period.

(VIII) For disclosing the implementation status of the internal control system, please specify the following information:

1. Declaration of Internal Control Policies:
   - Query Website: https://mops.twse.com.tw/mops/#/web/t06sg20
   - Navigation Path: MOPS (Market Observation Post System) > Single Company > Corporate Governance > Company Regulations/Internal Control > Internal Control Statement Announcement
2. For the internal control policy reviewed by an external auditor, the result of such review must be disclosed: None.

(IX) Major resolutions of the Board and the shareholders' meeting in the most recent year to the day this report was printed:

A. The Board of Directors

Center Laboratories, Inc.

Major resolutions of the Board in 2024 and 2025 up to the publication date of the annual report

Date	Major resolutions
2024.01.18	1. Approved the proposed increase in investment in AmMax Bio, Inc. 2. Approved the proposal for the year-end bonus distribution principles and distribution amounts to managers. 3. Approved the proposal for the appropriation ratio of employee compensation and director renumeration in 2023. 4. Approved the proposal for the measures of distributing bonus to the president. 5. Approved the proposal of the Company's intending to negotiate the renewal of credit facilities from Bank SinoPac. 6. Approved the proposal for ratifying the disposal of securities by the Company.
2024.02.06	1. Approved the Company plans to invest inVivo Capital Fund X, L.P. 2. Approved the proposed increase in investment in AiViva Global Holdings (Cayman). 3. Approved the proposal of the Company's 2024 Annual Business Plan. 4. Approved the proposal for stock authorization. 5. Approved the amendment of the Company's management system. 6. Approved the proposal for chairman concurrently serves as the Chief Investment Officer and Chief Operating Officer of the Company, and their compensation. 7. Approved the retrospective recognition of the signing of the "Drug License Transfer Agreement" and the "Joint Marketing Agreement" between the Company and the related party, BioGend Therapeutics Co. Ltd. (hereinafter referred to as BioGend Therapeutics).
2024.03.12	1. Approved the proposal for the Company's 2023 Parent Company Only and Consolidated Financial Statements. 2. Approved the proposal of the Company's 2023 Business Report. 3. Approved the proposal for the appropriation of capital to cover loss for 2023. 4. Approved the proposal to issue cash dividends from capital reserve. 5. Approved the proposal of the Company's "Evaluation of the Effectiveness of Internal Control Systems" and "Statement on Internal Control System" for 2023. 6. Approved the proposal for the evaluation of the independence and competency as well as remuneration of the Company's certified public accountant in 2024. 7. Approved the proposal to release non-compete restrictions on directors. 8. Approved the lifting of restrictions on executive non-compete agreements. 9. Approved the proposal of matters related to the convention of 2024 Annual Shareholders' Meeting. 10. Approved to serve as the coordinating lead bank (also known as the "lead bank" or "managing bank") for the joint credit banking consortium with Taiwan Cooperative Bank, Ltd., and signed the joint credit agreement for a total credit limit of NT$300 million (adjustable within 25% of the total credit limit based on the fundraising situation of this case). 11. Approved the proposal for the renewal of credit lines from Mega International Commercial Bank Co., Ltd. 12. Approved the proposal for ratifying the acquisition and disposal of securities by the Company.
2024.04.22	1. Approved the Company's proposal to acquire shares of Bioflag International Corporation (Cayman) using newly issued shares as consideration. 2. Approved the proposal for the capital increase of Shanghai Bao Pharmaceutical Co., Ltd. 3. Approved the participation in the stock acquisition of SciClone Pharmaceuticals (Holdings) Limited. 4. Approved the proposal of discontinuing private placement resolved at 2023 regular shareholders' meeting. 5. Approved the proposal for the issuance of new common shares by private placement in cash. 6. Approved the proposal to revise the reasons for the convention of 2024 Annual Shareholders' Meeting.

Date	Major resolutions
	7. Approved the proposal to issue new common shares transferred from convertible corporate bonds (41237) for capital injection. 8. Approved the proposal for the performance bonus distribution plan for individual managers of the Company for 2023. 9. Approved the proposal for ratifying the disposal of securities by the Company.
2024.05.13	1. Approved the proposal for the Company's intending to increase its investment in Anya Biopharm Inc. 2. Approved the proposal for the Company's Consolidated duly of 2024 Q1 3. Approved the proposal for individual manager salary adjustment. 4. Approved the proposal for the appointment of the legal representative of the investment holding company. 5. Approved the proposal for authorization regarding the opening of bank accounts and securities accounts by the Company and its 100%-owned subsidiaries.
2024.08.13	1. Approved the supplementary appointment of one member to the Remuneration Committee. 2. Approved the Company's Consolidated Financial Statements of 2024 Q2. 3. Approved the loan of funds to Bioflag Co., Ltd. (BVI). 4. Approved the retrospective recognition of the appointment of the legal representative director of Anya Biopharm Inc. and Lumosa Therapeutics by the Company. 5. Approved the proposal to release non-compete restrictions on managerial officers. 6. Approved the proposal to issue new common shares transferred from convertible corporate bonds (41237) for capital injection. 7. Approved the renewal of the credit limit with Chang Hwa Commercial Bank Co., Ltd. 8. Approved the proposal for ratifying the disposal of securities by the Company.
2024.09.25	1. Approved the acquisition of shares in subsidiary Bioflag International Corporation (Cayman). 2. Approved the Company's proposal to convert debt into equity for its subsidiary, Bioflag International Corporation (Cayman). 3. Approved the proposal by the subsidiary, Bioflag International Corporation (Cayman), to waive its claims against its sub-subsidiary, Bioflag Co., Ltd. (BVI). 4. Approved the subscription to the cash capital increase shares of Lumosa Therapeutics Co., Ltd. 5. Approved the Company's proposal to cooperate with Anya Biopharm Inc. in its application for registration on the emerging stock board.
2024.11.01	1. Approved the proposal for the issuance and subscription rules of the Company's first employee stock option plan in 2024. 2. Approved the proposal to ratify the disposal of Anya Biopharm Inc. stocks.
2024.11.12	1. Approved the Company's Consolidated Financial Statements of 2024 Q3. 2. Approved the proposal to establish the Company's "Sustainable Information Management Procedures" and the related "Internal Control System," "Rules for Internal Audit Implementation," and "Self-Assessment Checklist for the Effectiveness of the Internal Control System"
2024.11.21	1. Approved the proposal for Granting the First Issuance of Employee Stock Option in 2024 to Eligible Employees 2. Approved the amendments to the "Internal Control System" and the "Rules for Internal Audit Implementation"
2024.12.09	1. Approved the proposal for authorization of quota for acquisition of securities
2025.01.10	1. Approved the proposal to determine the trading venue for shares held by the Company in Shanghai Bao Pharmaceuticals Co., Ltd. after listing. 2. Approved the budget proposal for expanding the raw material warehouse of the Company's Pharmaceutical Division. 3. Approved the proposal for the year-end bonus distribution principles and distribution amounts to managers. 4. Approved the proposal for the appropriation ratio of employee compensation and director renumeration in 2024. 5. Approved the proposal for the establishment of intellectual property management regulations. 6. Approved the ratification of the proposal for the subsidiary, Glac Biotech Co., Ltd., to increase its lease of factory space from the Company. 7. Approved the proposal for ratifying the disposal of securities by the Company.

Date	Major resolutions
2025.03.11	1. Approved the proposal for the measures of distributing bonus to the president. 2. Approved the proposal for the Company's 2024 Parent Company Only and Consolidated Financial Statements 3. Approved the proposal of the Company's 2024 Business Report. 4. Approved the statement of loss offset and earnings distribution for 2024. 5. Approved the proposal for a new share issue through capitalization of earnings. 6. Approved the proposal to issue cash dividends from capital reserve. 7. Approved the proposal of discontinuing private placement resolved at 2024 regular shareholders' meeting. 8. Approved the proposal for the issuance of new common shares by private placement in cash. 9. Approved the proposal of the Company's "Evaluation of the Effectiveness of Internal Control Systems" and "Statement on Internal Control System" for 2024. 10. Approved the proposal to change the CPA appointed to audit the Company's financial statements, including evaluation of the independence, competency, and compensation of the newly appointed CPA. 11. Approved the definition of the scope of the Company's grassroots employees. 12. Approved the amendments to the "Internal Control System" and the "Rules for Internal Audit Implementation" 13. Approved the amendments to the Company's Articles of Incorporation. 14. Approved the proposal of the election of directors. 15. Approved the proposal for release non-compete restrictions on directors. 16. Approved the proposal of matters related to the convention of 2025 Annual Shareholders' Meeting. 17. Approved the proposal of the Company's 2025 Annual Business Plan. 18. Approved the proposal for the renewal of credit lines from Mega International Commercial Bank Co., Ltd. 19. Approved the proposal for intending to negotiate the renewal of credit facilities from Bank SinoPac. 20. Approved the proposal for ratifying the disposal of securities by the Company.
2025.04.09	1. The Company's Third Share Buyback Plan for Transfer to Employees
2025.05.12	1. Approved The Company's Consolidated Financial Statements for the First Quarter of Fiscal Year 2025. 2. Approved the change of the capital utilization plan for the sixth domestic secured convertible corporate bonds and the seventh domestic unsecured convertible corporate bonds 3. Approved the nomination list of the Company's directors (including independent directors) for 2025. 4. Approved the proposal for release non-compete restrictions on directors. 5. Approved the amendments to the Company's Articles of Incorporation. 6. Approved the Amendment to the Agenda for the 2025 Annual General Meeting of Shareholders. 7. Approved the Guidelines for the Third Repurchase of the Company's Shares for Transfer to Employees. 8. Approved the Amendment to the Internal Control System and the Implementation Rules for Internal Audits. 9. Approved The Company, through its wholly owned subsidiary Centerlab Investment Holding Limited (HK), proposes the liquidation and dissolution of its indirect investment in Shuimu Development Limited, a parallel fund in the healthcare industry. 10. Approved the proposal to Apply for a Credit Line from Taipei Fubon Commercial Bank. 11. Approved the Allocation of Performance Bonuses and Salary Adjustments for Individual Managers for Fiscal Year 2024. 12. Approved the Ratification of the Company's Disposal of Marketable Securities.

B. Shareholders' meetings

Nature	Date	Summary	Resolutions	Implementation status
Regular meeting	2024.06.25	Proposal for the Company's Business Report and Financial Statements of 2023	Resolution: Passed	It will take into effect after the resolution of the annual shareholders' meeting, and the financial statements will be announced on the Market Observation Post System at a prescribed time.
		Proposal for the appropriation of capital to cover loss for 2023	Resolution: Passed	No dividends will be distributed from retained earnings for the year. This will take into effect after the resolution of the shareholders' meeting
		Proposal to issue cash dividends from capital reserve	Resolution: Passed	The distribution of NT$1,037,159,169 in cash dividends from capital surplus became effective upon resolution of the shareholders' meeting. The cash dividends were distributed to shareholders on August 30, 2024. (Due to share exchange for acquiring another company's shares and the conversion of convertible bonds into common stock, the dividend per share was adjusted from the originally planned NT$1.5 to NT$1.43061008.)
		Proposal for the issuance of new common shares by private placement in cash.	Resolution: Passed	Due to the approaching deadline and the fact that no specific individual has been identified, the Board of Directors resolved on March 11, 2025, not to proceed with the private placement during the remaining period
		Proposal to release non-compete restrictions on directors	Resolution: Passed	Non-compete restrictions on directors are released based on the resolution of shareholders' meeting.

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

IV. Information on CPA professional fees

(I) Information on CPA professional fees of 2024

Unit: NT$ thousand

Name of accounting firm	Name of CPA	Audit period	Audit professional fees	Non-audit professional fees	Total	Remarks
Full-Fill & Co., CPAs	Tai, Wei-Liang Cheng, Chung-Hao	2024/01/01~ 2024/12/31	2,444	768	3,212	-

Note: If the Company has CPAs or the accounting firm replaced during the year, please list the audit period, and describe the reasons for replacement in the remarks column. The amounts of audit and non-audit fees paid by the Company must be disclosed. Non-audit public fees and the details of the non-audit services shall be disclosed.

- Please specify the content of non-audit services: (e.g., tax compliance audit, assurance, or other financial advisory services) The non-audit fees are service fees for tax visa processing, review of convertible bond cases, and business registration, etc.

(II) If the audit fees paid during the year when the accounting firm is replaced are less than the previous year, the amount of the audit fees before and after the replacement, and the reasons for reduction shall be disclosed: None.

(III) If the audit fees are reduced by more than 10% compared with the previous year, the amount, proportion and reasons for the reduction in the audit fees shall be disclosed: None.

V. Information on replacement of CPA

If the Company changes its auditors within or after the previous two years, the following information shall be disclosed:

(I) About the former CPA:

<table>
<tr><td>Date of replacement</td><td colspan="4">Resolution passed by the Board of Directors on March 11, 2025 (due to adjustment of internal business duties occurring in the accounting firm)</td></tr>
<tr><td>Reasons for replacement</td><td colspan="4">The Company originally commissioned Tai, Wei-Liang and Cheng, Chung-Hao from Full-Fill & Co., CPAs to certify the Company’s financial statements. Due to adjustment of internal business duties occurring in the accounting firm, Cheng, Chung-Hao and Chi, Chia-Yu replaced the original two CPAs to audit and certify the Company’s financial statements starting from 2025 Q1.</td></tr>
<tr><td rowspan="3">The commissioner or CPA terminates or declines the commission</td><td colspan="2">Parties / Situation</td><td>CPAs</td><td>Commissioner</td></tr>
<tr><td colspan="2">Voluntary termination of appointment</td><td>N/A</td><td>N/A</td></tr>
<tr><td colspan="2">Refusal of (continued) commission</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Comments and reasons for review reports without qualified opinions issued within the period of most recent two years</td><td colspan="4">Qualified opinion: It is intended to quarantine responsibilities because non-significant subsidiaries or investments under the equity method are not reviewed or verified by the CPA and other CPA’s audit reports are adopted.</td></tr>
<tr><td rowspan="6">Is there any disagreement with the issuer?</td><td rowspan="4">Yes</td><td></td><td colspan="2">Accounting principles or practices</td></tr>
<tr><td></td><td colspan="2">Disclosure of financial reports</td></tr>
<tr><td></td><td colspan="2">Verification scope or steps</td></tr>
<tr><td></td><td colspan="2">Others</td></tr>
<tr><td>None</td><td>√</td><td colspan="2"></td></tr>
<tr><td colspan="4">Description</td></tr>
<tr><td>Other matters to be disclosed
(matters covered in Items 1-4 to 1-7, Subparagraph 6, Article 10 of the regulations shall be disclosed)</td><td colspan="4">N/A</td></tr>
</table>

(II) About the succeeding CPA:

Name of accounting firm	N/A
Name of CPA	N/A
Date of appointment	N/A
Accounting treatment methods or accounting principles for specific transactions, and advisory matters and results that may be issued for financial reporting prior to appointment	N/A
Written opinions of the successive accountants different from those of the former CPAs	N/A

(III) The former accountant’s response regarding the items under Article 10, Paragraph 5, Subparagraph 1 and Subparagraph 2(3) of the Regulations Governing Information to be Published in Annual Reports of Public Companies: Not applicable.

VI. The chairman, president, finance or accounting manager who has worked in the CAP firm or affiliates enterprise in the most recent year, the name, position, and the service period shall be disclosed: None.

VII. Changes in shareholding and pledge of stock equity by directors, manerger and major shareholders

(I) Changes in Shareholding and Pledge Status of Directors, Managers, and Major Shareholders:

1. Changes in Shareholding

- Query Website: https://mops.twse.com.tw/mops/#/web/query6_1
- Navigation Path: MOPS (Market Observation Post System) > Individual Company > Changes in Shareholding / Securities Issuance > Share Transfer Information Inquiry >Post-report of Insider Shareholding Changes

2. Changes in Share Pledge Status

- Query Website: https://mopsov.twse.com.tw/mops/web/STAMAK03_1
- Navigation Path: MOPS > Individual Company > Changes in Shareholding / Securities Issuance > Insider Pledge/Release of Pledge > Announcement of Insider Pledge/Release of Pledge

(II) If the counterparty to a share transfer or share pledge is a related party, the name of the counterparty, their relationship with the company, directors, managerial officers, or shareholders holding more than 10% of the shares, as well as the number of shares acquired or pledged, shall be disclosed: None.

1. Where the counterparty of share transfer is a related party: None.
2. Information on the counterparty as related party in the pledge of shares: None.

VIII. Information of the interrelationship as related party, spouse, blood relatives within the second degree of kinship among the top ten shareholders in shareholding

Information About the Relationships Among Top Ten Shareholders

April 28, 2025 Unit: Share

Name (Note 1)	Shares held by the shareholder		Shares held by spouse or minor children		Shares held in the names of others		Name and relation in case of the top-ten shareholders who are related parties to each other, in a spousal relationship or within the second degree of kinship (Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Title (or name)	Relationship	
Lejean Biotech Co., Ltd. Representative: Ou, Li-Chu	66,161,405	9.13	—	—	—	—	Royal Foods Co., Ltd.	Ou, Li-Chu, the representative of Lejean Biotech Co., Ltd., is spouse of Lin, Jung-Chin, the representative of Royal Foods Co., Ltd.	—
							Jason Technology Co., Ltd.	Ou, Li-Chu, the representative of Lejean Biotech Co., Ltd., is the representative of Jason Technology Co., Ltd.	—
Royal Foods Co., Ltd. Representative: Lin, Jung-Chin	41,488,084	5.72	—	—	—	—	Lejean Biotech Co., Ltd.	Lin, Jung-Chin, the representative of Royal Foods Co., Ltd. is spouse of Ou, Li - Chu, the representative of Lejean Biotech Co., Ltd.	—
							Jason Technology Co., Ltd.	Lin, Jung-Chin, the representative of Royal Foods Co., Ltd. is spouse of Ou, Li - Chu, the representative of Jason Technology Co., Ltd.	—
Jason Technology Co., Ltd. Representative: Ou, Li-Chu	25,423,365	3.51	—	—	—	—	Lejean Biotech Co., Ltd.	Ou, Li-Chu, the representative of Jason Technology Co., Ltd., is the representative of Lejean Biotech Co., Ltd.	—
							Royal Foods Co., Ltd.	Ou, Li-Chu, the representative of Jason Technology Co., Ltd, is spouse of Lin, Jung-Chin, the representative of Royal Foods Co., Ltd.	—
Yuanta Commercial Bank is entrusted with the custody of the Defu Mineral Investment Fund's dedicated account.	19,655,000	2.71	—	—	—	—	—	—	—
Farglory Life Insurance Co., Ltd. Representative: Meng, Chia-Jen	10,726,428	1.48	—	—	—	—	—	—	—
Yu Te Investment Co., Ltd. Representative: Wang, Su-Chi	7,997,042	1.10	—	—	—	—	—	—	—
Standard Chartered International Commercial Bank, Business Department, is entrusted with the custody of Advanced Starlight Fund Management Company.	7,763,352	1.07	—	—	—	—	—	—	—

Name (Note 1)	Shares held by the shareholder		Shares held by spouse or minor children		Shares held in the names of others		Name and relation in case of the top-ten shareholders who are related parties to each other, in a spousal relationship or within the second degree of kinship (Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Title (or name)	Relationship	
Mu Mao Tzu Investment Co., Ltd. Representative: Lin, Chun-Yao	7,100,000	0.98	—	—	—	—	—	—	—
Yong Lien Corp. Representative: Chang, Yu-Fen	6,587,375	0.91	—	—	—	—	—	—	—
J.P. Morgan is entrusted with the custody of the Vanguard Group Emerging Markets Fund Investment Account.	6,540,913	0.90	—	—	—	—	—	—	—

Note 1: All the top ten shareholders should be listed. The name of corporate shareholders (if any) and the representatives of corporate shareholders should be listed separately.

Note 2: The calculation of the shareholding ratio refers to the calculation of the ratio of shareholdings in the name of a shareholder, his/her spouse, minor children or another person.

Note 3: The relationship among the shareholders listed above, including legal persons and natural persons, shall be disclosed in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."

IX. The number of shares held by the Company, its directors, managerial officers and the company directly or indirectly controlled by the Company in the same reinvestment business, and the consolidated shareholding ratio

March 31, 2025 Unit: Share

Companies invested (Note)	By the Company		Investments by the directors, managerial officers, and companies directly or indirectly controlled by this Company		Overall investment	
	Shares	%	Shares	%	Shares	%
Fangyuan Growth SPC PCJ Healthcare Fund SP	-	33.33	-	-	-	33.33
PCJ Capital Management Limited	-	25.00	-	-	-	25.00
Center Biotherapeutics Inc.	2,228,283	100.00	-	-	2,228,283	100.00
Bioengine Technology Development Inc.	98,437,500	100.00	-	-	98,437,500	100.00
Mycenax Biotech Inc.	41,974,314	20.27	780,000	0.38	42,754,314	20.65
TOT BIOPHARM International Company Limited	213,311,700	27.60	7,646,300	0.99	220,958,000	28.59
Centerlab Investment Holding Limited (HK)	14,081,409	100.00	-	-	14,081,409	100.00
Center Laboratories Limited (HK)	39,871,908	100.00	-	-	39,871,908	100.00
Lumosa Therapeutics Co., Ltd.	57,806,874	34.23	1,053,218	0.62	58,860,092	34.85
Medeon Biodesign, Inc.	27,411,028	29.75	-	-	27,411,028	29.75
BioGend Therapeutics Co., Ltd.	37,580,008	30.24	-	-	37,580,008	30.24
A2 + Healthcare Venture Fund L.P.	-	49.50	-	-	-	49.50
Anya Biopharm Inc.	8,276,369	16.86	2,340,000	4.77	10,616,369	21.63
Center Venture Holding I Limited	1	100.00	-	-	1	100.00
Center Venture Holding II Limited	13,929,351	100.00	-	-	13,929,351	100.00
Center Venture Holding III Limited	1	100.00	-	-	1	100.00
Cytoengine Co., Ltd.	5,000,000	40.00	-	-	5,000,000	40.00
KriSan Biotech Co., Ltd.	10,075,000	19.29	-	-	10,075,000	19.29
Bioflag International Corporation	66,654,539	100.00	-	-	66,654,539	100.00

Note: Investment of the Company accounted for under the equity method.

Chapter 3 Capital Overview

I. Capital and shares

(I) **Source of capital:** Class of the shares held up to the date of publication of the annual report

May 20, 2025 (Unit: in thousands of New Taiwan Dollars/share)

Year/ Month	Issue price	Authorized share capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of share capital	Property other than cash contributed as equity capital	Others
113.05	10	1,000,000,000	10,000,000	691,439,446	6,914,394	Conversion of convertible bonds	None	Note (1)
113.09	10	1,000,000,000	10,000,000	724,976,832	7,249,768	Conversion of convertible bonds	None	Note (2)

(Table)
Note 1: Only information for the last year and up until the publication date of this annual report is shown.
Note 2: Note the validity (approval) date and literature for fund increase.
Note 3: Shares issued in value lower than the par value shall be labeled through visible means.
Note 4: Monetary liabilities and technology offsetting shares shall be described with the type and amount of offset indicated.
Note 5: Private placement requires visible marking.

Note (1): Approved by Taiwan Finance Certificate, Jing Shou Shang Zi No. 11330070620 on May 16, 2024
Note (2): Approved by Taiwan Finance Certificate, Jing Shou Shang Zi No. 11330155080 on September 6, 2024

May 20, 2025 (Unit: shares)

Class of shares	Authorized share capital				Remarks
	Outstanding shares		Unissued shares	Total	
	OTC-listed	Private placement of common shares			
Registered common shares	682,821,761	42,155,071	275,023,168	1,000,000,000	—

Note: Please indicate whether the stock is a TWSE-listed or TPEx-listed stock (if the stock is restricted to be traded in TWSE or TPEx only, please specify.)

(II) **List of major shareholders** (Name, number of shares held by and shareholding ratio of the shareholders whose shareholding ratio is more than 5% or among top ten shareholders)

April 28, 2025

Shares / Names of major shareholders	No. of shares held	%
Lejean Biotech Co., Ltd.	66,161,405	9.13
Royal Foods Co., Ltd.	41,488,084	5.72
Jason Technology Co., Ltd.	25,423,365	3.51
Yuanta Commercial Bank is entrusted with the custody of the Defu Mineral Investment Fund's dedicated account.	19,655,000	2.71
Farglory Life Insurance Co., Ltd.	10,726,428	1.48
Yu Te Investment Co., Ltd.	7,997,042	1.10
Standard Chartered International Commercial Bank, Business Department, is entrusted with the custody of Advanced Starlight Fund Management Company.	7,763,352	1.07
Mu Mao Tzu Investment Co., Ltd.	7,100,000	0.98
Yong Lien Corporation	6,587,375	0.91
J.P. Morgan is entrusted with the custody of the Vanguard Group Emerging Markets Fund Investment Account.	6,540,913	0.90

(III) The Company's dividend policy and implementation status

1. The dividend policy defined by the Articles of Incorporation
   (1) Deeding on surplus for the fiscal year:
   The dividend allocated shall be no less than 50% of the distributable earnings for the current year.
   (2) Appropriation ratio of cash dividends and stock dividends
   The cash dividend for shareholders shall not be less than 10% of the total amount of the current dividend. If the distributed stock dividend for the current year is less than NT$3, the earnings may all be distributed as stock dividends.
   (3) Employee bonus and remuneration to directors and supervisors
   If the Company makes profits for the fiscal year, the profits shall be appropriated for the remuneration to directors and supervisors at an amount no more than 2% of the profit, and for employees at an amount between 0.1%~10% of the profit. If the Company has cumulative loss, the amount to make up the loss shall be withheld beforehand, and then the remuneration is distributed in accordance with the previous proportions.
2. Proposed Dividend Distribution for This Shareholders' Meeting:
   On March 11, 2025, the Board of Directors resolved to distribute NT$362,488,420 in stock dividends from the distributable earnings of fiscal year 2024, equivalent to NT$0.5 per share, or 50 shares for every 1,000 shares held. In addition, the Board resolved to distribute NT$543,732,624 in cash dividends from the capital surplus derived from the premium on stock issuance, at NT$0.75 per share. These distributions are subject to approval at the 2025 Annual General Shareholders' Meeting.
3. Please specify any material changes in the expected dividend policy: None.

(IV) Effect upon Business Performance and Earnings per Share of Any Stock Dividend Distribution Proposed or Adopted at This Shareholders' Meeting:

The Company did not compile a financial forecast for 2025, it is thus not applicable.

(V) Remuneration for employees and directors

1. The percentages or ranges with respect to employee, director, and supervisor compensation, as set forth in the Company's Articles of Incorporation
   According to the provisions of Article 25 of the Company's Articles of Incorporation: if the Company makes profits for the year, the profits shall be appropriated for the remuneration to directors at an amount no more than 2% of the profit, and for employees at an amount between 0.1%~10% of the profit. If the Company has cumulative loss, the amount to make up the loss shall be withheld beforehand, and then the remuneration is distributed in accordance with the previous proportions.
   Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements.
2. The accounting treatment for discrepancies between the estimated and actual amounts of employee and director remuneration is as follows: As the Company did not make a profit in 2024, there were no provisions for or distribution of employee and director remuneration.
3. Distribution of remuneration adopted by the Board of Directors:
   (1) Amount of the remuneration paid to employees and directors in cash or stock. If there is a difference between the estimated amount and the amount of recognized expenses,

the difference, cause and treatment should be disclosed:

A. Cash dividends to employees NT$0.
B. Stock dividends distributed to employees NT$0.
C. Remuneration to directors NT$0.
D. Difference between the estimated amount and the actually distributed amount, the cause and treatment: No difference.

(2) The amount of employee compensation distributed in stocks and its proportion relative to the current period's parent company only financial report net profit after tax and the total employee compensation:

A. The amount of any employee compensation distributed in stocks: NT$0
B. The amount of employee compensation distributed in stocks and its proportion relative to the current period's parent company only financial report net profit after tax and the total employee compensation: Not applicable.

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

(1) In fiscal year 2024, the Board of Directors approved the distribution of employee compensation and directors' remuneration for fiscal year 2023 as follows：

A. Cash dividends to employees NT$0.
B. Remuneration to directors NT$0.

(2) Discrepancy between the actual distribution and the recognized employee, director, remuneration in 2023, additionally the cause: None.

(VI) Status of a company repurchasing its own shares for the most recent year and the period up to the annual report publication date:

1. Repurchases already completed

May 20, 2025

The session of the repurchase	First Round	Second Round
The purpose of the repurchase	Transfer to employees	Transfer to employees
The period of shares issued	From September 10, 2016 To November 9, 2016	From March 20, 2020 To May 19, 2020
The price range of the shares to be repurchased	From NT$47 to NT$96	From NT$32 to NT$75
Class of shares already repurchased	Common stock 5,000,000 shares	Common stock 400,000 shares
Amount of the shares already repurchased	NT$333,804,212	NT$20,413,951
The ratio of the no. of shares that were repurchased to the planned no. of shares to be repurchased (%)	100%	4%
The no. of shares that have been canceled and that have been transferred	All 5,000,000 shares have been transferred to employees	All 400,000 shares have been transferred to employees
No. of shares of the Company accumulatively held	--	--
The percentage of the no. of shares the Company accumulatively held in the total no. of issued shares (%)	--	--

Note: The number of columns is adjusted depending on the actual needs.

2. Any repurchase still in progress:

May 20, 2025

The session of the repurchase	Third Round
Board Resolution Date:	April 9, 2025
Purpose of Buyback:	Transfer of shares to employees
Type of Shares to Be Repurchased:	Common shares
Maximum Buyback Amount (Legal Limit):	NT$9,141,178,513
Planned Buyback Period:	April 10, 2025 – June 9, 2025
Planned Number of Shares to Be Repurchased:	20,000,000 shares
Planned Price Range for Buyback:	NT$30 – NT$50 per share Note: If the Company's share price falls below the lower limit of the specified range, the buyback will still be executed.
Type and Number of Shares Actually Repurchased:	(Note)
Actual Amount Spent on Repurchase:	
Percentage of Actual Repurchase to Planned Quantity:	

(Note): As of the date of publication of this Annual Report, the planned buyback period has not yet ended. The actual buyback status will be reported at this Shareholders' Meeting.

II. Corporate bonds

(I) Corporate bonds

May 20, 2025

Types of corporate bonds (Note 2)		The fourth domestic secured convertible corporate bonds	The fifth domestic secured convertible corporate bonds
Issue date		2020.09.07	2020.09.08
Denomination		NT$100,000 only	NT$100,000 only
Place of issuance and transaction (Note 3)		Republic of China	Republic of China
Issue price		100 percent of the denomination	100 percent of the denomination
Total amount		NT$500 million	NT$1.5 billion
Interest rate		0%	0%
Period		5-Year period expiring on September 7, 2025	5-Year period expiring on September 8, 2025
Guarantee institution		Shanghai Commercial and Savings Bank Co., Ltd. World Trade Center Branch	Taiwan Cooperative Bank Co., Ltd. Luzhou Branch
Trustee		Department of Trust, Shin Kong Commercial Bank Co., Ltd.	Department of Trust, Shanghai Commercial and Savings Bank Co., Ltd.
Underwriter		MasterLink Securities Corporation	MasterLink Securities Corporation
Certified lawyers		Chang, Li-Yeh	Chang, Li-Yeh
CPAs		N/A	N/A
Repayment method		Repayment in cash in one lump at the face value of the bonds upon maturity	Repayment in cash in one lump at the face value of the bonds upon maturity
Outstanding principal		NT$498,600,000	NT$1,490,100,000
Terms of redemption or early settlement		For details, please refer to the Company's Rules for the Issuance and Convention of the 4th Domestic Secured Convertible Corporate Bonds	For details, please refer to the Company's Rules for the Issuance and Convention of the 5th Domestic Secured Convertible Corporate Bonds
Restricted conditions (Note 4)		None	None
Name of the credit rating agency, evaluation date, evaluation of corporate bonds, etc.		None	None
Other rights attached	No. of the conversed (exchanged or subscribed) common shares, overseas depositary receipts or other securities up to the date of publication of the annual report	No conversions have occurred yet, however, there were 14 exercises of the sell-back option in 2023, totaling NT$1,400,000.	No conversions have occurred yet, however, there were 99 exercises of the sell-back option in 2023, totaling NT$9,900,000.
	Measures for issuance and conversion (exchange or subscription)	For details, please refer to the Company's Rules for the Issuance and Convention of the 4th Domestic Secured Convertible Corporate Bonds	For details, please refer to the Company's Rules for the Issuance and Convention of the 5th Domestic Secured Convertible Corporate Bonds
Impact on issuance and conversion, exchange or subscription method, and issuance conditions on possible dilution of equity, and the existing shareholders' equity		The maximum dilution effect of the domestic unsecured conversion corporate bonds possibly on the original shareholders' equity right is a significant percentage of 1.32%. However, it is still lower than the dilution effect of cash capital increase. Concerning shareholders' equity, although the issuance of converted corporate bonds will slightly increase the company's liabilities before the conversion, the conversion of corporate bonds into ordinary shares can decrease liabilities yet rapidly increasing shareholders' equity, thereby increasing the net value per share.	
Name of the institution that holds the subject matter for exchange in escrow		N/A	N/A

Types of corporate bonds (Note 2)		The sixth domestic secured convertible corporate bond	The seventh domestic unsecured convertible corporate bonds
Issue date		2023.04.26	2023.04.27
Denomination		NT$100,000 only	NT$100,000 only
Place of issuance and transaction (Note 3)		Republic of China	Republic of China
Issue price		110.08 percent of the denomination	100 percent of the denomination
Total amount		NT$700 million only	NT$2.5 billion only
Interest rate		0%	0%
Period		5-Year period expiring on April 26, 2028	5-Year period expiring on April 27, 2028
Guarantee institution		Bank SinoPac Co., Ltd. Zhongxiao Branch	None
Trustee		Department of Trust, Shin Kong Commercial Bank Co., Ltd.	Department of Trust, Bank SinoPac Co., Ltd.
Underwriter		MasterLink Securities Corporation	MasterLink Securities Corporation
Certified lawyers		Yeh, Chi-Sheng	Yeh, Chi-Sheng
CPAs		N/A	N/A
Repayment method		Repayment in cash in one lump at the face value of the bonds upon maturity	Repayment in cash in one lump at the face value of the bonds upon maturity
Outstanding principal		NT$636,200,000	NT$1,944,300,000
Terms of redemption or early settlement		For details, see the issuance and conversion method of the Company's sixth domestic secured convertible corporate bond.	For details, see the issuance and conversion method of the Company's seventh domestic secured convertible corporate bond.
Restricted conditions (Note 4)		None	None
Name of the credit rating agency, evaluation date, evaluation of corporate bonds, etc.		None	None
Other rights attached	No. of the conversed (exchanged or subscribed) common shares, overseas depositary receipts or other securities up to the date of publication of the annual report	63,800,000	555,700,000
	Measures for issuance and conversion (exchange or subscription)	For details, see the issuance and conversion method of the Company's sixth domestic secured convertible corporate bond.	For details, see the issuance and conversion method of the Company's seventh domestic secured convertible corporate bond.
Impact on issuance and conversion, exchange or subscription method, and issuance conditions on possible dilution of equity, and the existing shareholders' equity		The maximum dilution effect of the domestic unsecured conversion corporate bonds possibly on the original shareholders' equity right is a significant percentage of 9.93%. However, it is still lower than the dilution effect of cash capital increase. Concerning shareholders' equity, although the issuance of converted corporate bonds will slightly increase the company's liabilities before the conversion, the conversion of corporate bonds into ordinary shares can decrease liabilities yet rapidly increasing shareholders' equity, thereby increasing the net value per share.	
Name of the institution that holds the subject matter for exchange in escrow		N/A	N/A

Note 1: The handling of corporate bonds includes both public and private placements currently in progress. Public corporate bonds refer to those that have been approved and become effective by the relevant authority, while private corporate bonds refer to those that have been approved by the board of directors.
Note 2: The number of fields may be adjusted based on the actual issuance frequency.
Note 3: Overseas corporate bonds should be recorded accordingly.
Note 4: If there are restrictions on cash dividend distribution, external investments, or requirements to maintain a certain asset ratio, they should be noted.
Note 5: Private placement requires visible marking.
Note 6: For convertible bonds, exchangeable bonds, shelf registration bonds, or bonds with warrants, relevant details should be disclosed according to their nature and tabulated format, including conversion bond information, exchange bond data, shelf registration issuance details, and warrant bond specifics.

Types of corporate bonds		The fourth domestic secured convertible corporate bonds		The fifth domestic secured convertible corporate bonds	
Item \ Year		2024	As of April 30, 2025	2024	As of April 30, 2025
Market price of convertible bonds	Highest	116.85	103.00	118.05	101.80
	Lowest	100.55	99.00	100.65	98.95
	Average	108.11	100.42	109.09	99.82
Conversion price		67.8 (effective from September 17, 2022) 60.5 (effective from September 16, 2023) 59.8 (effective from May 31, 2024) 58.3 (effective from August 10, 2024)		67.0 (effective from September 17, 2022) 59.8 (effective from September 16, 2023) 59.1 (effective from May 31, 2024) 57.6 (effective from August 10, 2024)	
Issuance date and conversion price at issuance		2020.09.07 91		2020.09.08 90	
Conversion method		No. of new shares issued		No. of new shares issued	

Types of corporate bonds		The sixth domestic secured convertible corporate bond		The seventh domestic unsecured convertible corporate bonds	
Item \ Year		2024	As of April 30, 2025	2024	As of April 30, 2025
Market price of convertible bonds	Highest	139.90	116.05	136.75	109.45
	Lowest	112.30	104.10	105.35	97.00
	Average	125.55	110.15	118.74	102.88
Conversion price		48.0 (effective from April 26, 2023) 42.9 (effective from September 16, 2023) 42.4 (effective from May 31, 2024) 41.3 (effective from August 10, 2024)		49.0 (effective from April 27, 2023) 43.7 (effective from September 16, 2023) 43.2 (effective from May 31, 2024) 42.1 (effective from August 10, 2024)	
Issuance date and conversion price at issuance		2023.04.26 48		2023.04.27 49	
Conversion method		No. of new shares issued		No. of new shares issued	

(II) Straight Corporate Bonds: None

(III) Exchangeable Bonds: None

(IV) Shelf Registration of Corporate Bonds: None

(V) Corporate Bonds with Warrants: None

III. Preferred shares: None.

IV. Global depository receipts: None.

V. Employee stock options:

(I) The company shall disclose the status of employee stock options that have not yet expired as of the annual report publication date, as well as their impact on shareholders' equity:

Employee stock options

May 20, 2025

Type of employee stock options (Note 2)	2024 First issuance of employee stock options (Note 5)
Effective registration date and total units	Effective registration date: November 13, 2024 Total units: 3,000 units (Each unit entitles the holder to subscribe for 1,000 common shares, totaling 3,000,000 common shares)
Issuance (processing) date (Note 4)	2024.11.21
Units issued	3,000
Units available for issuance	0
Subscription shares as a percentage of total issued shares	0.4138%
Subscription period	4 years
Exercise method (Note 3)	Issuance of new shares
Subscription restriction period and percentage	After 2 years: 50% After 3 years: 100%
Number of shares subscribed through exercise	0
Total proceeds from exercise	0
Unexercised subscription quantity	3,000,000 shares
Exercise price per share for unexercised options	50.50
Unexercised subscription quantity as a percentage of total issued shares (%)	0.4138%
Impact on shareholders' equity	The employee stock options issued in this offering may only be exercised in accordance with the schedule specified in the issuance and subscription plan, starting two years after the issuance date. As the rights are to be exercised gradually over the subscription period, the resulting dilution effect is considered limited and is not expected to have a material impact on shareholders' equity.

Note 1: The status of employee stock option issuance includes both public and private offerings currently in progress. Publicly offered employee stock options in progress refer to those that have been approved and become effective by the relevant authority. Privately offered employee stock options in progress refer to those that have been approved by the shareholders' meeting.

Note 2: The number of fields may be adjusted based on the actual issuance frequency.

Note 3: It must be specified whether the shares will be delivered from existing issued shares or through the issuance of new shares.

Note 4: Issuances with different issue (processing) dates should be listed separately.

Note 5: Private placement requires visible marking.

(II) As of the Annual Report Publication Date: Names, Acquisition, and Subscription Details of Managers Granted Employee Stock Options and the Top Ten Employees by Number of Shares Entitled for Subscription

Names, Acquisition, and Subscription Details of Managers Granted Employee Stock Options and the Top Ten Employees (by Number of Shares Entitled for Subscription)

Unit: Thousands of Shares/Thousands of NTD; May 20, 2025

	Job title (Note 1)	Name	Number of shares granted	Percentage of total issued shares represented by shares granted (Note 4)	Exercised (Note 2)				Unexercised (Note 2)			
					Number of shares subscribed	Exercise price (Note 5)	Subscription amount	Percentage of total issued shares represented by subscribed shares (Note 4)	Number of shares subscribed	Exercise price (Note 6)	Subscription amount	Percentage of total issued shares represented by subscribed shares (Note 4)
Manager	Chief Investment Officer and Chief Operating Officer	Wang, Su-Chi	652	0.0899%	0	0	0	0	652	50.50	32,926	0.0899%
	President	Hsu, Jui-Pao										
	Director	Tsai, Pei-Chen										
	Manager	Lin, Chia-Ling										
	Plant Director	Lin, Chun-Yu										
	Assistant Vice President	Lin, Hsiu-Yueh										
	Assistant Vice President	Lien, Min-Li										
	Manager	Mao, An-Ni										
	Manager	Tang, Ching-Yu										
Employee (Note 3)	Senior Manager	Yang, Chia-Chi	595	0.0821%	0	0	0	0	595	50.50	30,048	0.0821%
	Senior Manager	Tang, Yi-He										
	Manager	Hsieh, Li-Yu										
	Manager	Chen, Ying-Chin										
	Manager	Hsu, Tsung-Fu										
	Manager	Tsai, Hui-Ling										
	Assistant Manager	Chen, Chien-Fen										
	Manager	Lin, Wei-Hsuan										
	Assistant Manager	Cheng, Tsung-Yu										
	Manager	Tseng, Chih-Ming										

Note 1: Managers and employees (those who have resigned or passed away should be indicated) should have their individual names and titles disclosed, though their acquisition and subscription details may be presented in aggregate.
Note 2: The number of columns is adjusted depending on the actual needs.
Note 3: The top ten employees eligible for subscription rights certificates refer to employees other than managers.
Note 4: The total number of issued shares refers to the number of shares listed in the Ministry of Economic Affairs' registration change records.
Note 5: For exercised employee stock options, the subscription price at the time of execution should be disclosed.
Note 6: For unexercised employee stock options, the adjusted subscription price should be disclosed based on the issuance regulations.

VI. New restricted employee shares:

(I) Restricted employee rights shares that have not yet fully met the vesting conditions should disclose the handling status as of the annual report publication date and its impact on shareholder equity: None.

(II) As of the annual report publication date, the managers and the top ten employees in terms of acquired restricted employee rights shares, along with their acquisition details: None.

VII. Issuance of new shares in connection with mergers or acquisitions

(I) In the most recent year and as of the date of publication of the annual report, companies which have completed mergers and acquisitions or have obtained shares of other companies and issued new shares shall disclose the following matters:

1. Companies whose stocks have been listed on stock exchanges (hereinafter referred to as "listed companies") or whose stocks have been approved to be listed in accordance with Article 3 or Article 3-1 of the Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEx and are able to be traded at securities offices (hereinafter referred to as "OTC companies") shall disclose the assessment opinions issued by the lead securities underwriters who have acquired or obtained shares of other companies and issued new shares in the most recent quarter:

   In response to the trends in the biotechnology and health industry development, on April 22, 2024, the Board of Directors of the Company resolved to acquire shares of Bioflag International Corporation (Cayman) (hereinafter referred to as Bioflag KY) through a share exchange. Bioflag KY itself is a holding company, with its main operating subsidiary being Glac Biotech Co., Ltd., primarily engaged in the manufacturing and sales of probiotics and related raw materials. Bioflag KY is a subsidiary of the Company indirectly held through Centerlab Investment Holding Limited (HK), with a 47.33% ownership stake. The Company issued an additional 24,842,977 common shares to acquire 31,598,801 shares, representing the remaining 52.67% held by Bioflag KY shareholders. An external independent expert, Lin, Chang-Yu from Trust and Assist CPAs, provided an opinion on the fairness of the exchange ratio, which was determined as 1 Bioflag KY common share being exchanged for 0.7862 newly issued common shares of the Company.

   This transaction was approved and became effective upon submission to the Taipei Exchange on May 16, 2024, under Zheng-Gui-Jian-Zi No. 1130002977. The share swap and capital increase reference date was set for May 31, 2024, and the Ministry of Economic Affairs officially approved the capital change registration on July 3, 2024, under Jing-Shou-Shang-Zi No. 11330100500.

Evaluation opinion of MasterLink Securities Corporation, the lead underwriter in 2025 Q1

I. Impact on business after acquisition

Over the years, Center Laboratories has demonstrated stable development in the liquid drug market and has strengthened its presence in the CNS sector, generating steady cash flow for the company. To create suitable returns for shareholders and drive future growth momentum, Center Laboratories has strategically invested in the biotech industry in response to national policies supporting its development. The company plays a key role in biotech incubation and has actively nurtured promising firms in new drug development, contract drug manufacturing, medical devices, and innovation, while continuously expanding in the broader health industry. In line with biotech and health sector trends, Center Laboratories' acquisition of Bioflag International Corporation (Cayman) will enhance its future potential investment returns from Bioflag KY and further solidify its position in the health industry. This acquisition is expected to have a positive impact on Center Laboratories' biotech investment operations.

II. Impact on financials after acquisition

Following the share swap between Center Laboratories and Bioflag International Corporation (Cayman), the company aims to optimize the utilization of group resources and achieve the most efficient capital and financial structure. Through resource allocation management, the overall operational costs can be reduced, and financial flexibility improved. Furthermore, effective resource integration will strengthen market competitiveness and profitability. From a financial perspective, Center Laboratories' consolidated financial report at the end of 2023 indicated a debt ratio of 25.13% and a current ratio of 277.57%, demonstrating a stable financial structure and repayment capacity. Thus, the issuance of new shares for acquiring Bioflag International Corporation (Cayman) is unlikely to have any significant adverse impact on Center Laboratories' financial status.

III. Impact on shareholder equity after acquisition

The issuance of new shares by Center Laboratories for acquiring Bioflag International Corporation (Cayman) accounts for approximately 3.47% of the total issued and outstanding shares of 716,282,423 shares. This dilution effect on existing shareholders is expected to be minimal. Additionally, through the deepened investment relationship with Bioflag International Corporation (Cayman), this acquisition leverages complementary resources to enhance competitiveness, drive future revenue growth, improve profitability, and increase potential investment returns. These factors should positively contribute to Center Laboratories' shareholder equity.

IV. Expected benefits after acquisition

Bioflag International Corporation (Cayman) has been dedicated to probiotic research for many years, utilizing scientific validation to screen strains from sources such as the gut microbiota of healthy individuals, breast milk, and fermented foods, with a focus on developing functional probiotics. With the issuance of new shares, Center Laboratories further strengthens its presence in the health industry. This strategic acquisition is expected to inject stable cash flow and profitability into Center Laboratories while effectively integrating resources to boost market competitiveness and profitability. Consequently, Center Laboratories' acquisition of Bioflag International Corporation (Cayman) is anticipated to yield positive effects on the company's business, financial performance, and shareholder equity.

2. Except for the companies stipulated in the aforementioned subparagraphs, the implementation situation in the most recent quarter shall be disclosed. If the implementation progress or benefits do not reach the expected target, the impact on shareholders' rights and interests and improvement plans shall be described in detail:

   The transaction has been completed. The Company now directly holds 52.67% of the equity in Bioflag KY and, through direct and indirect holdings, owns 100% of Bioflag KY in total. Following the share exchange, the Company is expected to enhance its potential future investment returns from Bioflag KY. This transaction also strengthens the Company's strategic presence in the broader health industry and is expected to improve the performance of its biotechnology investment operations. It is anticipated to have a positive long-term impact on shareholder value.

(II) In the most recent year and as of the publication date of the annual report, if the Board of Directors has resolved to approve the acquisition or transfer of shares of another company and issue new shares, the implementation situation and the basic information of the company to be acquired or transferred shall be disclosed. In the process of mergers and acquisitions of other companies or the issuance of new shares, the implementation situation and the impact on shareholders' rights and interests shall be disclosed: None.

VIII. Financing plans and implementation

The Company's fund utilization plan for the Sixth Domestic Secured Convertible Bonds and the Seventh Domestic Unsecured Convertible Bonds has been approved by the Financial Supervisory Commission on March 2, 2023, with approval letters No. 1110367683 and 11103676831. The total raised amount is NT$3,270,583 thousand. Additionally, on May 12, 2025, the Board of Directors approved an amendment to the plan (for the plan amendment details, please refer to Item 3 in the agenda of the 2025 Annual General Shareholders' Meeting). For detailed information on the fund utilization and its implementation status, please refer to the Market Observation Post System.

- Query Website: https://mopsov.twse.com.tw/mops/web/bfhtm_q2
- Navigation Path: MOPS (Market Observation Post System) > Single Company > Equity Changes / Securities Issuance > Fundraising > Fundraising Plan Implementation

Chapter 4 Operational Overview

I. Business activities

(I) Scope of business

1. Principal business activities:

- Center Laboratories, Inc.:

  C802041 Manufacture of Drugs and Medicines
  F108021 Wholesale of Western Pharmaceutical
  F208021 Retail Sale of Western Pharmaceutical
  F108011 Wholesale of Traditional Chinese Medicine
  F208011 Retail Sale of Traditional Chinese Medicine
  C199990 Manufacture of Other Food Products Not Elsewhere Classified (health care nutrition products, supplementary nutrition products)
  C110010 Beverage Manufacturing
  F203010 Retail Sale of Food, Grocery and Beverage
  F102040 Wholesale of Nonalcoholic Beverages
  F102170 Wholesale of Foods and Groceries
  F108031 Wholesale of Medical Devices
  F208031 Retail Sale of Medical Apparatus
  H201010 General Investment Business
  ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

- Glac Biotech:

  C199990 Manufacture of Other Food Products Not Elsewhere Classified
  F102170 Wholesale of Foods and Groceries
  F203010 Retail Sale of Food, Grocery and Beverage
  F401010 International Trade
  I199990 Other Consulting
  IG01010 Biotechnology Services
  ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
  F108040 Wholesale of Cosmetics
  F208040 Retail Sales of Cosmetics
  C802100 Cosmetics Manufacturing
  C201010 Feed Manufacturing
  F103010 Wholesale of Animal Feeds
  F202010 Retail Sale of Feeds

- Bioengine Technology:

  I102010 Investment Consulting
  I103060 Management Consulting
  I199990 Other Consulting
  F601010 Intellectual Property Right
  IC01010 Medicine Inspection
  IG01010 Biotechnology Services
  ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Proportion of Revenue from Major Products (based on the Consolidated Financial Statements of 2024)

Unit: NT$ thousand

Major products	Amount	%
Western pharmaceutical	971,710	60.06
Probiotics	646,159	39.94
Total	1,617,869	100.00

3. Current products (services) of the Company

- Center Laboratories, Inc.

  The Company's current products are mainly oral liquids, including syrups, suspensions, liquids, etc. In accordance with pharmacological classification, the Company's main product development category is respiratory tract therapeutics such as antitussive, antiphlegm, asthma medication, and runny nose relief. In addition, the Company's antipyretic analgesics and gastrointestinal medications also have broad market demand. With respect to CNS products, such as oral liquids and lozenges for the treatment of epilepsy, schizophrenia, dementia and Parkinson's disease, there are a variety of products already entering the market.

  The Company is a manufacturer of "professional oral liquids" and currently has 95 drug licenses, including 86 licenses for oral liquids, 9 licenses for tablets, capsules, and powders for suspension. In addition to the production and sales of proprietary products, the Company also performs OEM and related sales businesses in partnership with other factories.

- Glac Biotech

  Glac Biotech specializes in the research, development, and commercialization of probiotics and their derivative applications, dedicated to providing high-value-added raw materials and integrated services to meet the increasingly refined and diverse demands of the functional food market. Its product portfolio includes over ten strains of single-species probiotic powders with specific physiological functions, offering high flexibility for diverse formulation designs and innovative product development. Additionally, the company's core technology focuses on developing functional probiotic formulations, supported by rigorous human clinical trials demonstrating positive efficacy in nine metabolic functions and six areas of immune mucosal health. Expanding further into the postbiotic field, it has successfully developed functional ingredients represented by Totipro®, rich in various physiologically active fermentation-derived molecules, effectively enhancing the functional value of end products. Beyond raw materials and technology, the company also offers a one-stop integrated service encompassing exclusive formulation design, ODM process management, marketing strategy planning, and regulatory compliance consulting, assisting clients in accelerating the full-cycle advancement from research and development concepts to market launch, achieving a high degree of integration between scientific evidence and industrial applications.

4. New products (services) under development

- Center Laboratories, Inc.

  A. To strengthen the technology platform for oral liquids and consistently develop new dosage forms, new drugs and generic drugs.

B. To develop derivative products of medicines and oral liquids specially for the pediatrics group or the group of patients with dysphagia.
C. Patent applications and global layout of CNS products and related technologies.
D. To speed up the development of new products and increase product ranges by cooperative development or technology authorization in partnership with domestic and foreign academic research institutions.
E. To accept manufacturing and marketing contracts with major international companies.
F. To accept drug commission/co-development from domestic and foreign pharmaceutical companies.

- Glac Biotech
  A. Clinical validation of functional postbiotics
     Continuing to advance two clinical trials for the postbiotic Totipro®, strengthening its scientific evidence in improving gastrointestinal health and expanding its potential applications in food and health products.
  B. Development of new postbiotic ingredients
     Actively developing new postbiotics specifically designed for the elderly and children, while simultaneously conducting functional validation, patent deployment, trademark registration, and global marketing strategies to accelerate market positioning.
  C. Optimization of core probiotic products
     Enhancing the stability and production efficiency of existing probiotic raw materials, utilizing technological advancements to optimize costs and improve market competitiveness.
  D. International certification and strategic collaborations
     Accelerating the acquisition of international safety and efficacy certifications for core ingredients and actively expanding strategic partnerships with leading global enterprises to increase international market influence.

(II) Industry overview:

1. Current status and development of the biotechnology industry:
   The pharmaceutical manufacturing industry is an industry requiring high technologies, and featuring high added value, low pollution, low energy consumption, long development period, and long life cycle. The industry's products are mainly used to treat human diseases and closely related to human life and health. Therefore, the safety and effectiveness of the industry are always taken seriously. The biotechnology industry is essential to human livelihood. Also, the degree of the development of the biotechnology industry symbolizes the civilization of a nation; the higher the national income; the more prosperous the pharmaceutical manufacturing industry is. The United States, Europe and Japan are typical examples of countries with highly developed biotechnology industries.
   Since the economy in Taiwan as well as mainland China continue to expand, the total output value in the pharmaceutical manufacturing industry is growing year by year. In the past, market competition was vicious in the industry due to a large number of domestic pharmaceutical manufacturers competing in the small market, as well as challenging export sales and lacking capabilities in new drug development, and this subsequently made impact on profitability. Therefore, the question about how to make transformation in response to

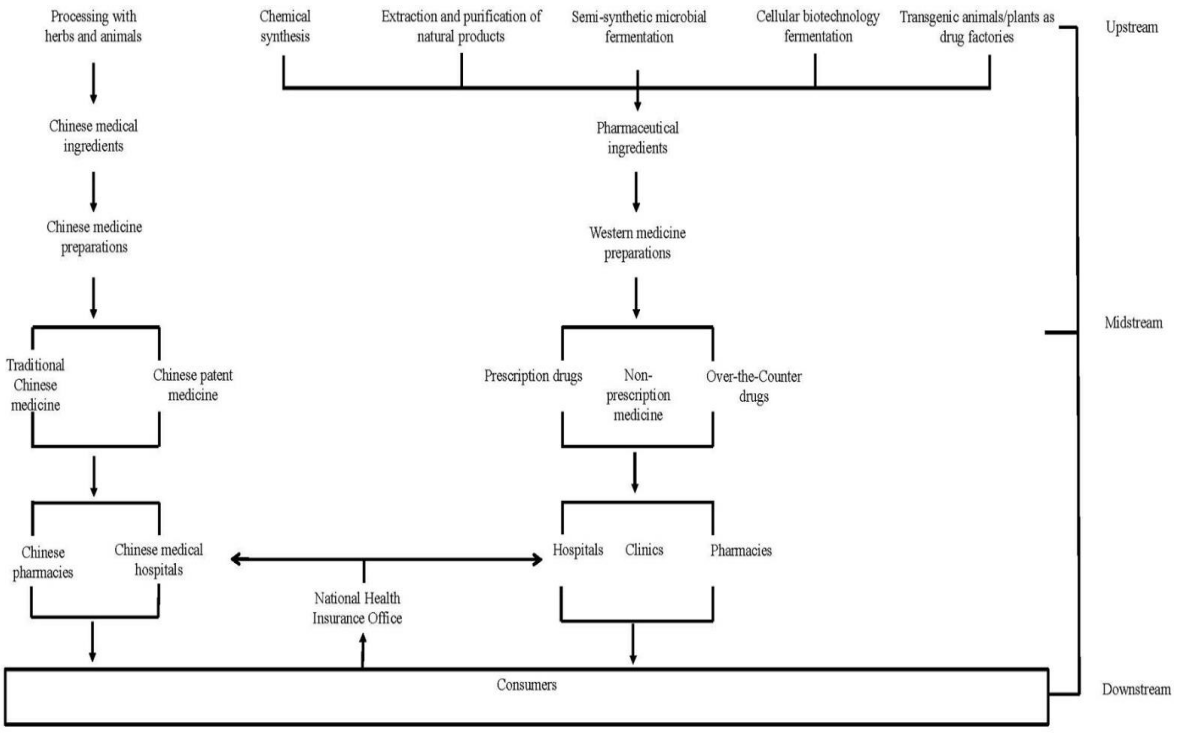
the challenge of economic changes in business is a common issue to be faced with by the government and the industry.

In recent years, the government's support and encouragement, investment institutions' involvement, and the integration of domestic R&D energy has driven many emerging biotechnology companies, especially successful overseas entrepreneurs, to return to Taiwan and set up new drug R&D companies. This not only makes the domestic biopharmaceutical industry thriving prosperously, but also brings about the opportunity to stand on the international stage and create the next wave of industrial trends.

2. Relationship with upstream, middle-stream, and downstream companies:

The pharmaceutical manufacturing industry is directly related to human health, so it is plainly the most important and special industry in chemical manufacturing. The structure of the pharmaceutical manufacturing industry can be roughly divided into upper, middle and lower businesses, in terms of supply chain:

Structure chart of the pharmaceutical manufacturing industry



Source: Yearbook of Pharmaceutical Industry excerpted by Biotechnology Center I

3. Various development trends of biotechnology products:

(1) Product trends

The country's aging population leads to the coming of an aging society. The demand for cardiovascular drugs, central nervous system drugs, and drugs for the elderly will increase substantially. Coupled with the cause of increasing population density in the urban area, the impact of pollution in the living environment is getting increasingly serious. Therefore, anti-infective drugs, anti-asthmatic allergy drugs and anti-cancer drugs are also important directions of drug use in the future.

(2) The trend of product price

In recent years, governments in various countries have stipulated direct and indirect measures to control drug prices in order to intimidate the rising medical expenditures. This makes the pharmaceutical industry pressured with dropping drug prices, and thus price has become an important factor in market competition. Since National health insurance was implemented, the government has seen the overall drug price standard and the procurement system an important issue to deal with. It is expected that the long-term trend will still go towards the direction of reducing drug prices in the future. On the other hand, new drugs can possibly be approved to sell at comparatively higher prices for the purpose of encouraging domestic research and development.

(3) International trend

One of the important problems to tackle in the current pharmaceutical industry is the huge number of manufacturers congested in the domestic market, which results in vicious competition. Expanding business into the international market will be an important direction for resolving the current difficulties and enabling future market development. Expanding business into the international market will be an important direction for resolving the current difficulties and enabling future market development. Expanding business into the international market can begin with the promotion of an international mutual certification system and international cooperation. Those target markets with more potential in the future include mainland China, Eastern Europe and the fast-growing Asian market. Domestic pharmaceutical companies have also actively engaged effort in international cooperation and investment in recent years. There are various ways such as mergers and acquisitions, technology transfer, establishment of foreign factories, and joint ventures already implemented all aimed to open up the international market and resolve bottlenecks in the domestic market.

(4) Industry integration trend

Mergers and acquisitions, strategic partnerships and industry chain integration are common methods of industry consolidation. Many biotechnology companies engage in mergers and acquisitions or strategic partnerships with companies that have complementary technologies or product portfolios in order to expand their business scope and strengthen their research and development capabilities.. From basic research and development to manufacturing and marketing, we aim to improve production efficiency, reduce time to market, enter new areas and markets quickly, and reduce risks and costs. In order to meet the demands of the global market, the biotech company may even seek to expand its international business.

(5) Diversified business trends

Under the circumstance of free trade and rapid changes in the domestic and foreign market environments, the domestic pharmaceutical industry is seeking to transform

business and make investment in the consumer and biotechnology product markets, such as markets for health food, cosmetics, contact lens cleaning products, and biochips, so as to diversify the directions of businesses development. However, even though these sectors are closely related to the pharmaceutical industry, and easy to enter, diversified operations can most likely increase revenues only, but not profits, nor to increase corporate competitive advantages.

(6) Drug distribution trends

Since chain pharmacies expand rapidly in the domestic market, domestic drug channels are gradually moving towards the method of joint distribution, and have established a drug distribution logistics center. The pharmaceutical distribution logistic center not only puts together the downstream distribution channels, but also plans to integrate upstream pharmaceutical factories to create a professional pharmaceutical joint distribution center. With the use of an independent warehouse management system, drug delivery efficiency can be improved, and the original inefficient situation that pharmaceutical salespeople have to frequently go to pharmacies to deliver low-volume, low-value batch of goods, can be avoided. As a result, there is no need for pharmaceutical factories to invest in establishing a distribution center, and economy of scale can bring benefit in reducing transportation cost and improving distribution efficiency.

(7) Research and development trends

Genetic decoding of the human body, artificial intelligence, big data and the Internet of Things has provided more possibilities for disease treatment and new drug development, accelerating the speed of drug screening and new drug development. In the future, it will see the rising of new drugs research and development related to human genes. Therefore, relevant domestic research units and industry players should speed up to get a head start in the industry through international cooperation and strategic alliances. In order to shorten the time spent in research and development, worldwide drug research and development companies have gradually adopted the method of subcontracting research and development to professional companies.

4. Competition in the biotechnology industry

At present, most domestic pharmaceutical factories operate in small scale and produce a wide range of products, so the market competition is vicious. The Company focuses its proprietary business mainly in oral liquids. The Company has a comprehensive range of liquid products, strong research and development capability, and rapid product development speed with good quality. With the above advantages and the automated and standardized production processes, the Company has competitive advantage in not only comparatively lower production costs but also higher production differentiation than other factories; this can therefore increase the Company’s gross profit and business strength. In addition, Center Laboratories is “the most professional biotechnology incubation platform in the Asia-Pacific.” The Company’s investment covers a wide range business in the industry value chain, which not only brings about unique technologies and products, but also leads to resource and experience sharing within the Group to solidify synergy and raise competitive strength.

(III) R&D investment in the most recent year, up to the publication of this Annual Report:

1. Status of research and development expenditure (consolidated)

Unit: NT$ thousand

Year	2024	Proportion to Revenue	2025Q1	Proportion to Revenue
Research and development expenses	71,959	4.45%	17,716	4.68%

2. Successfully developed technologies and products: None.

(IV) Long-term and Short-term Development

Center Laboratories' investments span the entire biotechnology industry chain, focusing on four key areas: new drug development, biopharmaceutical CDMO, innovative medical devices and CDMO, and the broader health sector. Through a four-step process—pre-investment evaluation, post-investment management, strategic focus, and exit mechanism design—Center Laboratories selects and manages investment targets to maximize returns. After a decade of dedicated efforts, Center Laboratories has established itself as the most professional biotech incubation platform in the Asia-Pacific region. To align with the biotechnology development trend, the emerging general wellness industry, and recent changes in the domestic and foreign business environments, Center Laboratories has adjusted its operating system and enhanced the overall competitiveness through various long- and short-term plans. A summary of the long-term and short-term development plans is set out as follows:

1. Short-term development plan

(1) Investment strategies

In terms of short-term investment strategy, the Center Laboratories Group will focus on three main aspects to achieve diversified and sustainable investment objectives. Firstly, to focus on large, low-risk, stable-return investments that are primarily aimed at improving the core business. This include plans to increase or adjust shareholdings in core businesses, emphasizing operational focus to achieve long-term contributions to stable cash flows, while prudently holding Chinese listed companies to maintain a solid investment platform. In addition, the concentrated investment of large pharmaceutical funds is also seen as a means of securing liquidity.

Secondly, Center Laboratories is facing the challenges of high technology, high growth, and high risk, and will respond by investing in a biotechnology strategy with a high technological threshold. This means investing more resources in core businesses with synergistic effects to ensure the ability to realize the high growth potential of investments.

Finally, Center Laboratories will actively engage in various industries and sectors through a "quiet investment" approach, participating early in emerging industries and catalyzing these projects to become engines of future organic growth. This integration strategy allows Center Laboratories to flexibly adjust its investment portfolio, respond quickly to market changes, and actively seek investment opportunities in diverse areas. This set of strategies will help Center Laboratories Group achieve its short-term diversification investment goals while pursuing capital appreciation with a focus on safety and sustainability.

(2) R&D strategy

A. Center Laboratories' liquid business:

In addition to children's general disease, the Company consistently develops products to treat disease in the mental and neurological sector such as schizophrenia, Parkinson's, and dementia, and the development of new typdes of drugs such as anticoagulant drugs and diabetes drugs. The Company also makes rapid innovation on new drugs in the form of new indications, new formulations or new compounds to invent products under administrative patent protection.

B. Glac Biotech:

Utilizing existing probiotic fermentation technology, a new postbiotic material has been developed, introducing Totipro®—a lactic acid bacteria fermentation product (inactivated bacteria). This innovation enhances the efficacy of the PRONULIFE series and customized probiotic formulations. Ongoing research explores the synergy between postbiotics and probiotics, strengthening cellular and physiological functions through scientific validation. Meanwhile, production processes for postbiotics are continually refined to improve purity and yield. For probiotic raw materials, efforts focus on optimizing high-density bacterial culture processes and developing highly stable probiotic powders suitable for ambient storage.

C. Mycenax Biotech Inc.:

Continuously optimizing monoclonal antibodies, bispecific/multispecific antibodies, antibody-drug conjugates (ADC), cell therapy, and plasmid DNA production technology platforms to provide solutions that better align with the needs of global biopharmaceutical customers.

D. TOT Biopharm International:

Deepening our collaboration with GlycanLink, we are focusing on the DisacLinkTM ADC glycosite-specific conjugation technology platform.

E. KriSan Biotech:

KriSan is actively advancing ADC technology and has established a comprehensive Linker-Payload Library to rapidly provide novel drug molecules tailored to customer needs. This initiative addresses the market demand for precision therapeutics while accelerating clients' drug development processes. Simultaneously, KriSan continues to optimize Bio-Conjugation technology by integrating in-house research with strategic partnerships to build an innovative conjugation technology platform. Leveraging the strengths of the Linker-Payload Library, KriSan aims to deliver high-value CDMO services, enhancing product competitiveness and supporting clients in achieving a leading position in the global biotech and pharmaceutical industry. Additionally, KriSan is exploring new conjugated drug domains, including antibody oligonucleotide conjugate (AOC), peptide-drug conjugate (PDC), and antibody-peptide conjugate (APC). The company is dedicated to expanding linker and conjugation technologies for innovative conjugated drugs, facilitating market expansion and driving advancements in next-generation biopharmaceuticals.

F. Lumosa Therapeutics:

The Phase II clinical trial for LT3001 is actively progressing, including:

- Combined thrombectomy clinical trials conducted in Taiwan and the U.S.
- Multi-dose monotherapy clinical trials across Taiwan, the U.S., and Europe, targeting patients who are unsuitable for thrombectomy or rt-PA treatment
- Ongoing collaboration with the Shanghai Pharmaceuticals Holding Co., Ltd., the licensed partner in China, to plan the next-phase clinical trials
- Continued development of innovative inducible exosome technology via Cytoengine Co., Ltd., strengthening neuroscience research capabilities
- Ongoing exploration of potential new drug platforms, further expanding product pipeline strategy

G. BioGend Therapeutics:

Based on the clinical trial results of OIF, the Phase III clinical trial is being planned and designed to ensure regulatory approval and successful product launch.

H. Bao Pharma:

Actively collaborating with Qyuns Therapeutics Co., Ltd. to develop an innovative subcutaneous formulation utilizing recombinant human hyaluronidase. Additionally, establishing a partnership with Sumgen Biotech Co., Ltd. to co-develop a subcutaneous formulation incorporating recombinant human hyaluronidase with an anti-CD38 monoclonal antibody.

(3) Production strategy

A. Center Laboratories' liquid business:

To consistently comply with the government's pharmaceutical industry internationalization policy and complete PIC/S specification audit as well as the subsequent maintenance operations; to focus on the production of oral liquids; to improve product quality and reduce production costs by creating standardized and automated production processes.

B. Glac Biotech:

In terms of production, to address the supply shortage in contract manufacturing, the company invested approximately NT$130 million in the second half of 2023 to establish automated ODM production lines in Hsinchu. The new facility is expected to deliver four times the original output. By optimizing production and sales processes and operational tools, the company aims to enhance capacity, meet key clients' delivery schedules, and strengthen in-house manufacturing capabilities.

C. Mycenax Biotech Inc.:

Mycenax underwent inspections by multiple international regulatory authorities in 2024. As its clients' drugs progress through regulatory approval and launch schedules, the company is poised to become a supplier for internationally marketed biopharmaceuticals, laying a solid foundation for future revenue growth.

D. KriSan Biotech:

The company will actively advance the construction and qualification of its Hsinchu facility, with the DP production line expected to be completed by 2026, enabling a fully integrated one-stop CDMO service for ADCs. Through

equipment qualification and aseptic process simulations, the company will ensure that manufacturing operations meet international standards, providing a solid technical foundation for future large-scale production.

E. Lumosa Therapeutics:

Continuation of the Cost of Goods Sold (COGS) improvement program to enhance the market competitiveness of pharmaceutical products.

F. BioGend Therapeutics:

The self-constructed factory facilities have passed inspection by the relevant authority and are operating successfully to ensure stable supply, with the potential to attract medical equipment manufacturing business.

(4) Marketing strategy

A. Center Laboratories' liquid business:

Children's liquid medicine: To consistently advocate for original-bottle payment in response to the government's initiative to promote "Children's medication safety." Utilize corporate influence to change customers' habit of powder packaging so as to expand market share. In addition, we will expand our product portfolio to address various pediatric diseases and increase market size.

CNS: Apart from providing differentiated CNS product applications, Center Laboratories consistently communicates closely with psychiatric and neurology specialists/opinion leaders to create mutual trust relationship so as to increase the Company's brand awareness and reputation in the CNS sector. Continue to hold various CNS marketing and sales activities and accelerate business expansion through resource sharing, mutual benefit and experience and knowledge sharing.

B. Glac Biotech:

Glac Biotech is dedicated to deeply integrating marketing and product development by merging the product and marketing departments to build a comprehensive service chain—from raw material R&D, data analysis, and business proposals to client-facing marketing. Through efficient cross-department collaboration, the company has significantly enhanced the quality and success rate of proposals for major clients, while offering one-stop consulting services that transform R&D data into market-attractive marketing strategies. This approach has not only boosted development efficiency but also strengthened brand loyalty. In terms of scientific validation and international expansion, Glac Biotech actively promotes clinical research for its flagship probiotic strains and has applied for FDA GRAS and NDI certifications to enhance product credibility with scientific backing, paving the way for entry into the North American market and gaining the trust of international clients. At the same time, the company continues to optimize its postbiotic Totipro product line, focusing on four major functional areas: cognitive anti-aging, kidney health, liver protection and uric acid reduction, and fatigue resistance to improve athletic performance. These efforts not only reinforce Glac Biotech's leadership in the probiotics industry but also demonstrate to investors and potential clients the company's strong growth potential and innovation capabilities in the global health market.

C. Mycenax Biotech Inc.:

Mycenax continues to deepen its presence in key Asian markets such as Japan,

Taiwan, and South Korea, while actively participating in international trade shows to build global brand recognition and expand its customer base. The company is committed to becoming a global CDMO specializing in biopharmaceutical development and GMP manufacturing.

D. TOT Biopharm International:
In the China market, the company focuses on addressing unmet needs to accelerate sales growth. In overseas markets, it is steadily expanding and actively developing its presence, having already obtained GMP certifications from multiple countries.

E. KriSan Biotech:
In response to the high complexity of the ADC field, KriSan will expand its early-stage R&D services by offering technical support in ADC molecular design and candidate drug screening at the initial phases of client projects, helping accelerate their development timelines. Through this strategy, KriSan aims not only to establish long-term and stable partnerships but also to foster ongoing collaboration opportunities and achieve a long-tail business effect. At the same time, the company will enhance its brand image through marketing efforts, strengthen its influence in the Asian CDMO market, and attract more potential clients. In addition, it will continue to expand its customer base, deepen relationships with international partners, increase order volume, and ensure stable cash flow in the short term, laying a solid foundation for future business growth.
To further penetrate the U.S., European, and Asia-Pacific markets, the company will deepen its international market presence by forming more strategic partnerships and building a comprehensive ADC supply chain. This will allow the company to offer one-stop solutions and enhance its global competitiveness. Moreover, the company will actively participate in international biotech conferences and exhibitions such as BIO International, CPhI, and World ADC to increase brand exposure, strengthen its presence in the global CDMO industry, and solidify its position as a market leader.

F. Lumosa Therapeutics:
Actively pursuing international licensing negotiations for LT3001 to accelerate the global commercialization process.
- Through achieving milestone-based goals, the company will continuously review its business model to ensure commercial objectives are met.
- A robust international licensing capability will be established, adopting flexible licensing strategies to secure the best licensing, distribution, or collaboration opportunities.
- The company will prioritize the development of new drugs with the following characteristics:
  - Address unmet medical needs
  - Present near-term licensing and collaboration opportunities
  - Offer high pharmacoeconomic value or return on investment potential

G. BioGend Therapeutics:
Strengthen the promotion of RevoCart in both healthcare institutions (B2B) and the patient sector (B2C) to enhance domestic sales. Additionally, progress in international markets will be driven through participation in overseas exhibitions, the release of experimental data, and discussions with major international companies.

H. Bao Pharma:

The company plans to establish a partnership with a globally recognized pharmaceutical leader in the women's health field, aiming to enhance Bao Pharma's credibility in the assisted reproductive technology sector worldwide and increase its potential market penetration in international markets.

2. Long-term development plan

(1) Investment strategies

Center Laboratories diligently adheres to actively practicing corporate social responsibility and strongly advocates the entrepreneurial spirit. The company's vision is "Investing in tomorrow's industries, changing today's world." In terms of long-term investment strategy, Center Laboratories is divided into three major investment units. First, pharmaceutical investments are led by Lumosa Therapeutics, which continues to address unmet clinical needs in neuroscience and is supported by cutting-edge global technologies. Second, we are focused on the challenging biotech manufacturing environment and strive to integrate into the global supply chain of the biopharmaceutical industry. In this regard, Center Laboratories will continue to invest in difficult-to-manufacture CDMOs, including ADC, advanced medical devices and the broad health sector, among others. These areas have high technology and knowledge thresholds. Finally, the Center Laboratories will focus on the development of emerging sectors, with an emphasis on the hydrogen energy ecosystem in the Greater China region, to actively address global environmental sustainability issues. This series of investment strategies demonstrates Center Laboratories' comprehensive planning for future development and underscores its commitment to contributing to global society and the environment.

(2) R&D strategy

A. Center Laboratories' liquid business:

Based on the proprietary SOSF (Stabilized Oral Suspension Formulation) technology platform, Center Laboratories endeavors to develop new dosage formula to acquire leading competitiveness in technology. In addition, Center Laboratories plans to expand business opportunities in the future by strengthening project management on 505(b)(2) drugs, accelerating the output of R&D efficiency, and expediting products registration, licensing, and certification in Taiwan to expand business opportunities.

B. Glac Biotech:

Leveraging over 15 years of experience in strain development and mass production capabilities, the company focuses on strengthening the economies of scale and clinical evidence for key star strains (Totipro®). With a rigorous approach to drug development, the company continues to accumulate clinical data, publishing in international journals to increase visibility for both the company and its strains. Additionally, the company is gradually developing vegan and hypoallergenic ingredients (such as probiotic powder and Totipro) to align products with international trends, providing reliable (validated efficacy and quality) and cost-effective one-stop solutions for health supplement customers, contributing to global health.

C. Mycenax Biotech Inc.:

The company continues to focus on drug development, actively advancing biopharmaceuticals with high technical barriers. By strategically collaborating with industry partners, it aims to accelerate the enhancement of technical capabilities, implementing the business strategy of "Innovative Development Capability (D) with Appropriate Manufacturing Scale (M)."

D. TOT Biopharm International:

The company focuses on ADC CDMO technology development, continuing to deepen its collaboration with GlycanLink on the DisacLinkTM ADC glyco-conjugation technology platform. The goal is to mature this technology for clinical product applications and to serve customer projects.

E. KriSan Biotech:

The company deepens its technological innovation by continuing to advance the Linker-Payload platform, while actively exploring Multi-arm Linkers and Dual Payload technologies. This will provide clients in new drug development with more flexible options to meet the increasingly diversified demands of ADC drug design in the future, helping clients develop ADC drugs with better efficacy and higher safety. Additionally, the company will continue to optimize its bioconjugation technology platform, enhancing its applicability and technological coverage, and further expanding into more innovative conjugated drug fields to provide clients with more efficient CDMO solutions.

F. Lumosa Therapeutics:

- Increase investment in research and development, including financial investment, personnel investment, equipment investment, etc.
- Strengthen talent recruitment: Attracting exceptional research and development talent to join.
- Establish an R&D platform: Establish an R&D platform to integrate research resources and improve R&D efficiency.
- Enhancing international cooperation: Collaborating with globally renowned pharmaceutical companies or research institutions to share research resources and jointly develop new drugs.

G. BioGend Therapeutics:

To be committed to the development of biological bone materials through cooperative mergers and acquisitions or the Company's own development capacity, and create a technology platform for the repair treatment of spine, trauma and articular cartilage tissues so as to fulfill the layout set on innovative bone material products.

H. Bao Pharma:

The company has three core technology platforms: a drug design platform, a chassis cell modification platform, and a comprehensive biomanufacturing platform. These platforms form the foundation for the company's ongoing drug innovation and strengthen its capabilities in the field of recombinant protein drugs.

(3) Production strategy

A. Center Laboratories' liquid business:

Establish market entry barriers and achieve long-term production advantages

based on our Company's production scale, equipment and professional experience in water additives.

B. Glac Biotech:

Continuously investing in ODM production capacity equipment's automated assembly line, automated monitoring, strengthening continuous automated process equipment, enhancing mushroom powder production capacity and product stability.

C. Mycenax Biotech Inc.:

Mycenax, with its profound expertise and long-term accumulated experience, provides stable production, reliable quality, and cost-effective process design and manufacturing solutions for various complex and sophisticated biopharmaceuticals, becoming a global supplier of commercially available biopharmaceuticals.

D. TOT Biopharm International:

As the scale of the CDMO business grows, the plan is to initiate the construction of an antibody production facility in the coming years, further enhancing the production capacity for antibodies and ADCs, as well as increasing the flexibility of the production lines.

E. KriSan Biotech:

KriSan will flexibly adjust its production capacity planning based on the development of the conjugate drug business. Building upon the existing production lines, the company will expand capacity as needed and strengthen the commercialization production capabilities of conjugate drug DS and DP through both vertical and horizontal integration. Ultimately, it aims to establish a complete conjugate drug industry chain, ensuring a stable supply to meet the growing market demand for conjugate drugs.

F. Lumosa Therapeutics:

- Continuation of the Cost of Goods Sold (COGS) improvement program to enhance the market competitiveness of pharmaceutical products.
- Meet GMP manufacturing requirements from preclinical development to market.

G. BioGend Therapeutics:

Increase utilization of manufacturing capacity and pursue contract manufacturing services to develop diversified revenue streams.

H. Bao Pharma:

The company is currently constructing its second production facility in Shanghai that meets cGMP standards. This facility will support the research, pilot production, and commercial-scale production of its recombinant protein drugs.

(4) Marketing strategy

A. Center Laboratories' liquid business:

Continue to focus on the field of pediatric and CNS diseases, and expand the market of long-term care diseases in line with the aging population to build a strong brand image.

B. Glac Biotech:

Glac Biotech aims to become a global leader in functional probiotics, with a long-term vision rooted in the core values of technological innovation, sustainable development, and integrity. The company enhances market competitiveness and explores cross-industry collaborations through a multifaceted strategy. We focus on providing CDMO services, covering product design and professional contract manufacturing, assisting clients from concept to market with a one-stop solution. By developing diversified functional probiotics products and leveraging the advanced benefits of postbiotics technology, we are dedicated to delivering health solutions with excellent efficacy and market potential to meet the growing demands of global consumers. At the same time, the company actively promotes international strategic alliances and channel expansion, deepening partnerships based on integrity to increase brand influence and operational scale, accelerating globalization, and creating an international probiotic brand with the "MIT" mark. In the future, we will continue to focus on postbiotics technology as our core competitive advantage, leading industry trends, creating long-term value for investors and customers, and further consolidating Glac Biotech's leading position in the global health market.

C. Mycenax Biotech Inc.:

Through strategic collaborations with top global enterprises, Mycenax aims to enhance its technical and business capabilities while expanding its international brand recognition.

D. TOT Biopharm International:

TOT Biopharm provides a comprehensive service through its one-stop commercialization platform, offering everything from antibody and conjugated drug development to commercial-scale production, ensuring capacity meets diverse global demands. Its compliance with GMP standards from China, the US, and Europe, along with core conjugation technology and a robust ADC analysis platform, creates a competitive advantage.

E. KriSan Biotech:

In addition to actively pursuing early-stage research and development projects, KriSan will leverage its outstanding process development capabilities to help clients accelerate project advancement and establish long-term, stable partnerships, creating sustainable business growth momentum. The company will also actively expand its orders for late-stage development and commercialized drugs, which will not only bring stable cash flow but also further demonstrate KriSan's high-quality CDMO services through inspections by international regulatory bodies. Furthermore, KriSan will continue to expand its global CDMO service network, strengthen upstream and downstream strategic collaborations, and build comprehensive conjugated drug solutions to expand its customer base, enhance international competitiveness, and strive to become a global leader in conjugated drug CDMO services.

F. Lumosa Therapeutics:

Seek strategic alliances for technology licensing, co-development, and the formation of joint venture companies to reduce the risks associated with new drug

development and to accelerate the introduction of new drug products.

G. BioGend Therapeutics:

Based on its research and development capability, BioGend Therapeutics integrating marketing and medical resources from partners to fulfill the goal of establishing a top professional brand in orthopedic cartilage repair with the aim to provide integrated medical products and services for orthopedic care.

H. Bao Pharma:

Promote a diversified business model that combines independent development, collaboration, and the supply of auxiliary materials, while seeking to strengthen strategic partnerships with pharmaceutical companies worldwide.

II. Market, production and sales overview

(I) Market analysis

1. Main sales areas and market shares of the products

Sales Regions of Major Products (Consolidated) in 2024

Unit: NT$ thousand

Main Product Sales Region	Amount	%
Taiwan	1,175,801	72.68
Mainland China	406,556	25.13
Others	35,512	2.19
Total	1,617,869	100.00

The Company's individual net operating revenue for the year 2024 was NT$971,710 thousand, accounting for approximately 0.44% of the estimated total sales value of Taiwan's National Health Insurance pharmaceutical market, which is projected to be around NT$222 billion in 2024.

2. Future market supply, demand and growth

(1) The status of market supply

A. The status of market supply in biotech and pharmaceutical manufacturing industries

The COVID-19 pandemic has brought about significant changes in the global economy. Not only has the development of COVID-19 test reagents, nucleic acid vaccines and new therapeuticsreceived widespreadattention, but investment in the biotechnology and medical industry continues to grow steadily, especially in the face of deteriorating global economic conditions. This demonstrates the industry's resilience and strong demand.

Particularly during the pandemic, work stoppages and city lockdowns in various regions had a significant impact on the importation of essential raw materials and products for the global pharmaceutical industry. This has led to shortages and price increases of raw materials, resulting in higher production costs for drugs and formulations. The supply chain of the biotechnology industry has been affected, and to mitigate the risk of excessive concentration in the supply chain, governments around the world are promoting the reverse globalization of the biotechnology industry and shifting toward regionalization or localization trends.

B. The status of biotech and pharmaceutical product supply

- Technological Innovation: The biopharmaceutical industry has experienced continuous technological innovation in emerging technologies, such as gene therapy and cell therapy. The future supply situation will be influenced by these technological innovations and the corresponding research and development and production capacities.
- Global Pandemics and Public Health Challenges: Biopharmaceuticals play a crucial role in addressing infectious diseases, chronic diseases, and rare diseases. The global outbreak of the pandemic and other public health

challenges may lead to an increased demand for specific types of drugs, thereby affecting the supply situation.

- Market Demand: The aging population and the increase in chronic diseases may lead to an increased demand for biopharmaceuticals.
- Regulatory Environment: The development, manufacture and marketing of biopharmaceuticals will only become more stringent in the future. These stringent regulatory oversight and changes will also impact the drug development and supply process.
- Global Supply Chain: The global pharmaceutical supply chain system is critical to supply conditions. Changes in manufacturing collaboration and logistics processes could potentially impact the future of upstream and downstream pharmaceutical supply.
- Accessibility and Affordability: The accessibility and affordability of biopharmaceuticals are important considerations. The prices and production volume of future biopharmaceuticals will to some extent affect the accessibility of these medications to patients.

(2) The status of market demand

The pharmaceutical manufacturing industry is directly related to human health. That said, the demand for medication products is not affected by cyclical or seasonal factors. Whether in under-developed or highly developed areas, the demand for medication product will only continue to rise.

Looking at the future demand for medical products, the number of patients will increase significantly, especially patients with chronic diseases, which are the result of a few other trends such as increasing national income year by year, the upcoming of an aging society, environmental pollution, and high pressure from work, etc. As the country's national income is rising year by year and the population is aging, the demand for medical products in the country will show an increasing trend in the future.

3. Competitive advantage, positive and negative factors for future development and responsive measures

(1) Competitive advantage

In the future, the pharmaceutical market will continue to grow at an annual rate between 3% to 5% under the circumstances of aging population, growing population, and the implementation of National Health Insurance. However, the implementation of PIC/S by domestic pharmaceutical companies and more and more stringent government regulations will drive more and more mergers and acquisitions to happen. This will make the big companies getting even bigger, and encourage each pharmaceutical factory to concentrate on a special professional sector. Center Laboratories has gone beyond the tradition competition mode and positions itself as the "Most Professional Biotech Investment and Control in Asia Pacific." In addition, Center Laboratories' businesses cover a wide range of industrial value chains; its invested entities not only possess unique technologies or products, but also benefit from the Group synergy effect in terms of resource and experience sharing to raise competitive advantages. Center Laboratories' proprietary business is progressing to become a professional oral liquid pharmaceutical plant with strengthened manufacturing standards and R&D capabilities. Explanation about the Company's

future development and competitive advantages is as follows:

A. Flexible marketing strategy

In addition to maintaining good relationships with regional hospitals of various medical centers, local hospitals, and primary medical institutions, the Company focuses its marketing strategy on oral liquids and CNS. Apart from marketing products to major hospitals and clinics through a proprietary professional team, Center Laboratories' works in collaboration with distribution network island wide to jointly consolidate the retail market.

B. Selected product types of dosage forms

At present, there are more than 4,000 kinds of medicines in the world, with more than 1,000 kinds commonly used, and the use of dosage is usually minimum. Except for several medicines used in large dosage, most medicines cannot reach economic scale in production output. Coupled with the large number and small scale of domestic pharmaceutical manufacturers, products are manufactured in small volumes and large varieties, and each product only produces a limited proportion of revenue. This situation results in pharmaceutical factories unable to effectively reduce their production costs. Center Laboratories has a selection of dosage types of dosage forms mainly concentrated on oral liquids. The standardized and automated production lines as well as selected dosage types help the Company reduce production costs through economy of scale; this has become yet another unique competitive advantage for Center Laboratories.

C. The advantage of product differentiation

Currently, GMP pharmaceutical factories in this country are mostly small and medium-sized companies. Each pharmaceutical plant produces a wide variety of medicines, and most of the medicines are generic drugs. These products are similar and highly substitutable, and lead to price competition as a result.

Center Laboratories' core products, such as respiratory system preparations and nervous system preparations, etc. not only have a comprehensive range of product types but each product has its niche market segment. Also, because the special characteristics of the oral liquid products (large size, heavy weight and high storage cost), the Company's products have unique market segments and can avoid price competition in the industry.

D. To consistently research and develop drugs with core competitive advantage

R&D capability is always a core competitive strength in the pharmaceutical manufacturing industry. Since establishment, Center Laboratories has obtained a considerable number of drug licenses, and new drug licenses are obtained continuously year by year; so far, the Company's effective drug licenses can roughly be divided into the two types in terms of dosage forms: liquid and solid dosage forms. So far, there have been 82 licenses for the liquid forms, and 10 licenses for the latter, a total of up to 92 licenses.

In addition, Center Laboratories is capable to actively conducts long-term research and development and technical cooperation by teaming up with domestic and foreign reputable CRO companies and major domestic and foreign medical centers to consistently develop drugs with competitive advantages.

(2) Positive factors

A. Policy support for emerging industries

The biotechnology industry is a key industry promoted by the government, and there are various incentive plans formulated to reduce pharmaceutical companies' burden in research and development. Center Laboratories plans to sign agreement on research plans with domestic research institutions in the future to subsidize part of their research funding. In the future, the Company will continue to propose a number of research plans and seek assistance therefor in order to reduce the Company's burden.

B. The promotion of National Health Insurance policy

After the implementation of National Health Insurance, medical treatment for diseases has become an essential need. This measure has greatly stimulated domestic demand for medicines. With national income increasing year by year, the concept of life quality has become popular among the general public. As the public's awareness of health and life care arises, it is expected that the domestic pharmaceutical market will continue to grow in the future.

C. Formulation of drug price standard policy

The government has been consistently creating new drug price policies. This has imposed positive incentive effect on quality-based competition. The Company manufactures high-quality products to satisfy market needs, and therefore, this government policy can bring substantial benefit to the Company.

D. Aging population structure and improved living standards

Due to the aging population and improved living standards in this country, the demand for medicines will continue to rise in the future, thereby expanding the market scale in medicines.

(3) Negative factors

A. Foreign original brand drugs are in advantageous position.

Domestic GMP pharmaceutical companies can produce products with the same curative effect as those made by foreign pharmaceutical companies. However, due to consumer consumption habits, the former is in a disadvantageous position in competition which has impeded the development of domestic pharmaceutical manufacturers.

Countermeasure:

Center Laboratories has gone beyond the tradition competition mode. The self-operated oral liquid agent not only has the largest market share and a complete product portfolio, it is a stable source of profit and extends to the CNS. The development of the field is expected to drive the next wave of growth momentum.

B. Increasing operating costs

Due to inflation and rising prices of raw materials, the Company's operating costs are increasing day by day. In addition, the Company has increased investment in software and hardware to meet government 's growingly stringent regulatory requirements.

Countermeasure:

In response to the increase in costs, the Company actively strengthens process control to improve production efficiency, and replaces inefficient equipment with

new ones to increase output, thereby reducing product cost. For production lines with low utilization rate, the countermeasure is to perform plantwide integration, outsourcing to other factories, or accepting outsourcing from other factories, so as to increase capacity utilization and reduce production costs.

The Ministry of Health and Welfare promotes the drug PIC/S system, which aims to utilize scientific and relevant data to prove drug quality and make drug quality consistent. Due to the implementation of the PIC/S system, pharmaceutical companies must invest large amounts of money to upgrade hardware and software equipment, and the quantity of drugs produced will eventually affect the workload in the implementation of PIC/S. In the short term, Taiwan's pharmaceutical industry currently tend to produce products in small volumes and large varieties, so the implementation of PIC/S will certainly increase manufacturing costs. From a long-term perspective of view, international pharmaceutical companies' world-class quality standards and global marketing advantages will certainly bring challenges to the domestic pharmaceutical industry who operate in the traditional business model of small-volume and large-variety production. However, for Center Laboratories, who has been motivated by quality improvement, the implementation of PIC/S can improve product quality and lay a foundation in competitive advantages regarding quality. Based on this, the Company is able adjust corporate operation patterns in the future to enhance business competitiveness relatively.

C. Vicious competition results from the large number of small domestic plants

At present, there are many GMP pharmaceutical factories operating in the domestic market and state-subsidized factories are often small or medium businesses. A wide variety of products produced by these plants can easily cause vicious competition in product prices.

Countermeasure:

Up to now, most state-subsidized factories are small or medium businesses, and each has a large number of drug licenses. They produce a broad range of products and the product types are overlapping. Such production model does not have economy of scale and deteriorates the ability to develop new drugs. Therefore, most of these factories still focus on manufacturing generic drugs and seldom can gain support from hospitals or medical centers. Their distribution channels are mainly pharmacies and clinics, and price competition is vicious.

The implementation of the National Health Insurance does not make diversion to medical resources which now still concentrate in large hospitals. Therefore, with respect to sales channels, Center Laboratories still selects the hospital market as the main marketing channel in the future as the market accounts for a majority of the entire pharmaceutical consumption market and leads the trend of drug use; in addition, a multiple of approaches are used to tackle such industrial competition including product differentiation, raising competition barriers, price competition strategies, and strategies to strengthen marketing, quality and R&D.

(II) Important intended use of the main products and production process

1. Important applications of major products:

- Center Laboratories, Inc.

A. Respiratory system: antitussive, antisputum, and bronchodilator.
B. Central nervous system: dementia drugs, epilepsy drugs, schizophrenia drugs, depression drugs.
C. Nervous system: anti-inflammatory analgesic predations.
D. Allergy immune: anti-allergic agent.
E. Digestive tract: antiemetics, antidiarrheals.

- Glac Biotech

  The main products are microencapsulated functional probiotic powder, fermentation agents, and their application products such as fermented concentrate. Product applications include pharmaceuticals, dietary supplements, food, and agricultural and animal feed additives.

2. Production process of major products

- Center Laboratories, Inc.

  A. Oral liquids:
  Raw material → Dissolving → Filtering → Filling → Sealing the bottle → Various inspections → Labeling → Packaging

  B. Tablets:
  Raw material → Sieving → Mixing → Granulation → Drying → Whole granulation → Tableting → Various inspections → Sorting → Sub-packing → Packaging

- Glac Biotech

  Microencapsulated Functional Probiotic Powder and Fermenting Agent

  Emulsification of the medium → Positioning of the substrate → Sterilization of Culture Medium → Mother Culture First Stage Expansion → Cultivation of Microbial Strains → Centrifugal Collection of Bacteria → Microencapsulation → Freeze-drying → Grinding → Fungal Powder Packaging → Auxiliary Material Inspection Passed → Mixed → Machine Filling → Quality Inspection → Inventory In/Out.

(III) Supply status of main materials

The Group sources its raw materials from both domestic and international suppliers. To ensure a stable supply of raw materials, the Group has maintained close cooperative relationships with domestic partners. At the same time, it actively seeks to develop partnerships with international suppliers, in order to ensure that product supply and R&D are not subject to constraints imposed by raw material sources.

(IV) Names of customers who contributed to more than 10% of total purchase (sales) amount in one of the most recent two years, and the corresponding purchase (sales) amounts and percentages, as well as reasons for changes:

1. Major customers in the most recent two years (consolidated):

Major suppliers in the most recent two years

Unit: NT$ thousand

Year	2023				2024				As of 2025 Q1			
Item	Name	Amount	% of total purchase amount	Relationship with the issuer	Name	Amount	% of total purchase amount	Relationship with the issuer	Name	Amount	As of the end of the previous quarter of total purchase amount (%)	Relationship with the issuer
1	Min Jing Co., Ltd.	108,167	23.33	None	Min Jing Co., Ltd.	97,951	19.97	None	Min Jing Co., Ltd.	33,116	29.38	None
2	—	—	—	—	—	—	—	—	New Shuanglong Biotech Co., Ltd	12,947	11.48	—
3	Others	355,539	76.67	—	Others	392,662	80.03	—	Others	66,667	59.14	—
	Net purchase amount	463,706	100	—	Net purchase amount	490,613	100	—	Net purchase amount	112,730	100	—

Note 1: A list of any suppliers accounting for 10 percent or more of the company's total procurement amount in either of the 2 most recent years, the amounts bought from each. Where the company is prohibited by contract from revealing the name of a client, or where a trading counterpart is an individual person who is not a related party, it may use a code in place of the actual name:

Note 2: For a public company whose stocks are listed on a stock exchange (a "listed" company) or by an OTC company, if, before the date of publication of the annual report, there is any financial data for the most recent period audited and attested or reviewed by a CPA, it shall also be disclosed therewith.

- Reason for fluctuation:
  Following the lifting of mask mandates after the pandemic in 2023, there was a surge in respiratory disease cases, which drove increased market demand and sales volume. As a result, the Company's procurement of plastic bottles and formulation ingredients from Ming Jing Industrial significantly increased. However, in 2024, due to the Company diversifying its procurement to other plastic bottle suppliers, the purchase amount from Ming Jing decreased.

2. Major customers in the most recent two years (consolidated):

List of Major Clients to Which the Products Are Sold in the Most Recent Two Years

Unit: NT$ thousand

Year	2023				2024				As of 2025 Q1			
Item	Name	Amount	Percentage of the annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of the annual net sales (%)	Relationship with the issuer	Name	Amount	As of the end of the previous quarter of total sales amount (%)	Relationship with the issuer
1	Company A (Note)	184,795	13.26	None	Company A (Note)	337,857	20.88	None	Company A (Note)	63,328	16.72	None
2	Others	1,209,213	86.74	—	Others	1,280,012	79.12	—	Others	315,531	83.28	—
	Net sales	1,394,008	100	—	Net sales	1,617,869	100	—	Net sales	378,859	100	—

Note: Due to business confidentiality, 'Company A' is used instead.

Note 1: The names of customers accounting for over 10% of total sales in the most recent two fiscal years and their respective sales amounts and proportions are disclosed below. However, if disclosure is prohibited by contract or if the customer is an individual and not a related party, a code is used in place of the name.

Note 2: For a public company whose stocks are listed on a stock exchange (a "listed" company) or by an OTC company, if, before the date of publication of the annual report, there is any financial data for the most recent period audited and attested or reviewed by a CPA, it shall also be disclosed therewith.

- Reason for fluctuation:

  Starting from 2023, the Glac Group has been included as part of the Company's consolidated reporting entity. Its sales to Company A accounted for more than 10% of the total consolidated revenue. Due to the success of Company A's marketing strategy, sales of its probiotic products increased significantly in 2024, thereby driving the performance growth of Glac Biotech.

III. Employee Information

- Center Laboratories, Inc.

Year		2023	2024	As of March 31, 2025
No. of employees	Management	34	38	38
	Sales	37	38	40
	Others	108	123	131
	Total	179	199	209
Average age		41.77	41.84	41.72
Average years of service		10.00	9.33	9.05
Academic qualification distribution (%)	Ph.D.	2.23	1.51	1.44
	Master's degree	15.64	16.58	17.22
	College	60.34	60.30	60.77
	Senior high school	19.55	19.60	18.66
	Below senior high school	2.23	2.01	1.91

- Glac Biotech

Year		2023	2024	As of March 31, 2025
No. of employees	Management	37	42	42
	Sales	19	18	19
	Others	169	181	176
	Total	225	241	237
Average age		36.21	37.5	37.5
Average years of service		3.01	3.5	3.6
Academic qualification distribution (%)	Ph.D.	2.22	1.66	1.69
	Master's degree	20.44	17.84	17.72
	College	66.23	56.85	66.24
	Senior high school	11.11	23.65	14.35
	Below senior high school	0	0	0

IV. Disbursements for Environmental Protection

Anylosses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None

V. Labor relations

(I) Implementation status of employee benefit measure, on-the-job education, training, the retirement system, negotiation between employers and employees, and other employee rights:

1. Employee benefits:
   - Center Laboratories, Inc.
     To care for its employees and provide a positive working environment, the Company has established an Employee Welfare Committee, which offers a wide range of benefits and welfare activities. These include birthday gifts, wedding and childbirth cash gifts, festival and Labor Day bonuses, bereavement subsidies, domestic and overseas travel subsidies, department gatherings, year-end or spring banquets with lucky draws, and regular free health checkups.
     Employee Benefit Subsidies:
     (1) Wedding Gift Allowance: NT$2,000 per employee.
     (2) Childbirth Gift Allowance: NT$2,000 per child for the employee or spouse.
     (3) Bereavement Subsidy:

- NT$3,000 for the death of an immediate family member (first-degree relative).
- NT$1,500 for the death of other relatives.

(4) Labor Day, Dragon Boat Festival, and Mid-Autumn Festival Gift Allowance: NT$1,500 per employee.

(5) Birthday Gift Allowance: NT$600 per employee.
(Note: Employees with at least 6 months of service receive the full amount; those with 3 to 6 months receive 50%.)

(6) Other Benefits:

A. Travel Subsidies:
- NT$10,000 for overseas travel
- NT$4,500 for domestic travel
(Note: Full subsidy for employees with at least 1 year of service; those with 3 to 12 months receive a prorated amount.)

B. Christmas Department Gathering: NT$500 per person
(Note: Full subsidy for employees with at least 1 year of service; 50% for those with 6 to 12 months of service.)

C. Other Company Events and Year-End/Spring Banquets:
The Employee Welfare Committee organizes various activities as needed based on budget availability and is responsible for planning the year-end banquet or spring banquet, including dinner gatherings and lucky draw events.

- Glac Biotech:
The various welfare subsidies provided by the Welfare Committee are as follows:
(1) Birthday voucher: NT$500.
(2) Dragon boat festival voucher: NT$500.
(3) Moon festival: NT$500.
(4) Chinese New Year bonus: NT$1,000 in cash or gift vouchers.
(5) Wedding allowance: NT$3,000.
(6) Maternity allowance: NT$3,000 (an additional NT$1,000 for twins).
(7) Funeral subsidy: NT$3,100 (limited to the individual/spouse/first-degree blood relatives).
(8) Year-end banquet gift: NT$1,000 gift voucher.
(9) Mid-autumn dinner/Employee trip: Participants are subject to the annual subsidy scheme.
(10) Hospitalization consolation money: NT$500.

2. Distribution of employee compensation:
- Center Laboratories, Inc.
In case of profit for a certain year, employee compensation shall be distributed in an amount between 0.1%-10% of the profit for that year. The proposal shall be submitted first to the Board of Directors for resolution, and then to the shareholders' meeting.
- Glac Biotech
In case of profit for a certain year, employee compensation shall be distributed in an amount between 3%-6% of the profit for that year. The proposal shall be submitted first to the Board of Directors for resolution, and then to the shareholders' meeting.

3. Employee Insurance: In addition to the labor and health insurance prescience the Labor Standards Act, all employees are entitled accidental injury insurance, hospitalization medical insurance, cancer medical insurance, occupational injury insurance, etc. all fully paid by the Company.

4. Employee training and advanced studies

   The Group places great emphasis on employee education and training.

   For internal training, in addition to onboarding programs for new hires, the Company offers a variety of courses through in-house instructors on an irregular basis, covering diverse fields. A digital learning platform is also available to facilitate online learning for employees. Furthermore, each department independently organizes on-the-job professional training based on operational needs.

   For external training, the Company actively encourages and subsidizes employees to pursue external courses to enhance their professional competitiveness.

   In 2024, the total number of training hours for employees of Synmosa (internal and external combined) reached approximately 2,786 hours. Additionally, the in-house "Synmosa University" online platform offered around 45 courses for employees to engage in self-paced learning.

   In compliance with the Labor Standards Act, Occupational Safety and Health Act, and other relevant regulations, the Company also provides timely training related to personal safety, environmental hygiene, and fire drills to ensure employee well-being and a safe workplace.

5. The retirement system:

   Starting from July 1, 2005, the Group appropriates an amount equivalent to 6% of the employees' monthly salary to the employee account designated by the Bureau of Labor Insurance in accordance with the Labor Standards Act. For employees who applies to the old pension system, pension payments are based on years of service and average salary for the first six months prior to retirement in accordance with the Labor Standards Act. A monthly allocation of 2% of total salaries is contributed to the employee retirement fund, which is deposited in a designated account at Bank of Taiwan under the name of the Labor Retirement Reserve Supervision Committee.

   The retirement system is based on the Labor Standards Law, which stipulates that an employee may retire under one of the following circumstances:

   (1) Those who have worked for at least fifteen years and have reached the age of fifty-five.
   (2) Those who have worked for more than twenty-five years.
   (3) Those who have worked for at least 10 years and reached the age of 60.

   The Company shall not compel an employee to retire unless the employee has any of the following circumstances:

   (1) Those who have reached the age of 65.
   (2) Those who is mentally or physically incapacitated for work.

   Shall pay the employees' retirement benefits within 30 days from the date of retirement.

6. Employment relations negotiations and status of employee rights protections:

   Taking labor-management relations importantly, the Group endeavors to create a mutual-benefit environment and establish a streamlined communication channel. Employees can communicate

problems and suggestions regarding rights or interests with the Company's management in any form. The Company's labor-management relationship is stable and harmonious, and there are no major labor disputes.

The Group establishes work rules by laws to regulate various working conditions and protect the rights and interests of employees. In addition, the Company has set up the Employee Welfare Committee to implement various employee welfare measures. Also, the Committee organizes labor-management meetings and other internal meetings to communicate and coordinate various administrative measures to improve and safeguard employees' rights and interests.

7. Work environment and employee personal safety protection measures:

- Center Laboratories, Inc.

  A. The Company has established the "General Safety and Health Regulations for Employees Working on Operation Sites," and the salient points of the contents are as follows:

     (1) Safety and health management:
     Before starting work, think how to do it safely.
     Follow instructions.
     Consult the supervisor if there are any questions.
     Obey warning messages and danger signs.
     Do not joke or play tricks on others on the operation site.

     (2) Costumes:
     Wear costumes suitable for working on the operating site.
     Wear earplugs or earmuffs are quired in noisy workplaces.
     Operators should wear suitable hats to avoid hair falling to contaminate products or long hair being caught by rotating machines.
     Wear protective gear when working with hazardous or harmful materials.

     (3) Operations:
     Inspect machinery and equipment before conducting production operations.
     Do not ride on the lifts used for goods delivery.
     Do not throw tools to others during operations.
     If it is not necessary for work, do not approach rotating machines.
     Select an appropriate workbench.
     After completing the maintenance of a machine and equipment, restore the disassembled protective cover before using the machine.
     Brake pads should be added to prevent slipping when parking and unloading on a slope.

     (4) Movement:
     Watch out when walking on wet ground. Running is strictly prohibited in such workplace.
     Do not cross dangerous conveyor belt chain and similar rotating equipment just because it is convenient.
     Do not place any objects on the passage to ensure that the passage is unblocked.

     (5) Cleanness:
     Keep the workplace clean to avoid incidents.
     Raw materials must be placed in accordance with regulations regarding compartmentalization and classification.

Do not place objects around electrical switches.
Tools and parts should be kept in right places after use.
Pick up materials and supplies from the above.
Clean machinery and equipment before production operations. When cleaning a bucket, set a sign of "cleaning," and clean in front of the electrical control box.

(6) Others:
Do not stand under lifted goods.
Do not operate in an unreasonable posture.
Do not use broken cables.
Do not use your hands to support a suspended object.

B. Employee work environment and personal safety protection measures

(1) The Company has occupational safety and health management personnel (at the supervisor level) responsible for matters related to protecting employee safety and health and reporting issues to the Occupational Safety and Health Administration of the Ministry of Labor.
(2) The Company has established the Biosafety Committee to manage matters related to the security of infectious biological material strains for the purpose of preventing personnel from being infected by organisms, microorganisms, and controlling the risk of spillage in operations.
(3) Fire drills are regularly held twice a year and approved by the Fire Department.
(4) Fire inspection is conducted regularly once a year and reported to the Fire Bureau.
(5) Conduct "safety and health education and training" for all plant employees once a year regularly.
(6) The cleaning staff cleans the office every day and sanitize once a year.
(7) Before entering a tank to clean dangerous machines and equipment, make sure the switch is exactly marked "power off."
(8) Every year, employees are provided with a free annual health check-up.

- Glac Biotech

A. The company has established the "General Safety and Health Regulations and for Employees Workplace Employee Safety and Health Code," and the salient points of the contents are as follows:

・ Department managers, supervisors and other relevant personnel are responsible for implementing the following occupational safety and health matters:
(1) Occupational Hazard Prevention Measures.
(2) Execution items such as the Occupational Safety and Health Management Plan.
(3) Periodic inspections, targeted inspections, spot checks, and other matters related to inspection oversight.
(4) Periodic or infrequent inspections are performed.
(5) Provide methods for improving work.
(6) Drafting Safety Operation Standards.
(7) Subordinates are instructed and supervised to implement safety operating procedures.

(8) Other employers have assigned matters related to safety and health management.

- Responsibilities of On-site Operators:
  (1) Inspect the work area and equipment thoroughly before starting work. If any abnormalities are found, they should be addressed immediately and/or reported to the supervisor.
  (2) During operations, it is important to strictly adhere to the safety operation standards and all relevant provisions of this code of conduct..
  (3) Personal protective equipment should be used in accordance with regulations.
  (4) Employees should receive necessary safety and health education and training for their work.
  (5) Employees should undergo a physical examination upon hiring, and they should also undergo regular health check-ups and adhere to health management.
  (6) Individuals who do not possess the qualifications of certified operators are prohibited from engaging in the operation of hazardous machinery and equipment.
- Work Safety and Health Standards:
  Workplaces, machinery, and equipment should comply with the regulations regarding various safety and health protection devices. Workers should adhere to the following guidelines:
  (1) The device must not be disassembled or rendered ineffective.
  (2) If it is necessary to temporarily dismantle or render it ineffective due to work requirements, it should be restored to its original state immediately after the work is completed.
  (3) If it is discovered that something has been dismantled or has lost its effectiveness, it should be remedied according to responsibilities and reported to the supervisor.
- To prevent falling accidents, workers performing tasks at heights should adhere to the following guidelines:
  (1) When working at a height of more than 2 meters, a workbench should be set up using scaffolding or other methods at the location.
  (2) In work areas with a height of 1.5 meters or more, safety equipment for ascending and descending should be installed.
- To prevent electrical accidents, all workers should adhere to the following guidelines:
  (1) The installation and maintenance of electrical equipment shall only be carried out by qualified electrical technicians.
  (2) When adjusting or repairing electrical and mechanical equipment, a sign should be hung at the switch location after the switch is turned off.
  (3) Non-electrical personnel are not allowed to enter power generation rooms, transformer rooms, or receiving rooms.
  (4) Do not operate electrical switches with wet hands or wet operating rods.
- The factory has on-site medical personnel to handle the following matters:
  (1) Planning and implementation of health education, health promotion, and

hygiene guidance for workers.

(2) Prevention, health consultation, first aid, and emergency response for work-related injuries and illnesses.

(3) Assist employers in matching workers with suitable jobs.

(4) Analysis, evaluation, management, and preservation of workers' physical and health examination records, as well as health management.

(5) Research Report on Occupational Health and Preservation of Injury and Disease Records.

(6) Assist employers and occupational safety and health personnel in implementing disease prevention related to work and improving the work environment.

B. Employee work environment and personal safety protection measures

(1) The Company has occupational safety and health management personnel (at the supervisor level) responsible for matters related to protecting employee safety and health and reporting issues to the Occupational Safety and Health Administration of the Ministry of Labor.

(2) The Company has established the Biosafety Committee to manage matters related to the security of infectious biological material strains for the purpose of preventing personnel from being infected by organisms, microorganisms, and controlling the risk of spillage in operations.

(3) Fire drills are regularly held twice a year and approved by the Fire Department.

(4) Fire equipment regular maintenance reporting is conducted annually and registered with the fire department.

(5) Conduct "safety and health education and training" for all plant employees once a year regularly.

(6) The factory arranges occupational health and safety on-site services twice a month, and occupational medical on-site services twice a year, as required.

(7) All dangerous machinery and equipment must be operated by personnel with relevant licenses. All operators are required by law to receive regular refresher training.

8. Employee Conduct or Ethics Code:

- Center Laboratories, Inc.

  The Company has established the "Code of Ethical Conduct for Employees," and the salient points of the contents are as follows:

  (1) Work with team spirit, avoid individualism, be honest and trustworthy, be proactive, conscientious, and responsible.

  (2) Do not discriminate or exclude other people in any form due to factors such as gender, race, religious belief, party, sexual orientation, rank, nationality, and age.

  (3) Jointly maintain a healthy and safe working environment, and sexual harassment or other acts of violence, threats and intimidation are strictly forbidden.

  (4) Avoid any schemes to profit for oneself, or the third party, or compete against the Company by using the Company's property, data, or any other means available to the position.

  (5) Treat business counterparties fairly. Do not request, schedule, deliver or accept gifts, entertainment, kickbacks, bribes or other improper benefits in any form.

  (6) Any information that may have a significant impact on the trading prices of the

Company's securities should be kept strictly confidential before being publicly disclosed, and no insider trading is allowed.

(7) Respect other people's privacy; do not make or spread rumors. Matters or confidential information available to a job position should be carefully managed, and should not be disclosed to others or used for any purposes other than work; the same applies after resignation.

(8) Documents and information in various forms should be kept in correct and secure places, and be properly preserved.

(9) Avoid data, information systems, network equipment and other resources being stolen, interfered, destructed, and intruded.

(10) Do not in any way influence other employees to commit politic donations, support specific political parties or candidates, or participate in other political activities. Do not engage in political activities during working hours and at the workplace.

(11) Comply with laws and regulations related to intellectual property rights. Any illegal use of intellectual property with copyright, including books, magazines and software, etc., is strictly forbidden.

(12) Promote ethics concept inside the Company, and encourage employees to report to their supervisors any behaviors in violations of laws or this Principles, by name and upon such behavior is discovered. The Company should make every effort to keep the identity of the whistleblower confidential.

- Glac Biotech

  The Company has established the Service Principle and the salient points of the contents are as follows:

  (1) Employees should be diligent and fulfill their duties, abide by all company regulations, and obey the reasonable instructions of superiors at all levels without negligence. Supervisors at all levels should provide hands-on guidance to employees.

  (2) Employees should work diligently, cherish public property, reduce waste, improve quality, and increase production.

  (3) Employees are not allowed to leave their work positions without approval during working hours.

  (4) Employees are not allowed to take on part-time jobs during working hours without written consent from the Company.

  (5) Employees must not abuse their authority for personal gain or for the benefit of others.

  (6) Employees are not allowed to engage in or operate a business that is the same or similar to the Company's without the written consent of the Company. They are also prohibited from being unlimited liability shareholders, executive business shareholders, directors or managers, or visible or hidden partners of similar businesses.

  (7) Employees must not accept hospitality, gifts, kickbacks, or any other illegal benefits as a result of their job duties or actions that violate their job duties.

  (8) Employees are not allowed to carry ammunition, knives, guns, or any items that may cause infectious, irritating, explosive, combustible, corrosive, suffocating, toxic, smoky, vaporous, or radioactive phenomena, which may pose serious risks to life and property. Prohibited items also include laptops, cameras, camera phones, and electronic devices such as data storage devices (including portable

hard drives), which are unrelated to official duties.

(9) Employees are not allowed to bring company property out of the factory without approval. If they need to bring company property out, they must obtain a travel permit from the management department before doing so.

(10) Employees should comply with the Occupational Safety and Health Act and company regulations to maintain the safety, hygiene, and cleanliness of the workplace and its surroundings, and prevent theft, fire, or other natural disasters.

(11) Employees who fail to request leave or extend their leave after it expires and do not report to work without authorization will be considered absent without leave. Employees who delegate clocking in or falsify attendance records will be considered absent without leave during the period of absence.

(12) When employees hand over their shifts, they should clearly explain the operating conditions, job responsibilities, and the location of important tools and equipment. Both parties shall be responsible for compensating for any damage or loss of production equipment or products caused by unclear instructions leading to operational errors.

(II) List any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

- Center Laboratories: No such incident.
- Glac Biotech: According to the letter No. 1130409277 from the Labor Affairs Bureau of the Tainan City Government dated March 20, 2024, there was a delay in the payment of employee salaries for the month of January 2024, due to internal operational issues at Glac Biotech. The salaries were not deposited into the employees' accounts as scheduled on February 5, 2024, and were instead received on the following day, February 6, 2024. This delay is in violation of Article 22, Paragraph 2 of the Labor Standards Act. As a result, a fine of NT$20,000 has been imposed. Glac Biotech has optimized the salary distribution process to prevent similar incidents from happening again.

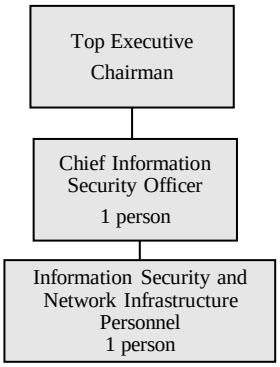
VI. Information security management

(I) Describe the information security risk management framework, the information security policy, the specific management plan and the resources invested in the information security management, etc.

1. Cybersecurity risk management framework:

   The Company's Information Department is responsible for formulating, implementing, managing risks, and auditing compliance related to information security and protection policies. To further strengthen cybersecurity defense and management, starting from 2023, the Company appointed one Chief Information Security Officer and one dedicated information security staff member. Their responsibilities include planning and monitoring the information security framework, executing cybersecurity management operations, and handling incident response. Regular meetings are held to review and refine information security policies. In addition, the Company reports to the Board of Directors on the overall information security strategy and management performance at least once a year. The most recent report was submitted on January 10, 2025.

   The Company's Information Security Organizational Structure is as follows:



2. Information security policies:

   To effectively implement information security management across all facilities, the Company's Information Security Unit holds regular quarterly meetings. These meetings follow the Plan-Do-Check-Act (PDCA) management cycle to review the applicability of information security policies and evaluate protection measures.

   - "Planning Phase (P)": Emphasize information security risk management and establish a comprehensive Information Security Management System (ISMS) to reduce enterprise security threats from system, technical, and procedural perspectives. Create confidential information protection services that meet business needs and the highest standards.
   - "Execution Phase (D)": Building a layered cybersecurity defense, continuously incorporating innovative cybersecurity defense technologies, integrating cybersecurity controls into daily software and hardware operations, systematically monitoring information security, and ensuring the confidentiality, integrity, and availability of our company's critical assets.

- "Audit Phase (C)": Actively monitor the effectiveness of information security management and perform quantitative analysis based on the audit results to measure information security indicators.
- "Action Phase (A)": Based on review and continuous improvement, we implement monitoring and auditing to ensure the continued effectiveness of information security policies. If employees violate relevant policies and procedures, appropriate personnel actions will be taken based on the severity of the violation (including the employee's annual performance review or necessary legal action). In addition, we regularly review and implement improvement measures, including information security measures, education and training, and promotion, based on performance indicators and maturity assessment results, to ensure the non-disclosure of our Company's important confidential information.

3. Specific management plan:

   (1) Network security
   - Implementation of advanced technologies for computer scans and system/ software updates to strengthen security.
   - Enhancement of firewalls and network control mechanisms to prevent cross-device and cross-regional virus spread.

   (2) Device security
   - Strict management of all company computer equipment to prevent unauthorized or malicious software-containing devices from entering the network.
   - Deployment of endpoint antivirus measures to detect and mitigate malicious software behavior.

   (3) Application security
   - Establishing security checklists, evaluation criteria, and improvement goals for application development processes.
   - Continuously strengthening application security control mechanisms, integrating them into development workflows and platforms.

   (4) Data security
   - Confidential document classification to regulate folder access permissions.
   - Daily backups for all critical data, adhering to the 3-2-1 backup principle: at least 3 copies of data, stored on 2 different types of storage media, and at least 1 copy kept off-site.
   - Regular communication of the latest company cybersecurity policies and precautions.

   (5) Cybersecurity training

   The company provides employees with cybersecurity awareness and prevention training, including simulated phishing email exercises to reinforce defenses against social engineering attacks. It also shares information on cybersecurity incidents and offers guidance on preventive measures and response strategies.

4. Resources invested in information and communication security management:

   (1) Regular Information Security Meetings: The Company takes a risk-oriented approach by holding quarterly information security meetings. These meetings cover various

aspects including risk management, threat intelligence (the Company joined the TWCERT Cybersecurity Alliance in 2023), security controls, outsourced and dependency management, and incident response. The objective is to assess overall operational risks and implement appropriate countermeasures to maintain a strong level of cybersecurity and information protection. A total of four information security meetings were held in 2024.

(2) Education and Training: In 2024, the Company provided a total of 25 hours of employee information and communication security training. Additionally, 196 simulated phishing email exercises were conducted, and onboarding cybersecurity training was provided to 58 new employees. Designated information security personnel received 120 hours of external professional training and 80 hours of functional competency training. Each IT staff member must complete 6 hours of internal cybersecurity training.

(3) Security Announcements: In 2024, a total of three cybersecurity-related announcements were issued to communicate key protection policies and important security reminders.

(4) Hardware and Software Infrastructure: Continued enhancement of both software and hardware architecture to ensure information security. A total of NT$1.2 million was invested in the implementation of cybersecurity firewalls and multi-factor authentication, strengthening network protection mechanisms, system operations, and the security of confidential information management.

Statistics / Yearly	2023	2024
Cybersecurity spending as a percentage of revenue	0.26%	0.28%

(II) List any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to severe cybersecurity incidents, as well as possible impact and countermeasures. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

No losses have occurred due to information security incidents.

VII. Important contracts

List supply/distribution contracts, technical cooperation contracts, engineering/construction contracts, long-term loan contracts, and other contracts that would affect shareholders' equity, where said contracts were either still effective as of the date of publication of the annual report in the most recent fiscal year:

Company name	Contract nature	Parties	Contact start/end date	Main contents	Restricted conditions
Center Laboratories, Inc.	Bank loan agreement	Joint credit bank group constituted by Taiwan Cooperative Bank (lead bank), Taiwan Business Bank (co-lead bank), Chang Hwa Commercial Bank, Bank SinoPac, Agricultural Bank of Taiwan, and Taipei Fubon Commercial Bank	2024.03.28-2027..03.28	Joint credit loan	Need to provide collateral for pledging
	Bank loan agreement	Chang Hwa Bank Co., Ltd.	2024.12.30-2025.02.27	Secured loan	Need to provide collateral for pledging
	Bank loan agreement	Bank SinoPac Co., Ltd.	2024.11.29-2025.01.24	Unsecured loan	--
				Secured loan	Need to provide collateral for pledging
			2024.12.25-2025.02.25	Secured loan	Need to provide collateral for pledging
	Bank loan agreement	Taipei Fubon Bank	2024.12.12-2025.03.12	Unsecured loan	--
	Bank loan agreement	Mega International Commercial Bank Co., Ltd.	2024.12.06-2025.06.06	Unsecured loan	--
	Contract on appointment of guarantor	Shanghai Commercial and Savings Bank Co., Ltd.	2020.09.03-2025.09.07	41234 secured CB	--
	Contract on appointment of guarantor	Taiwan Cooperative Bank Co., Ltd.	2023.03.22-2025.09.08	41235 secured CB	--
	Contract on appointment of guarantor	Bank SinoPac Co., Ltd.	2022.12.23-2028.04.26	41236 secured CB	--
Glac Biotech	Long-term borrowings	Chang Hwa Bank Co., Ltd.	2023.03.25-2030.03.25	Chattel Mortgage Loan	--
	Lease	Center Laboratories, Inc.	2023.07.01-2033.06.30	Leasing of the Hsinchu Plant	--

Chapter 5 Review of Financial Conditions, Financial Performance, and Risk Management

I. Financial Conditions (IFRS Consolidation)

Unit: NT$ thousand

Item \ Year	2023	2024	Differences	
			Amount	%
CURRENT ASSETS	5,121,336	3,781,507	(1,339,829)	(26.16)
Investment accounted for under the equity method	5,872,700	5,761,850	(110,850)	(1.89)
Property, plant and equipment	1,344,772	1,415,920	71,148	5.29
Other assets	14,663,348	14,577,898	(85,450)	(0.58)
NON-CURRENT ASSETS	21,880,820	21,755,668	(125,152)	(0.57)
Total assets	27,002,156	25,537,175	(1,464,981)	(5.43)
CURRENT LIABILITIES	1,845,075	4,616,762	2,771,687	150.22
Short-term loans	330,000	1,262,000	932,000	282.42
Financial liability at fair value through profit or loss	72,220	46,158	(26,062)	(36.09)
Other current liabilities	1,515,075	3,354,762	1,839,687	121.43
NON-CURRENT LIABILITIES	4,940,878	2,865,930	(2,074,948)	(42.00)
Total liabilities	6,785,953	7,482,692	696,739	10.27
Equity attributable to shareholders of the parent	19,756,854	18,054,477	(1,702,377)	(8.62)
Share capital	6,914,211	7,249,768	335,557	4.85
Capital reserve	7,241,502	5,535,957	(1,705,545)	(23.55)
Retained earnings	5,823,438	5,459,539	(363,899)	(6.25)
Other equities	24,424	18,864	(5,560)	(22.76)
Treasury shares	(246,721)	(209,651)	37,070	(15.03)
Non-controlling interest	459,349	6	(459,343)	(100.00)
Total equities	20,216,203	18,054,483	(2,161,720)	(10.69)

Note: Main reason, impact and future correlative plans to material changes in the assets, liabilities and the equity of the shareholders in the recent two years (the change from one period to the next reaches above 20% and the amount of variance reaches NT$10,000,000).

I Reasons for the changes and the impacts:

1. Decrease in current assets: Primarily due to the decline in the stock price of designated foreign-listed equities measured at fair value through profit or loss, influenced by international market conditions.
2. Increase in current liabilities and other current liabilities, decrease in non-current liabilities: Mainly due to the maturity of corporate bonds (Series 4 and 5) within one year, leading to the reclassification of non-current liabilities into current liabilities.
3. Increase in short-term loans: Driven by efforts to strengthen corporate short-term financing mechanisms.
4. Decrease in capital surplus: Mainly due to the allocation of earnings from 2023 to offset losses and distribute cash dividends.
5. Decrease in non-controlling interests: Primarily due to the issuance of new shares for the acquisition of 100% equity in Bioflag International Corporation’s subsidiary.

II Countermeasure for major impacts: The above changes have no major adverse impact on the Company, and the Company’s overall performance has no major discrepancy or variances, so there should be no need to formulate countermeasures.

II. Financial Performance (IFRS Consolidated)

(I) The Changes and Main Reasons in Operating Revenues, Operating Income, or Income Before Tax for the Past 2 Years

Unit: NT$ thousand

Item \ Year	2023	2024	Differences	
			Amount	%
Operating revenue	1,394,008	1,617,869	223,861	16.06
Cost of revenue	775,914	868,916	93,002	11.99
Gross profit	618,094	748,953	130,859	21.17
Operating expenses	539,539	514,893	(24,646)	(4.57)
Income (loss) from operations	78,555	234,060	155,505	197.96
Non-Operating income and expenses	(1,192,465)	(1,404,094)	(211,629)	17.75
Net income before tax	(1,113,910)	(1,170,034)	(56,124)	5.04
Net income of continuing operations	(1,047,649)	(1,103,408)	(55,759)	5.32
Net profit (loss) for the current period	(1,047,649)	(1,103,408)	(55,759)	5.32
Other comprehensive income of the current period (net amount after tax)	22,670	(2,239)	(24,909)	(109.88)
Total consolidated profit/loss for the current period	(1,024,979)	(1,105,647)	(80,668)	7.87
Net profit attributable to owners of the Company	(995,421)	(1,103,683)	(108,262)	10.88
Net profit attributable to non-controlling interests	(52,228)	275	52,503	(100.53)
Total comprehensive income attributable to owners of the Company	(972,754)	(1,105,922)	(133,168)	13.69
Total comprehensive income attributable to non-controlling interests	(52,225)	275	52,500	(100.53)
Earnings per share	(1.50)	(1.55)	(0.05)	3.33

Note: Main reason, impact and future correlative plans to material changes (the change from one period to the next reaches above 20% and the amount of variance reaches NT$10,000,000):

1. Increase in gross profit and operating income: Mainly driven by revenue growth from Glac Biotech's ODM orders and improved economies of scale at the production facilities, leading to enhanced capacity.
2. Decrease in other comprehensive income (net of tax): Primarily due to foreign exchange translation differences in the financial statements of invested overseas companies.
3. Increase in net profit and total comprehensive income attributable to non-controlling interests: Mainly resulting from the acquisition of 100% equity in Bioflag International Corporation's subsidiary and the overall rise in net profit after tax.

(II) Estimated sales volume and its calculation basis for 2025, possible impact on the Company's finance and businesses, and corresponding plans in the future: The Company's sales of oral liquids in 2025 is expected to grow by 2%. The expected sales quantity of the Company is determined based on anticipated changes in market demand and supply, the speed of new product development, and national health insurance policies. The Company will strengthen its investment in R&D and expand its manufacturing facilities to meet future market demand.

III. Cash Flows

(I) Analysis of changes in cash flows for 2024 (IFRS Consolidated)

Unit: NT$ thousand

Item \ Year	2023	2024	Increase (decrease) amount	Increase (decrease) ratio %
Net cash flow used in operating activities	(963,438)	415,715	1,379,153	(143.15%)
Net cash flow generated from (used in) investment activities	(129,007)	(757,515)	(628,508)	487.19%
Net cash generated from financing activities	2,000,515	79,091	(1,921,424)	(96.05%)
Analysis and explanation of the increase and decrease in ratios: 1. Operating activities: Mainly attributed to the payment of performance bonuses under the entrusted management arrangement in 2023 and corporate income tax for 2022. 2. Investing activities: Primarily due to increased equity-method investments in Lumosa Therapeutics, Anya Biopharm, and Mycenax Biotech in 2024. 3. Financing activities: Mainly resulting from the issuance of corporate bonds (6 and 7) in 2023.				

(II) Cash Liquidity Analysis for 2024: (IFRS Consolidated)

Item \ Year	2023	2024	Increase (decrease) ratio %
Cash flow ratio (%)	(52.21%)	9.00%	(117.24%)
Cash flow adequacy ratio	(36.24%)	(24.36%)	(32.78%)
Cash reinvestment ratio (%)	(6.21%)	(2.94%)	(52.66%)
Analysis and explanation of the increase and decrease in ratios: 1. Cash flow ratio: The increase in current liabilities was mainly due to the reclassification of payable corporate bonds as long-term liabilities maturing within one year in 2024. 2. Cash flow adequacy ratio: Primarily driven by the increase in net operating cash flow and the distribution of cash dividends in 2024. 3. Cash reinvestment ratio: Mainly attributed to higher net operating cash flow and increased investments in property, plant, and equipment in 2024.			

(III) Improvement plan for insufficient liquidity and liquidity analysis in the coming year: If cash insufficiency occurs, the Company will plan to borrow from the bank.

IV. Major capital expenditures and impact on financial and business: None.

V. Investment policy in the most recent year, profit/loss analysis, improvement plans and investment plans for the upcoming year:

The Company's reinvestment policy focuses on the general wellness and biotechnology-related industries. The major reinvestment business status is as follows:

1. **Glac Biotech**: In 2024, the company will concentrate its resources on core customers in both international and Taiwanese markets to enhance order acquisition and market expansion efficiency. The company aims to broaden its key customer base, leveraging economies of scale to boost revenue and achieve profitability for the year. The regional market strategies are as follows:
   (1) Taiwan market:

Focusing on differentiated products, the Company collaborates as a core ODM partner with major brands through exclusive licensing and proprietary formulations, thereby deepening its market influence.

(2) International market:

Leveraging proprietary strains, Totipro, and customized postbiotics, the company integrates into the supply chains of strategic global partners and major clients. It also actively supports emerging market contract manufacturers to expand its global footprint.

(3) China market:

Through a proactive proposal strategy, the company seeks to broaden product offerings with existing cross-border clients and actively develop partnerships with additional cross-border brands, strengthening market penetration.

In the coming year, it will continue the market strategies implemented in 2024, focusing on core business development. The company is committed to becoming the most reputable probiotics expert in the industry, enhancing both brand value and market competitiveness.

2. **Mycenax Biotech**: It is Taiwan's only CDMO company fully dedicated to biopharmaceuticals, providing one-stop high-quality services from DNA to DP. It continues to develop various technology platforms to offer clients faster and more cost-effective development processes. By leveraging the complementary production advantages of its two GMP-certified facilities, the company offers a comprehensive range of manufacturing solutions. Mycenax is steadily expanding its presence in Asia, particularly Japan, Taiwan, and South Korea, while actively pursuing global market opportunities, with the ambition of becoming Asia's leading biopharmaceutical CDMO.
3. **TOT Biopharm**: In 2024, TOT Biopharm successfully turned a profit, validating its transformation strategy. The company focuses on the development and commercialization of innovative oncology drugs and therapies, aiming to become a trusted leader in cancer treatment among patients, families, and healthcare professionals in China. TOT is also committed to being a key CDMO partner in the global ADC market, with dozens of domestic and international ADC projects currently underway. Looking ahead, the company will continue expanding in these areas with a global outlook.
4. **KriSan Biotech**: Its losses mainly stem from depreciation, amortization, and R&D expenses associated with the construction of its new ADC facility. Despite significant global economic challenges, the company maintained stable annual revenue by focusing on its ADC CDMO strategy, with ADC-related revenue increasing to 22%. Given that the ADC field is still in the early stages of R&D and large-scale orders require time to materialize, substantial revenue contributions are expected between 2025 and 2026. Recognizing operational challenges, the company has strengthened expense controls to focus resources on strategic investments. The company is also expanding strategic alliances to leverage partners' global networks, increase client engagement, boost orders, and accelerate profitability.
5. **Lumosa Therapeutics**: The company maintains a commercially driven strategy for innovative drug development, targeting unmet medical needs. It continues to develop innovative therapeutics and pursue global licensing opportunities through its professional R&D team. The company's product pipeline aligns with short-, mid-, and long-term strategies. In the short term, the focus is on Phase II clinical trials for LT3001, currently underway in Taiwan, the U.S., and Europe, with successful patient enrollment. Its China

partner, Shanghai Pharmaceuticals Holding, has completed Phase II trials showing favorable safety and preliminary efficacy, laying a solid foundation for further development. In the mid-to-long term, the company aims to build a platform for breakthrough therapeutics. In collaboration with Center Laboratories, it has established Cytoengine Co., Ltd., which is introducing advanced exosome technology to develop next-generation therapies. The company is also exploring other promising drug candidates to expand its pipeline. In the coming year, the company will continue to invest in clinical trials and development resources for LT3001, accelerate the development of its exosome technology platform, and actively evaluate and introduce new drug projects with growth potential. The company will also continue to strengthen the professional capabilities of its R&D team. Additionally, it will accelerate the progress of various clinical trials to realize product value as soon as possible, actively seek international licensing and cooperation opportunities, optimize its cost structure, improve operational efficiency, and establish diversified collaboration models to mitigate R&D risks.

6. **BioGend Therapeutics**: BioGend Therapeutics was established in 2016 and went to OTC public offering on January 28, 2021. Its main business is to research and develop high-end composite orthopedic regeneration and medical materials, attempting to provide a full range of orthopedic regeneration and care related medical services. BioGend Therapeutics continues to advance the progress of various product research and development, therefore research and development expenses remain at a high level. In the future, as the completion of research and development increases, the related research and development expenses will gradually decrease. Excluding research and development expenses, our company achieved break-even. As operating income gradually increases in the future, it is expected that total losses will gradually converge over time and that profitability will eventually be achieved.
7. **Medeon Biodesign**: In 2024, the company successfully completed the U.S. large-scale IDE clinical trial for its prostate medical device, Urocross, enrolling a total of 240 patients. The clinical trial for its thoracic aortic repair device, Duett, was also initiated. As these two major projects enter the clinical stage, R&D investments have increased. However, these resources will translate into critical clinical data, further advancing product development to the next key milestone, significantly enhancing the value of the projects. Additionally, its CDMO business saw a substantial 49% revenue growth in 2024 compared to 2023, demonstrating strong market demand and competitiveness. Looking ahead to 2025, the company will continue optimizing its core manufacturing capabilities, including high-end medical balloons, catheters, and finished and semi-finished product assembly, closely following customers' product development pace and providing high-quality, efficient manufacturing services. At the same time, the company will continue to strengthen its operational resilience, closely monitor global medical industry trends, and adjust business strategies flexibly to ensure stable cash flow through sound management, further enhance enterprise value, return value to shareholders, expand its global market influence, and move the company towards the next milestone.
8. **Bao Pharma**: Bao Pharma is a pioneer in synthetic biology research and development in China, specializing in the production of difficult-to-manufacture recombinant biopharmaceuticals to meet the vast clinical demand. Based on its unique chassis cell modification technology, it has established leadership in four core therapeutic areas. As it is still in the R&D stage, it has relatively high capital expenditures. The company plans to go public with an IPO in Hong Kong in 2025, hoping to gain greater market recognition.

VI. Risk analysis and assessment for the most recent year and up to the date of publication of the annual report

(I) Effects of changes in interest rate and exchange Rate and Inflation on the Company's Finance, and Future Response Measures:

1. Interest rate: In 2024, consolidated loan interest amounted to NT$47,006 thousand, accounting for approximately 2.91% of consolidated operating revenue.
   Future countermeasures on the interest rate fluctuations: Actively cooperating with various banks to keep abreast of changes in market interest rates, and negotiate the most favorable interest rates.
2. Exchange rate: In 2024, consolidated foreign currency exchange gains amounted to NT$76,952 thousand, accounting for approximately 4.76% of consolidated operating revenue. Future countermeasures on the exchange rate fluctuations:
   (1) To obtain information about exchange rate fluctuations from corresponding banks to manage exchange rate changes in a timely manner.
   (2) Buy or sell foreign currencies at appropriate times to reduce the impact of exchange rate fluctuations.
3. Inflation: The Company has built long-term cooperation relationship with raw material suppliers to manage prices, so currently, the status of inflation has no significant impact on the Company's profit and loss. Monitor raw material prices at all times to reduce procurement costs.

(II) Policies relating to the conducts of high risk and high-leverage investments, loans to others, endorsements/guarantees, and the derivatives transactions, and the main causes of profits or losses generated thereby and future countermeasures:

1. The Group does not engage in high-risk or high-leverage investments. All investments are carefully evaluated and implemented in accordance with corporate regulations. In addition, the Company only lends funds and provides endorsements and guarantees to its invested entities, which are processed in accordance with the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees, so there is limited impact on the Company. The Company does not engage in non-hedging transactions.
2. Regarding derivative transactions, the countermeasures implemented by the Group must comply with the following risk control procedures:
   (1) Credit risk management:
   As the market is prone to the operational risks of derivative financial assets due to the changes of various factors, the following principles shall thus be followed in the market risk management:
      A. Trading parties: only limited to famous domestic and foreign financial institutions.
      B. Trading commodities: only limited to commodities provided by famous domestic and foreign financial institutions.
   (2) Market risk management:
   The Company mainly trades in the public foreign exchange market provided by banks and do not consider the futures market.
   (3) Liquidity risk management:
   To ensure market liquidity, financial products with high liquidity (i.e., they can be squared off in the market at any time) shall be selected. Financial institutions entrusted with transactions must have sufficient information and the ability to trade in any

market at any time.

(4) Cash flow risk management:
To ensure the stability of the Company's working capital turnover, the capital source of the Company engaged in the derivative transaction shall be limited to its own capital, and the operating amount shall consider the capital demand of the cash income and expenditure forecast in the next three months.

(5) Operational risk management:
The Company strictly conducts authorized amounts, operating procedures, and internal audits to avoid operational risks. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement. Risk measurement, monitoring, and control personnel shall be assigned to a different department than the aforementioned personnel and shall report to the Board of Directors or senior management personnel with no responsibility for trading or position decision-making.

(6) Commodity risk management:
Internal traders shall have complete and correct professional knowledge of financial commodities and demand the banks to fully disclose risks so as to avoid risks of misusing financial commodities.

(7) Legal risk management:
Documents signed with financial institutions shall be reviewed by professionals in the foreign exchange and legal divisions or legal consultants before official signature so as to avoid legal risks.

(III) Future R&D plans and estimated R&D expenses:

A. Center Laboratories' main research and development directions for 2025 can be classified as follows in terms of dosage forms and regulations:
   1. Successfully obtain the drug license for pain relief and adjunctive therapy for epilepsy.
   2. Continue execute the commissioned manufacturing project for neonatal and pediatric heart failure medications, while simultaneously obtain the drug license for these products.
   3. Complete the registration application for new drug formulations in emerging therapeutic areas such as anticoagulants and diabetes medications (liquid form), and initiate bioequivalence trials.
   4. Successfully develop the first generic drug for the treatment of depression and anxiety.

B. Center Laboratories plans to invest in R&D expenses: The R&D expenses for 2025 are expected to account for approximately 4% of operating revenue.

(IV) Effects of and Countermeasures to Changes in Significant Policies and Regulations on the Financial Operations of the Company:

Among all human technologies, biotechnology development is one that grows fastest and is most applied. It can not only make progress in medical technologies and human health, but also have unlimited potential in development. From industrial perspective of view, it is an industry full of opportunities. As a result, the government has listed biotechnology and medicine in the "Five Plus Two Industry Innovation Plan" as an important industry to drive the growth of industrial development in Taiwan in the next generation.

To promote the development of the domestic biomedical industry, the government proposed the "Biomedical Industry Innovation Promotion Plan" on November 10, 2016, with a main focus on "Connecting with the Future, Connecting with the World, and Connecting with the

Local," and aiming to shape a new blueprint for biomedical innovation, research, and development. Concurrently, the draft amendment to Article 3 of the "Act for the Development of Biotech and New Pharmaceuticals Industry" was passed to enhance the output value and competitiveness of the biotechnology industry. The above is expected to make Taiwan an important center of biomedical research and development in Asia Pacific.

In addition, in response to the political benefit released by China's promotion of "Healthy China 2030" and the relaxation of biotech stocks listing in Hong Kong, which has brought numerous opportunities to Taiwan's biotech industries, Center Laboratories will continue to assist its invested entities to promote products and services in the market and go for public listing in China, Hong Kong, the United States, and Taiwan, etc.

(V) Effects of and countermeasure to changes in technology (including information and communication security risks) and in industry on the financial operations of the Company:

Due to the industrial characteristics of high entry barriers, long product development periods, high demand for professional technologies and high added value in the biotechnology industry, there would not be much change in a short time. Moreover, Center Laboratories has already fortified its position in products as well as professional research and development, any changes in technology and industry would have limited impact on the Company. The Group will continue to focus on research and development and monitor new changes and technologies in industry to meet market demand. In addition, the risk of information security to the biotechnology industry is relatively limited. Nevertheless, the Group still strengthens various information and communication security protections to ensure the stable and safe operation of the information system.

(VI) The Impact of Changes in Corporate Image on the Corporate Risk Management, and the Company's Countermeasures:

In 2008, Center Laboratories oral liquid drugs market share in Taiwan reached 70%. In order to overcome growth limitations, Center Laboratories ventured into the investment field for the first time and established Bioengine capital inc., and the Bioengine Technology Development Inc., playing the role of "Biotechnology Industrial Bank" to focus on investing in and nurturing the biotechnology industry. With the expansion of investment business in 2018, Center Laboratories has once again repositioned itself as a 'Professional Biotech Investment and Control' in order to integrate resources and create synergies. Its goal was to assist invested companies in repositioning, mergers, and acquisitions, aiming to create a unicorn company with a market value of NT$30 billion. Throughout the corporate transformation process, Center Laboratories not only adjusted its overall visual identity but also continued to showcase the results of the transformation to investors through website updates, media exposure, and corporate briefings. In today's era of developed social media, maintaining good communication with the public is crucial. Therefore, Center Laboratories appointed dedicated public relations personnel responsible for public relations, media relations, and investor relations to establish and maintain a good communication mechanism with the outside world, reducing the risks associated with image changes.

(VII) Expected Benefits from, Risk Relating to and Response to Merger and Acquisition Plans:

On April 22, 2024, the Board of Directors resolved to expand the group's business layout, enhance competitiveness, and increase operational synergies. In accordance with Article 156-3 of the Company Act, the company conducted a share exchange with the shareholders of Bioflag International Corporation (Cayman) (hereinafter referred to as Bioflag KY). After the completion of this transaction, the company will directly hold 52.67% of Bioflag KY's shares

and will hold a total of 100% of Bioflag KY's shares, both directly and indirectly. This will effectively integrate group resources, enhance competitiveness, and, in the long term, should positively benefit shareholder equity.

(VIII) Expected Benefits from, Risk Relating to and Response to Factory and Expansion Plans:
To support business growth, the Company's Pharmaceutical Division has planned the expansion of its raw material warehouse at the Hsinchu Guangfu site. The total construction budget is approximately NT$126 million (including tax), with the project scheduled to be carried out over two years. Upon completion, the expanded facility is expected to accommodate future capacity increases, ensure stable supply, and drive revenue growth. It will also help maintain economies of scale, improve per capita productivity, and enhance the Company's competitive advantage within the industry.

(IX) Risks Relating to and Response to Excessive Concentration of Purchase and Sales:
The Group's suppliers are mostly long-term cooperative partners with stable supply status, and these are not monopolistic or oligopolistic supplies, so there is not much risk in this aspect. In addition, the Group's sales targets are separate and there is no risk from concentration of single customers.

(X) Effects of, Risks Relating to and Response to Large Share Transfer or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholding of over 10%: None.

(XI) Effects of Risks Relating to and Response to Changes in Operation Management over the Company: None.

(XII) Litigation and non-litigation cases

1. Litigious, non-contentious cases, or administrative disputes that have been resolved or are still proceeding with major influence on the shareholder's equity or the stock price:

Parties of lawsuit	Date of start	Price or value of the claim	Content	Handling status for the period up to the annual report publication date
The Company	The Company filed a lawsuit on July 1, 2016.	A legitimate interest of NT$20 million on the legal relationship of a commissioned development contract.	In 2010, Center Laboratories invested NT$20 million to commission TTY Biopharm Company Limited to develop the Risperidone generic drug, PLGA. The two parties signed a commissioned development contract to agree that Center Laboratories possess the product right but share the right of marketing in the US market with TTY Biopharm Company Limited. After signing the contract, Center Laboratories will pay contract considerations in accordance with TTY Biopharm Company	On March 1, 2018, Taiwan Taipei District Court ruled that Center Laboratories won the case in the first instance, and confirmed the existence of the legitimate relationship in accordance with the aforementioned commissioned development contract signed by Center Laboratories and TTY Biopharm Co., Ltd. Center Laboratories therefore owns the relevant rights of Risperidone PLGA products and has the right to require TTY Biopharm Co., Ltd. to continue to fulfill the contract obligations.

Parties of lawsuit	Date of start	Price or value of the claim	Content	Handling status for the period up to the annual report publication date
			Limited's R&D work progress. In May 2016, TTY Biopharm Company Limited declared that it owns the Risperidone PLGA product, and repeatedly denied the validity of the commissioned contract. In order to protect Center Laboratories and its investors' interests, Center Laboratories filed a lawsuit on July 1, 2016, appealing to the court to confirm the validity of the aforementioned commissioned development contract.	TTY Biopharm Co., Ltd. Company filed an appeal on March 22, 2018, and the Taiwan High Court ruled that Center Laboratories won the case in the second instance on March 11, 2020. TTY Biopharm Co., Ltd. Company filed an appeal at the third instance on April 10, 2020. The Supreme Court remanded the case on May 24, 2021. It is under retrial by Taiwan High Court. The High Court ruled in the second instance on November 15, 2022 that therewas no contract relationship. The Company filed an appeal on December 16, 2022. The Supreme Court remanded the case to the Taiwan High Court for retrial on May 18, 2023. On December 24, 2024, the High Court ruled in favor of the Company. However, TTY Biopharm filed an appeal on January 23, 2025, and the case is currently under review by the Supreme Court.

This case was only to confirm the existence of the legitimate relationship prescribed in the aforementioned commissioned development contract, Center Laboratories' business was not affected, nor was the shareholder's equity or the stock price.

2. Litigations, non-contentious cases, or administrative disputes against the directors, President, person with actual responsibility for the Company, any major shareholder holding a stake of greater than 10 percent, and companies controlled by the Company, whether resolved or pending judgment, where such a dispute could materially affect shareholders' equity or the prices of the securities: None.

(XIII) Other important risks and countermeasures:

1. Evaluation and analysis of risks in information security, and countermeasures if the evaluation shows a result of material operational risk:

To ensure the stability and security of business operations, the Group will continue to adjust

its system architecture, strengthen infrastructure, rewrite application systems, and develop and conduct emergency response drills. The upgrade and deployment of the email server have already been completed.

In addition, in response to the impact of viruses such as COVID-19 and influenza, and to maintain stable business operations while minimizing the risk of infection from commuting or business interactions, all employees are allowed to work from home securely via encrypted VPN connections as needed.

Based on the above analysis and assessment, the Group's cybersecurity risks remain within a controllable range and are not expected to pose significant operational threats.

(XIV) Organizational structure of risk management:

1. President’s Office: responsible for assessing operational risks and making relevant decisions.
2. Internal Audit Office: responsible for inspecting and evaluating risks, and tracking improvements.
3. Finance and Accounting Department: responsible for evaluating and controlling financial risks, liquidity risks, credit risks, etc., as well as the evaluating and implementing financial risk management strategies.
4. R&D Department: responsible for evaluating product risks and implementing countermeasures.
5. Administration Department: responsible for evaluating the Company’s legal risks, managing crisis risk, and implementing countermeasures.
6. Sales and Marketing Department: responsible for evaluating market risks implementing countermeasures; also responsible for managingcustomers’accounts receivables in order to reduce risks in the ordering process.
7. Plant: mainly responsible in the evaluation of risks generated from manufacturing processes and product life cycle, as well as executing countermeasures thereof.
8. Investment Department: evaluate investment risks and implement corresponding strategies.

VII. Other important matters: None.

Chapter 6 Special Disclosure

I. Information of Affiliates：

(I) Consolidated Business Report of Affiliates:

- Query Website: https://mopsov.twse.com.tw/mops/web/t57sb01_q10
- Navigation Path: MOPS (Market Observation Post System)> Single Company > Electronic Document Download > Affiliate Reports Section

(II) Consolidated Financial Statements of Affiliates:
These are the same as the Company's consolidated financial statements with its parent and subsidiaries.

- Query Website: https://mops.twse.com.tw/mops/#/web/t57sb01_q1
- Navigation Path: MOPS (Market Observation Post System) > Single Company > Electronic Document Download > Financial Reports

(III) Affiliate Reports: Not applicable.

II. Private placement securities in the most recent years and as of the publication date of the Annual Report:

- Query Website: https://mops.twse.com.tw/mops/#/web/t116sb01
- Navigation Path: MOPS (Market Observation Post System) > Topics > Investment Zone > Private Placement Zone > Private Placement Zone

On June 25, 2024, the Company's Annual General Shareholders' Meeting approved a private placement of up to 30,000,000 common shares. The placement is scheduled to be conducted in two phases within one year from the date of the shareholders' meeting resolution. However, due to the approaching deadline and the fact that no specific individual has been identified, the Board of Directors resolved on March 11, 2025, not to proceed with the private placement during the remaining period.
In order to replenish working capitals, and to repay borrowings and make investment in the biotechnology industry, the Company's board of directors approved on March 11, 2025 the proposal for a cash capital increase through private placement to issue no more than 30,000,000 ordinary shares; there would be two issuances of these shares within one year to complete the capital increase from the date of the resolution of the shareholders' meeting. The resolution was decided after considering a few factors including fundraising timeliness, convenience and issuance cost. Relevant matters will be implemented in accordance with resolutions of the upcoming shareholders' meeting.

III. Other matters that require additional description: None.

Chapter 7 Any Events of Material Effect

Any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the Company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the Aannual Report：

- Litigious, non-contentious cases, administrative disputes, safeguard procedures, or compulsory execution procedures that have major influence on the financial operations of the company:

  For the litigation between the Company and TTY Biopharm Company Limited, please refer to page 164-165. This proceeding will not have a significant impact on the Company’s finance or businesses.

Center Laboratories, Inc.

Chairman: Wang, Su-Chi