Stock Code：6499

Medeon Biodesign, Inc.

2024 Annual Report

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This translated document is prepared in accordance with the Chinese version and is for reference only. In the event of any inconsistency between the English version and the Chinese version, the Chinese version shall prevail.

I. Spokesperson and Deputy Spokesperson

1.Spokesperson:
Name: Jenny Chen
Title: Vice President
Tel: (02)2881-6686
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2.Deputy Spokesperson:
Name: Elisa Huang
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II. Headquarters, Branch Offices, and Factories

1.Headquarter
Address：7F, 116, HouGang Street, Taipei 11170, Taiwan
Tel：(02)2881-6686

2.Branch Office: None

3.Factory: None

III. Stock Transfer Agent

Name: Capital Securities Corporation
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IV. Contact information of the Certified Public Accountants for the Latest Financial Report

Name of CPA: Hsiao Tzu Chou, Hua Ling Liang
Name of Accounting Firm: Pricewaterhouse Coopers (PwC) Taiwan)
Address: 27F, 333, Keelung Rd,Sec.1, Taipei City 110, Taiwan
Tel.: 886-2-2729-6666
Website: http://www.pwc.tw

V. Overseas Securities Exchange: None.

VI. Company Website: http://www.medeonbiodesign.com

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I. Letter to Shareholders

Dear Shareholders, Ladies and Gentlemen,

First and foremost, we would like to thank our shareholders for their support and encouragement over the past year. We would like to report to all shareholders the consolidated business results for 2024, the outline of business plan for 2025, future development strategies, as well as the impact of the external competitive environment, regulatory environment and general business environment as follows.

1. Consolidated Business Results for 2024

(1) Overview of Business Policies and Implementation

Medeon specializes in the development and manufacturing of advanced medical devices with high market value. With minimally invasive procedures as our primary field, we focus on developing advanced cardiovascular minimally invasive procedures, urology, laparoscopy, and orthopedics. The Company's business operations are divided into two main areas. In addition to the field of innovative medical device development and incubation developed for many years, we have been exploring the advanced medical device contract development and manufacturing organization (CDMO) business. Through a series of mergers and acquisitions and internal integration, we have established an efficient and technology driven CDMO business to provide one-stop-shop services to international customers in the field of advanced medical devices.

In the field of innovative medical device development and incubation, the Urocross™ Expander system (URO-T01) has successfully completed patient enrollment for the IDE clinical trial conducted in the United States in 2024, with a total of 240 patients. According to the trial design approved by the U.S. FDA, data collection and statistical evaluation can commence three months after enrollment completion. Following the FDA's audit of the clinical trial data, a formal submission for market approval may proceed. Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01) began its IDE study in the United States in 2024 and completed its first patient enrollment and treatment in March. The clinical trial will continue throughout 2025 to gather clinical data to enhance product value. Simultaneously, an application will be submitted to the FDA to expand the scale of the clinical trials, which will support the subsequent application for market approval. As for the Cross-Seal™ - large bore vascular closure system (IVC-C01), the on-site inspection by the U.S. FDA was completed in 2023, and the first PMA Approval for a Class III medical device originated from Taiwan then was obtained. In 2024, milestone payments and service revenue under item 2A-2 were received from Terumo according to the Cross-Seal Asset Purchase Agreement. For projects that have completed key development stages, we are actively engaging in business negotiations to accelerate licensing or commercialization partnerships.

In the business field of advanced medical device CDMO, our subsidiary, Medeologix has successfully completed several projects in 2024, transferring production from the United States to Taiwan for mass production where orders are gradually being shifted to direct shipments from Taiwan. Medeologix continues to develop key technologies for medical device development and manufacturing and maintains customer relationships with global medical device giants and emerging companies in Silicon Valley. By integrating and allocating resources within the Group, we provide localized services to customers from our U.S. sites, while Taiwan handles robust volume production demands, offering worldwide customers with one-stop-shop service from development to high volume production. Our Taiwan advanced mass production site, will continuously enhance and develop the manufacturing capabilities of advanced medical balloons, medical catheters, and subassembly and final assembly of medical devices. In addition, we are continuously optimizing the production line configuration, and recruiting professional talents in management, R&D, and manufacturing, thereby quickly occupying a significant position in the global advanced medical device CDMO market as a dark horse.

Medeon has pioneered a novel business model for the medical devices industry in Taiwan, focusing on the front end of value chain by identifying the clinical unmet needs, determining design specifications, and verifying safety and efficacy through pre-clinical animal studies and clinical trials (Feasibility Studies) to create added value for products. While certain objective achieved for each product under development, the Company immediately initiated the negotiation with global top medical device companies and seek opportunities for licensing or strategic partnership. Through successful licensing, the Company is able to obtain licensing revenues and return to shareholders. In 2025, Medeon will continue to deepen its focus on the advanced medical device CDMO by expanding services such as the development of advanced medical balloons, catheters, finished products, sub-assemblies, and contract development. The goal is to develop potential medical device customers and increase order volume. Additionally, we will continue to attract high-caliber manufacturing talent and implement technological upgrades to meet the strong global demand for advanced medical devices and enhance the Group's stable revenue sources.

(2) Results of business plan implementation and budget execution

In 2024, the Company's consolidated operating revenue was $292,808 thousand, primarily recognized from milestone payments and service revenue under the Cross-Seal asset transfer and service agreement for item 2A-2, as well as revenue from CDMO manufacturing and services for advanced medical devices. The net loss after tax for the 2024 was $870,523 thousand.

(3) Income statement and profitability analysis

A. Income Statement

(Unit: NT$ thousand dollar)

Item	2023	2024
Sales revenue	196,263	292,808
Net operating margin	14,377	83,414
Operating expenses	(853,944)	(969,027)
Non-Operating income and expense	(391,121)	26,970
Profit (Loss) for the year	(1,269,973)	(870,523)
Profit (Loss) for the year-attributable to the parent	(1,204,615)	(805,512)

As of December 31, 2024, the Company had an accumulated deficit of NT$1,012,609 thousand, which has reached one-half of the paid-in capital.

B. Profitability Analysis

(Unit: %)

Item	2023	2024
Return on assets (ROA)	(37.27)	(37.84)
Return on equity (ROE)	(42.09)	(44.56)
Net income before tax (Note) as a percentage of paid-in capital	(133.42)	(93.08)
Net profit rate	(647.08)	(297.30)
EPS (NT$)	(13.09)	(8.74)

Note: Excluding the profit from discontinued operations.

(4) Research and development status

The Company's major projects under development are outlined as follows.

A. Urocross® Expander system (URO-T01)

This product aims to alleviate urethral narrowing and urinary difficulties caused by benign prostatic hyperplasia, offering a treatment method that does not result in permanent tissue damage. It effectively improves clinical symptoms and enhances the quality of life for patients. The product has gone through the design and development phase and initiated its first human clinical trial in the fourth quarter of 2018. By mid-2022, it received approval from the FDA to conduct an Investigational Device Exemption (IDE) study in the United States and Canada. As of 2024, the clinical trial enrollment has been completed with a total of 240 patients. According to the trial design approved by the FDA, data collection and statistical evaluation of efficacy indicators can commence three months after the completion of patient enrollment. Following the FDA's audit of the clinical trial data, a formal submission for market approval may proceed.

B. Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01)

This product aims at thoracic aortic repair procedures. The main objective is to reduce the complexity of the surgery as well as the operative time by using less invasive approaches, which provides competitive advantages. The Company officially launched the project in the second quarter of 2018 and has gone through the process of project planning, physician interviews, defining market and product specifications, product design, patent application and other development activities. As of 2021, multiple animal studies with at least six-month follow-up have been completed, with results presented at the European Association for Cardio-Thoracic Surgery. After being approved by the U.S. FDA to conduct the first-in-human IDE clinical trial in 2023, we began the IDE study in the United States in 2024, completing the first patient enrollment and treatment in March. We continue to recruit patients for IDE clinical trials in the United States, in order to collect human clinical data which eventually leads to increasing the product value.

C. PUMA™- Trauma Internal Fixation Device (ORP-T01)

This product is a medical device designed for internal fixation of limb trauma, which involves the shoulder, elbow, wrist or ankle in internal fixation. The product not only provides continuous and effective internal fixation at trauma sites, but also allows patients to move their joints naturally while recovering without the risk of breaking or displacing the fixation, thus reducing the chance of a secondary surgery for implant removal. The Company initiated the project in 2017 and started the product design, prototyping and testing, application for regulatory approval as well as other development activities, and obtained 510(k) from the US FDA in the first quarter of 2018. We are looking for licensing and commercial partners for the time being.

D. ClickClean™ - in-situ cleaning device for laparoscopic surgery (LAP-A01)

This product is a medical device developed to solve the burden of removing contamination from the lens. It is designed to be easy to use and allows surgeons to clean the lens quickly during surgery, avoiding interruptions and reducing the risk to patients. The product has been received FDA 510(k). Currently, the Company is seeking licensing or commercial partners.

E. AbClose™ - in-port site closure system (LAP-C01)

This product is a medical device developed to address the problem of needle puncture or inadvertent injury to intraperitoneal organs or blood vessels at the end of laparoscopic surgical procedures, and to facilitate easy and rapid closure of the wounds. The product has been granted FDA 510(k) marketing approval; we are now seeking licensing or commercial partners.

2. Overview of Business Plan for 2025

(1) Business policies

A. Continue to speed up the product development process and generate revenue from licensing and milestone payments:

The Urocross® Expander system (URO-T01) has successfully completed patient enrollment for the IDE study conducted in the United States in 2024, with a total of 240 patients. According to the trial design approved by the FDA, data collection and statistical evaluation of efficacy indicators can commence three months after the completion of patient enrollment. Following the FDA's audit of the clinical trial data, a formal submission for market approval may proceed. Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01) began its IDE study in the United States in 2024 and completed its first patient enrollment and treatment in March. Clinical trial will continue throughout 2025 to gather clinical data and enhance product value. Simultaneously, an application will be submitted to the FDA to expand the scale of the clinical trials, which will support the subsequent application for market approval. The Cross-Seal™ - large bore vascular closure system (IVC-C01) has completed a successful on-site inspection by the FDA in 2023 and the first PMA Approval for a Class III medical device originated from Taiwan then was obtained. In 2024, under the Cross-Seal asset transfer and service agreement, a milestone payment of US$1 million was received from Terumo for item 2A-2.

Regarding the projects with development completed at a certain stage, under business development discussions, we are actively seeking licensing or commercial partnerships at full speed.

B. Continue to generate service revenue from CDMO business:

The Company, through its subsidiary Medeologix Inc., provides advanced medical device contract development and manufacturing (CDMO) services to the global medical device market. Throughout 2024, several projects involving technology transfer from the United States to Taiwan for mass production were successfully completed, with orders gradually being transferred for direct shipment from Taiwan. In 2025, Medeologix Inc. will continue the revenue growth trend of 2024, offering customers efficient and high-quality manufacturing services. In 2025, Medeon will continue to expand services such as development of advanced medical balloons, catheters, finished products, subassemblies, and contract development. The goal is to develop potential medical device R&D customers and increase order volume. Additionally, we will continue to attract high-caliber manufacturing talent and implement technological upgrades to meet the strong demand from the global market and customers for advanced medical devices, and to further strengthen the Group's stable sources of revenue.

(2) Expected sales volumes and their basis

The Company usually starts the conversation with top global medical device manufacturers for licensing deals as soon as the product development enters into a certain stage. Moving forward, we will strive to generate licensing revenue by licensing our projects to global

medical device manufacturers. The licensing fees are estimated based on the market size, such as procedure volume, compound annual growth rate, usage of the product, end user price and market share, etc.

For our advanced medical device CDMO business, there are two main revenue sources: the development revenue generated from providing customers with product design, development, and testing; and the contract manufacturing revenue derived from the production of key components, subassemblies, and finished products for large-scale manufacturing. Medeologix is currently leveraging its U.S. subsidiary to provide local international customers with early-stage product development, prototyping, and small-scale trial production services, thereby generating contract development project revenue. As the product development progresses, production will gradually shift to Taiwan's mass production center for large-scale manufacturing, leading to the increase of contract manufacturing revenue. It is expected that by 2025, with the advancement of customers' product development, these products will progressively enter the market sales and stable mass production phases.

(3) Major production and marketing policies

A. The Company will continue to advance the development process of its innovative medical device products. For the Urocross® Expander system (URO-T01), we will conduct statistical analysis of clinical trial data and apply for regulatory certification from the FDA to enhance product value. At the same time, the Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01) will apply to the FDA for the expansion of the clinical trial scale to be used in subsequent market approval applications. The Company will actively promote project progress and accelerate the process of reaching collaborative agreements with potential licensing or commercialization partners.

B. The Company will actively expand the advanced medical device CDMO business and continue to provide stable mass production services for existing customers. At the same time, we will expand the manufacturing capabilities for various components, subassemblies, and finished products. This will not only enhance stable sources of revenue but also leverage the synergistic effects among partners to maximize overall efficiency. By relying on Taiwan's efficient, high-quality manufacturing capabilities and outstanding talent, we aim to provide high-quality products to leading global medical device companies.

C. We will continue to evaluate potential high value-added medical devices projects for future development and develop new product pipelines in order to expand future revenue opportunities.

3. Future Corporate Development Strategies

The Company's business model encompasses both the development and licensing of innovative medical devices and advanced Contract Development and Manufacturing Organization (CDMO) services, with the primary objective of achieving long-term and stable positive cash flow through a dual-track strategy.

(1) Development and licensing of innovative medical devices

Through a comprehensive selection strategy, the Company will focus on developing innovative products with high market potential that can address unmet medical needs. The selection assessment covers multiple aspects, including clinical needs, market size and value, existing competitive products, technical feasibility, product development schedule, regulatory requirements, insurance reimbursement potential, patent strategies, and return on investment. This comprehensive approach effectively reduces development risks and protects shareholder interests. Since its establishment, the Company has been deeply engaged in fields such as cardiovascular minimally invasive procedures, laparoscopic surgery, orthopedics, and urology, continuously accumulating R&D capabilities and expertise. We have built a solid network of physician advisors, expanded our global customer network, and maintained close interactions with global regulatory certification bodies. Our team possesses extensive practical experience and achievements in areas such as regulatory certification, quality management, and product development. In the future, we will continue to optimize resource allocation, applying existing successful models to new R&D projects to maximize resource efficiency and enhance return on investment.

All our medical device R&D projects are aimed at licensing as the ultimate goal, and we are actively expanding potential partnerships and international licensing opportunities. Given the recent trend of major international companies becoming more cautious in their acquisition strategies for innovative products, which typically require large clinical trials or actual sales to validate market potential before initiating licensing negotiation processes, the Company will, in accordance with the regulatory requirements of major markets, promptly commence clinical trials to advance product development. We will also engage in small-scale sales as needed to accumulate clinical application experience, enhance product exposure, and increase market value, thereby positioning ourselves to seek licensing opportunities at the appropriate time.

(2) Entering the CDMO market for advanced medical devices

To sustain the R&D capabilities accumulated through innovative medical device development and to create a stable and long-term positive cash flow, the Company is actively expanding its business into the CDMO service sector. We collaborate with partners to build a complete industry chain, offering one-stop-shop services that cover everything from upstream process technology development to downstream mass production capabilities. Through this strategy, once the products are successfully licensed, the Group can continue to undertake subsequent production, providing customers with stable mass production services and further enhancing the overall value of the Company and shareholder returns.

In the future, Medeologix and its U.S. subsidiary will accelerate the expansion of manufacturing capabilities for various components, subassemblies, and finished products. This will not only strengthen our stable revenue base but also leverage close collaboration with strategic partners to achieve synergistic integration. Additionally, by utilizing Taiwan's superior manufacturing efficiency, quality, and talent advantages, we aim to provide high-quality products to international medical giants. This development strategy not only drives the growth of adjacent industry supply chains but also reinvests into our core R&D capabilities, enhancing overall operational resilience and profitability, providing solid support for the Group's long-term development.

4. Impact of the External Competitive Environment, Regulatory Environment and General Business Environment

The medical device industry is a high value-added sector, characterized by rapid development and high levels of globalization. Along with globalization trends, the number of competitors is also increasing. In response to intense competition and the need to expand into global markets, major global medical device companies have increasingly sought business collaborations in recent years to acquire key technologies, shorten development timelines, and save substantial R&D costs. This trend presents growth opportunities for innovative medical device companies.

Before introducing new technologies or launching new R&D projects, the Company conducts rigorous market competitiveness and strategic analysis to select advantageous and differentiated products for development. Current R&D projects are closely collaborated on by the R&D team and clinical physicians. Through repeated testing and discussions on needs, product specifications that align with clinical practice and market demand are formulated to ensure product competitiveness. Simultaneously, the Company has established comprehensive intellectual property protection strategies for the technologies under development, covering patent filings and trade secrets to safeguard against potential competitors entering the market with similar technologies. To stay attuned to industry trends and regulatory developments, the R&D team continuously participates in domestic and international leading medical conferences and research seminars. They also maintain interactions with clinical and academic research institutions to stay updated on R&D trends and policy changes. This enables the team to respond and adjust promptly to any issues that may affect the industry or the Company's R&D efforts.

Due to increasingly stringent reviews by regulatory agencies in various countries, coupled with government and private insurance institutions generally aiming to control healthcare spending, the market entry barriers have significantly increased. To strengthen their competitive advantages, major international companies are focusing their resources towards commercialization such as regulatory approval, reimbursement, and the establishment of global distribution channels. As an outstanding small to medium-sized enterprise in Taiwan, the Company possesses flexibility and rapid implementation capabilities to focus on product design and development, animal testing, early-stage human clinical trials, and regulatory approval. This positions us as an ideal partner for major international companies in their early product development efforts.

Since 2009, Taiwan's government has been promoting the “Diamond Action Plan for Biotech Takeoff”, “Biotech Industry Takeoff Action Plan”, and the “Taiwan Bioeconomy Industry Development Plan”. These initiatives have incorporated the biomedical industry into one of the key focus areas of the government's “5+2 Innovative Industries Program”, driving increases in sectoral value, corporate investment expansion, revitalization of the capital market, and the emergence of innovative capabilities. At the end of 2021, the Ministry of Economic Affairs revised the “Act for the Development of Biotech and Pharmaceutical Industry” to include contract development and manufacturing (CDMO) services for medical devices for the first time. This revision highlights the government’s focus on a dual-track strategy of ‘R&D + Manufacturing’ for medical devices.

At present, in response to global public safety and digital transformation demands, applications such as digital health, telemedicine, and artificial intelligence are continuously expanding, driving rapid growth in the demand for innovative medical device development, prototyping, and mass production. Medeon has robust innovative R&D capabilities and complete manufacturing capacity, spanning from small-batch production to large-scale manufacturing. Driven by both supportive policies and market demand, we will continue to accelerate growth and actively play a key role in the global medical device supply chain in the future.

II. Corporate Governance Report

1.Information on the directors, supervisors, general managers, deputy general managers, associate managers, department and branch managers

(1) Directors and Supervisors

A. Directors and Supervisors

April 22, 2025

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	United States of America	Representative: Yue Teh Jang	male 70~79	June 12, 2024	3	Dec. 22, 2012	-	-	-	-	-	-	-	-	**Education** Ph.D. in Materials Science, University of Utah. B.S. in Materials Science, National Tsing-Hua University **Experience** General Partner, The Vertical Group Co-Founder & CEO, Integrated Vascular Systems Co-Founder & CEO, Ensure Medical CEO, Kyphon CEO, Embol-X Vice president of R&D, Boston Scientific Vice president of R&D, CVIS	Director, Medeon International, Inc. Chairman & CEO, MedeonBio, Inc. CEO, Medeon Biodesign, Inc. Chairman, Medeon, Inc.(USA) Chairman & CEO, Prodeon Medical Corporation Director, Prodeon Medical, Inc. Chairman & CEO, Aquedeon Medical, Inc. Chairman, Medeologix Coporation. Chairman, Medeologix, Inc..	none	none	none	Note 1
	United States of America	Medeon, Inc.(Note 5)	-	-	-	-	10,450,911	11.33%	10,450,911	11.33%	-	-	-	-	-	-	-	-	-	-
Director	Republic of China	Representative: Jung Chin Lin	male 70~79	June 12, 2024	3	Jan. 14, 2014	-	-	-	-	109,255	0.12%	-	-	**Education** Honorary Doctorate, Taipei Medical University Bachelor, School of Pharmacy, Taipei Medical University **Experience** Chairman, Center Laboratories, Inc. Chairman, Medeon Biodesign, Inc. Chairman, PharmaEngine, Inc. Chairman, TOT BIOPHARM International Company Limited Chairman, Mycenax Biotech Inc.	Director, BioGend Therapeutics Co., Ltd. Director (Legal Representative), Mycenax Biotech Inc. Legal Representative Director, Adimmue Corporation Chairman (Legal Representative), BioEngine Technology Development Inc. Chairman (Legal Representative), KriSan Biotech Co., Ltd. Chairman (Legal Representative), Cytoengine Co., Ltd. Chairman, Royal Foods Co., Ltd. Chairman (Legal Representative), Bioflag International Corporation (Cayman) Chairman (Legal Representative), GLAC Biotech Co., Ltd. Chairman (Legal Representative), Ausnutria Dairy (Taiwan) Nutrition & Health Sciences Corporation Director (Legal Representative), Youluck International Inc. Director, A2+ Biotech Consulting Co., Ltd. Director, Beijing Shundu Pharmaceutical Research Institute Co., Ltd. Director, Scindy Pharmaceutical (SuZhou), Ltd. Director, Guangzhou Hybot Technology Co., Ltd. Director, T-E Pharma Holding (Cayman) Director, Vaxon Investment Inc. Director, Aiviva Holding Limited (Cayman)	none	none	none	-

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
	Republic of China	Center Laboratories, Inc.	-	-	-	-	27,411,028	29.72%	27,411,028	29.72%	-	-	-	-	-	Director and Chairman, Mycenax Biotech Inc. Director and Chairman, Lumosa Therapeutics Co.,Ltd. Director, BioGend Therapeutics Co., Ltd.; Chairman (Legal Representative), BRIM Biotechnology, Inc. Director, Ever Supreme Bio Technology Co., Ltd. Director, Ever Fortune. AI Co., Ltd. Director, Cytoengine Co., Ltd.; Chairman, Krisan Biotech Co., Ltd. Director, Anya Biopharm Inc. Director, Efficient Biomedical Corp. Director, BIOFLAG INTERNATIONAL CORPORATION (Cayman)	-	-	-	-
Director	Republic of China	Representative: Chih Hsiung Wu	male 70~79	June 12, 2024	3	Jan 8, 2016	30,487	0.03%	30,487	0.03%	-	-	-	-	**Education** Ph.D.of First Department Surgery, Dokkyo Medical University Bachelor of Medicine, school of medicine,Taipei Medical University **Academic Experience** Chairman, school of medicine, Taipei Medical University Professor of Department of Surgery , school of medicine, Taipei Medical University **Experience** Superintendent, En Chu Kong Hospital CEO, En Chu Kong Hospital Chairman, Taipei Medical University-Shuang Ho Hospital,Ministry of Health and Welfare Chairman, Taipei Medical University Hospital Director, Taiwan Hospital Association Director, New Taipei City Medical Association	Attending Physicians, En Chu Kong Hospital Independent Director, Lumosa Therapeutics Co. Ltd.	none	none	none	-
	Republic of China	Center Laboratories, Inc.	-	-	-	-	27,411,028	29.72%	27,411,028	29.72%	-	-	-	-	-	Director and Chairman, Mycenax Biotech Inc. Director and Chairman, Lumosa Therapeutics Co.,Ltd. Director, BioGend Therapeutics Co., Ltd. Director, Ever Supreme Bio Technology Co., Ltd. Director, Ever Fortune. AI Co., Ltd. Director, Cytoengine Co., Ltd. Chairman, Krisan Biotech Co., Ltd. Director, Anya Biopharm Inc. Director, Efficient Biomedical Corp. Director, BIOFLAG INTERNATIONAL CORPORATION (Cayman)	-	-	-	-

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	Republic of China	Chi Hang Yang	male 70~79	June 12, 2024	3	Apr. 20, 2015	-	-	-	-	-	-	-	-	Education Master and Ph.D. degree, Electronics and Computer Science, Southampton University in the UK Academic Experience Associate Professor, Department of Communications Engineering, National Yang Ming Chiao Tung University Chairman, Department of Computer Science and Information Engineering, Tamkang University President, Chung Chou University of Science and Technology Dean of academic affairs, National Kaohsiung University of Science and Technology Vice president, National Kaohsiung University of Science and Technology Experience Executive Assistant, Fusheng Co., Ltd. & Vice President,Top Information Technologies Co., Ltd. Dean, Office of Science and Technology Advisors, Minister of Transportation and Communications, R.O.C. Director general, Department of International Programs, National Science Council (now Ministry of Science and Technology) Director, Science and Technology Division, TECO in San Francisco Secretary, , National Science Council (now Ministry of Science and Technology)	Director, Taiwan Cultural and Creativity Development Foundation Chairman, SVT Investment Co. , Ltd Independent Director, ACE Pillar CO., LTD.	none	none	none	-
Independent Director	Republic of China	Chia Ying Ma	male 60~69	June 12, 2024	3	Apr. 20, 2015	-	-	-	-	-	-	-	-	Education Ph.D., Business and Economics, Lehigh University, USA Academic Experience Dean, the Office of Research Development, Soochow University Secretary of President, Soochow University Professor, Department of Accounting , Soochow University Chairperson, Department of Accounting, Soochow University Adjunct Professor, National ChengChi University Adjunct Professor, Department of Accounting and Information Technology, National Chung Cheng University Adjunct Professor, Department of Biological Science and Technology, National Yang Ming Chiao Tung University Professional Organization Experience Member, Enterprise Accounting Standards Committee, Accounting Research and Development Foundation in Taiwan Member, Auditing Standards Committee, Accounting Research and Development Foundation in Taiwan Directorate-General of Budget for Accounting and Statistics Certifications CPA ROC CPA New Jersey State Licensed CPA	Independent Director, TSC Auto ID Technology Co., Ltd. Independent Director, RichWave Independent director, Hiyes International Co., Ltd. Director (Legal Representative),Union Insurance Company Professor, Department of Accounting , Soochow University	none	none	none	-

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	Republic of China	Jien Wei Yeh	male 70~79	June 12, 2024	3	June 19, 2023	-	-	-	-	-	-	-	-	Education： PhD in Material Science, National Tsing Hua University Experience： Professor, Department of Material Science Engineering, National Tsing Hua University Associate Professor, Department of Material Science Engineering, National Tsing Hua University Consultant and Director, High Entropy Materials, Inc. Independent Director of Elite Advanced Laser Corporation Consultant, Vero Veria Corporation.	Chairman, High Entropy Materials, Inc. Distinguished Research Chair Professor, National Tsing Hua University	none	none	none	-
Independent Director	Republic of China	Feng Shyang Yang	female 70~79	June 12, 2024	3	June 12, 2024	-	-	-	-	-	-	-	-	**Education：** Ph.D., Department of Chemistry, University of Utah, USA Master degree, Department of Chemistry, University of Utah, USA Bachelor degree, Department of Chemistry, National Taiwan University **Experience：** Senior Research Fellow, China Steel Corporation Executive Secretary, Sinosteel Green Business Subcommittee Senior Research Fellow, Corporate Planning Division Convener of team biotechnology, Commercial Division Vice Director, New Materials Research & Development Department of Commercial Division Division Director, Surface treatment and composite materials department of Research & Development Department of Commercial Division Engineer, Vice Research Fellow and Acting Division Director, Research & Development Department of Commercial Division General Manager, TaiAn Technologies Corporation Director and general manager, Ruiji Biotechnology Co., Ltd. Supervisor, Adimmune Corporation Chair and Member of Investment Review Committee, Eminent Ⅱ Venture Capital Corporation Member of Investment Review Committee, CDIB Capital Investment and BioScience Venture Management (BVI), Inc. Director, Phalanx Biotech Group, Inc. Supervisor, Taiyue Biotechnology Co., Ltd. Director, GenMont Biotech Incorporation Investor representative and Member of Investment Review Committee, Sino-Canadian Biotechnology Development Fund Director, Junpu Electronics Co., Ltd.	none	none	none	none	-

Note 1 : The Chairman and general manager of the Company are the same person. Dr. Jang, as a world famous investor and an entrepreneur in advanced medical devices, has already lead many novel medical device projects to improve the quality of medical treatment, and also has brought the benefit to the patients all around the world for over 30 years. Thus, under the leadership of Chairman Jang, the Company consolidates Taiwan's technology and talents to provide pioneering solutions for international medical devices field and create gold medical standards for the next generation. Except the Chairman, the other Directors of the Company are not the Company’s employees or managers concurrently. The Company has elected one additional seat for independent director in 2023 Annual Shareholders’ Meeting.

B. Major shareholders of the institutional shareholders

List of Major shareholders of the institutional shareholders (A)

Apr. 22, 2025

Name of Institutional Shareholders	Major Shareholders of the Institutional Shareholders
Center Laboratories, Inc.	Li Rong Technology Co., Ltd. (9.13%) Royal Food Co., Ltd. (5.72%) Jason Technology Co., Ltd. (3.51%) Yuanta Securities Co., Ltd. in Custody for Mining Investment Fund of GL Capital Group (2.71%) Farglory Life Insurance Inc. (1.48%) You De Investment Consulting Co., Ltd. (1.1%) JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard Total International Stock Index Fund, a series of MasterLink Securities Corp. (1.07%) Mumozi Inc. (0.98%) Yong Lian Co., Ltd. (0.91%) Vanguard Emerging Markets Stock Index Fund, a Series of Vanguard International Equity Index Funds (0.90%)
Medeon, Inc. (US) (Note)	Yue Teh Jang (100%)

Table (A) Major shareholders of the Company's major institutional shareholders

Apr. 22, 2025

Name of Institutional Shareholders	Major Shareholders of the Institutional Shareholders
Li Rong Technology Co., Ltd.	Jason Technology Co., Ltd. (92.07%), Jung Chin Lin (7.857%), Li Zhu Ou (0.059%), Hong Xian Lin (0.005%), Jia-Ling Lin (0.005%), Wei-Xuan Lin (0.004%)
Royal Foods Co., Ltd.	Li Rong Technology Co., Ltd. (92.31%), Jason Technology Co., Ltd. (7.67%), Jung Chin Lin (0.02%)
Jason Technology Co., Ltd.	Hong Xian Lin (35.83%), Jia-Ling Lin (25.97%), Wei-Xuan Lin (25.69%), Li Zhu Ou (12.25%), Jung Chin Lin (0.26%)
Farglory Life Insurance Inc.	Xinyu Investment Co., Ltd. (19.00%), Far East Construction Co., Ltd. (12.48%), Yuan-Jian Investment Co., Ltd. (8.91%), Teng Xiong Zhao (8.49%), Hafo International Investment Co., Ltd. (6.71%), Ruiqi International Investment Co., Ltd. (6.43%), Farglory International Investment Co., Ltd. (6.43%), Jun Yao Yeh (5.96%), Yu Nu Zhao (5.77%), Dong Yuan Construction Engineering Co., Ltd. (5.63%)
You De Investment Consulting Co., Ltd.	Su Chi Wang (75%), You En Lin (25%)
Mumozi Inc.	Jun Yao Lin (99.997%), Ming Yue Zheng (0.003%)
Yong Lian Co., Ltd.	Wen Ti Cheng (27.9%), Wen Yu Cheng (27.9%), Cheng Yi Tsai (27.9%), Wan Lai Cheng (12.4%), Cheng Hsieh Pao-Tsai Social and Educational Foundation (3.33%)、Yu Fen Chang (0.57%)

C. The disclosure for Director's professional qualification and the independence criteria of independent director：

Criteria / Name	Professional Qualification and Experience (Note 1)	Independence Criteria (Note 2)												Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		1	2	3	4	5	6	7	8	9	10	11	12	
Medeon, Inc. Representative: Yue Teh Jang	Dr. Yue Teh Jang He is a well-known serial entrepreneur and venture capitalist in advanced medical devices. He has been involved in the biomedical industry for over 30 years and has created many innovative medical devices to improve the quality of care for patients around the world. Not been under any circumstances stated in Article 30 of the Company Act.	—	—	✓	—	—	✓	—	✓	✓	✓	✓	—	0
Center Laboratories, Inc. Representative: Jung Chin Lin	Director Jung Chin Lin is currently the Honorary President of Center Ventures Group and serves on the board of directors of dozens of biotech and pharmaceutical companies. He has significant influence in the biotech industry and is a highly respected entrepreneur in Taiwan, and is known as the "Ekoka of Biotech". In the past, he has successfully improved the corporate structure of several companies, assisted them in positioning and planning their business strategies. Not been under any circumstances stated in Article 30 of the Company Act.	✓	✓	✓	✓	—	✓	✓	✓	✓	✓	✓	—	0
Center Laboratories, Inc. Representative: Chih Hsiung Wu	Prof. Chih Hsiung Wu is currently a Chair Professor at Taipei Medical University and serves as the Chief Attending Surgeon of General Surgery at En Chu Kong Hospital. He has previously held positions as Superintendent of Taipei Medical University Hospital, Superintendent of Taipei Medical University-Shuang Ho Hospital, CEO of Tiangong Medical Group and	✓	✓	✓	✓	—	✓	✓	✓	✓	✓	✓	—	1

	Superintendent of En Chu Kong Hospital. He also served as President of the Taiwan Surgical Association and as Executive Director of the Taiwan Hospital Association. In 2022, he was awarded the Taiwan Healthcare Contribution Award. Prof. Wu continues to play a number of important roles in clinical medicine, medical education and hospital management. Not been under any circumstances stated in Article 30 of the Company Act.													
Chi Hang Yang (Independent Director)	Dr. Chi Hang Yang has mentored several founders of major biotechnology and medical technology companies in Taiwan, and has played a key role in assisting the development of Taiwan's medical device industry by promoting the Stamford-Taiwan Biomedical Fellowship Program(STB). Not been under any circumstances stated in Article 30 of the Company Act.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1
		Meet the criteria stated in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies": 1. The individual, his/her spouse and relative within the second degree of kinship were not directors, supervisors or employees of the Company or its affiliates. 2. The individual (or under the name of another person), his/her spouse and relative within the second degree of kinship do not hold the Company's shares. 3. The individual (or under the name of another person), his/her spouse and minor children do not hold the Company's shares. 4. Not a director, supervisor or employee of a company with specific relationship with the Company. 5. Has not obtained remuneration for provision of commerce, law, finance, or accounting services for the Company or its affiliates within the most recent two years.												
Chia Ying Ma (Independent Director)	Dr. Chia Ying Ma holds CPA designation in the U.S., Taiwan and China. He is currently a professor in the Department of Accounting at Soochow University, and is a professional advisor and member of various government agencies, including Member of the Public Employees Retirement Pension Fund Committee, Member of the Audit Committee of the Republic of China, Member of the Government Accounting Standards Committee of the General Accounting Office, Executive Yuan, and Brand	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	3
		Meet the criteria stated in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies": 1. The individual, his/her spouse and relative within the second degree of kinship were not directors, supervisors or employees of the Company or its affiliates. 2. The individual (or under the name of another person), his/her spouse and relative within the second degree of kinship do not hold the												

	Licensing and Implementation Consultant of the National Palace Museum. Not been a person of any conditions defined in Article 30 of the Company Act.	Company's shares. 3. The individual (or under the name of another person), his/her spouse and minor children do not hold the Company's shares. 4. Not a director, supervisor or employee of a company with specific relationship with the Company.5. 5. Has not obtained remuneration for provision of commerce, law, finance, or accounting services for the Company or its affiliates within the most recent two years.	
Jien Wei Yeh (Independent Director)	Dr. Jien Wei Yeh currently serves as a Distinguished Research Chair Professor at National Tsing Hua University. Renowned for his pioneering research on high-entropy alloys, he has propelled this emerging material field to the forefront of academia. Dr. Yeh's groundbreaking work has solidified Taiwan's leadership in high-entropy alloy research, earning him the title of the "father of high-entropy alloys". He has also industrialized high-entropy materials to enhance the competitiveness and influence of domestic industries. Dr. Yeh was awarded the Outstanding Research Award by the Ministry of Science and Technology in 2017 and the Outstanding Contribution in Science and Technology Award by the Executive Yuan in 2021. In 2022, he was ranked top second in scientific influence in the global materials field. Dr. Yeh does not fall under any of the circumstances stated in Article 30 of the Company Act.	✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ Meet the criteria stated in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies": 1. The individual, his/her spouse and relative within the second degree of kinship were not directors, supervisors or employees of the Company or its affiliates. 2. The individual (or under the name of another person), his/her spouse and relative within the second degree of kinship do not hold the Company's shares.3. 3. The individual (or under the name of another person), his/her spouse and minor children do not hold the Company's shares.4. 4. Not a director, supervisor or employee of a company with specific relationship with the Company.5. 5. Has not obtained remuneration for provision of commerce, law, finance, or accounting services for the Company or its affiliates within the most recent two years.	0
Feng Shyang Yang (Independent Director)	Dr. Feng Shyang Yang earned his Ph.D. from the University of Utah in the United States before returning to Taiwan to join China Steel Corporation, where he advanced to the position of senior executive and focused on the research and development of new materials. He played a key role in driving the company's diversification strategy by leading initiatives in advanced materials technology. Dr. Yang has demonstrated strong cross-disciplinary expertise in both investment and management, successfully leveraging his	✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ Meet the criteria stated in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies": 1. The individual, his/her spouse and relative within the second degree of kinship were not directors, supervisors or employees of the Company or its affiliates. 2. The individual (or under the name of another person), his/her spouse and relative within the second degree of kinship do not hold the	0

	extensive experience to transition into the biomedical and healthcare sectors. He previously served as General Manager of Tai An Technologies Corporation and as Supervisor at Adimmune Corporation. In addition, he has held board positions in more than five other healthcare-related biotechnology companies, contributing significantly to their growth and development. Dr. Yang does not fall under any of the circumstances stated in Article 30 of the Company Act.	Company's shares.3. 3. The individual (or under the name of another person), his/her spouse and minor children do not hold the Company's shares.4. 4. Not a director, supervisor or employee of a company with specific relationship with the Company.5. 5. Has not obtained remuneration for provision of commerce, law, finance, or accounting services for the Company or its affiliates within the most recent two years.	

Note 1: For details of the professional qualifications and experience of all directors (including independent directors) of the Company, please refer to the relevant contents of "Information on Directors and Supervisors" on pages 10-13 of this annual report.

Note 2: For each director who has met each of the following criteria during the two years preceding his or her election and during his or her term of office, please enter "✓" in the space below each criteria code.

（1） Not an employee of the company or any of its affiliates.

（2） Not a director or supervisor of the company or any of its affiliates. 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.

（3） Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.

（4） Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.

（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 Article 27, paragraph 1 or 2 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 chairperson, general manager, 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 five percent 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 percent or more and no more than 50 percent of the total number of issued shares of the public company.

（9） Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

（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 Law.

D. Board of Directors Diversity Policy and Independence:

a. Board of Directors Diversity:

The Company implements the policy of diversifying the board of directors, and the "Corporate Governance Best Practice Principles" regulates the policy of diversifying the Board of Directors, and recruits talents with different business backgrounds, including (but not limited to) gender, age, nationality, culture and professional experience, knowledge and skills (e.g. medical device development and clinical medicine, finance and accounting, business management) according to the existing business model and actual needs, in order to strengthen the Board of Directors' operational capabilities. There is 1 female director and 6 male directors. Among them, 6 directors are aged 70 or above, and 1 director is aged 60–69. All directors have extensive management, leadership and industry knowledge, and all directors are available to give professional advice to the Company from different perspectives. The core of the Company's operation is medical device design and development. In addition to the diversity of the board members, special attention is paid to the professional knowledge and skills of the board members, and the ratio of seats with expertise in medical device development, biotechnology industry, and clinical medicine must reach 50%, which has been achieved. The Company will continue to arrange diversified continuing education programs for its board members to enhance their quality of decision making, good supervisory skills, and further strengthen the functions of the Board of Directors. In the future, we will continue to invite appropriate candidates to join the Board of Directors in accordance with the Company's development strategy and changes in the internal and external environment to strengthen the balance of the Board. The following table shows the status of implementation of the board member diversity policy:

Title	Chairman	Director			Independent Director		
Name	Yue Teh Jang	Jung Chin Lin	Chih Hsiung Wu	Chi Hang Yang	Chia Ying Ma	Jien Wei Yeh	Feng Shyang Yang
Gender	Male	Male	Male	Male	Male	Male	Female
Nationality	USA	R.O.C.	R.O.C.	R.O.C.	R.O.C.	R.O.C.	R.O.C.
Age	70-79	70-79	70-79	70-79	60-69	70-79	70-79
Independent Directors' Terms of Office	Not applicable	Not applicable	Not applicable	Over 9 years	Over 9 years	Uner 2 years	Uner 1 year
Work concurrently as an employee	V						

Ability to make operational judgments.	V	V	V	V	V	V	V
Ability to perform accounting and financial analysis.					V		
Ability to conduct management administration.	V	V	V	V		V	V
Ability to conduct crisis management.	V	V	V	V	V	V	V
Knowledge of the industry.	V	V	V	V		V	V
An international market perspective.	V	V	V	V	V	V	V
Ability to lead.	V	V	V	V	V	V	V
Ability to make policy decisions.	V	V	V	V	V	V	V

b. Board of Directors Independence:

- ●The Board of Directors of the Company consists of 7 directors, of which 4 are independent directors accounting for 57.14% of all directors and 4 of all directors meeting all independence criteria accounting for 57.14% of all directors.
- ●More than half of the independent directors have not served more than three consecutive terms. All independent directors do not work concurrently as independent directors for more than 3 other public companies.
- ●The largest shareholder, Center Laboratories, Inc. has 2 corporate directors, and the remaining 3 seats are 1 corporate director and 2 natural person directors, with no more than 1/3 of the total seats held by the largest shareholder.
- ●All directors of the Company are not related to each other as spouses and relatives within two degrees (as defined in Items 3 and 4 of Article 26-3 of the Securities and Exchange Act).

●In order to ensure the independence of the Board of Directors' meeting, the Company's "Rules of Procedures for Board of Directors' Meetings" expressly stipulates that a director who has an interest in a meeting or in the legal entity he or she represents should explain the important content of his or her interest at the current Board of Directors' meeting, and should not participate in the discussion or vote if it is harmful to the Company's interests. All directors of the Company complied with the aforementioned regulations to ensure that the discussion and voting of each resolution of the Board of Directors are based on the independent and objective judgment of the directors.

In summary, the Board of Directors of the Company is reasonably independent.

(2) Information on the general managers, vice president, directors, department and branch managers:

Apr. 22, 2025

Title	Nationality	Name	Gender	Elected Date	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
General Manager	United States of Ameri	Yue Teh Jang	Male	101.12.22	-	-	-	-	-	-	General Partner, The Vertical Group Co-Founder & CEO, Integrated Vascular Systems Co-Founder & CEO, Ensure Medical CEO, Kyphon CEO, Embol-X Vice president of R&D, Boston Scientific Vice president of R&D, CVIS Ph.D. in Materials Science, University of Utah. B.S. in Materials Science, National Tsing-Hua University	Director, Medeon International, Inc. Chairman & CEO, MedeonBio, Inc. CEO, Medeon Biodesign, Inc. Chairman, Medeon, Inc.(USA) Chairman & CEO, Prodeon Medical Corporation Director, Prodeon Medical, Inc. Chairman & CEO, Aquedeon Medical, Inc. Chairman, Medeologix Coporation. Chairman, Medeologix, Inc.	-	-	-	Note 1
VP of Products Development	Republic of China	Albert Weng	Male	108.07.01	375,881	0.41%	-	-	-	-	Visiting Scientist, Massachusetts Institute of Technology Senior Scientist and principle investigator, Industrial Technology Research Institute (ITRI) Ph.D.of Materials Sciences and Engineering, National Tsing-Hua University	Director, Prodeon Medical Corporation Executive Vice President, Medeologix, Inc. Management Representative, Medeologix LLC	-	-	-	
Executive VP of General Manager's Office	Republic of China	Greta Chang	Female	108.07.01	30,000	0.03%	-	-	-	-	QA Manager, Health & Life Corporation Regulatory Manager, Healthcare Division, Lite-On IT's Senior lead auditor, TUV Rheinland. Product Specialist, Galemed Corporation R&D Engineering, Bioteque Corporation B.S. in Biomedical Engineering, Chung Yuan Christian University.	Director, Prodeon Medical, Inc. Director, Aquedeon Medical, Inc.	-	-	-	
VP of Finance & Business Analysis	Republic of China	Jenny Chen	Female	111.04.07	89,268	0.1%	59,780	0.06%	-	-	Investment Manager, Taiwan Global Biofund & YFY Biotech Management Company Project Manager, MicroParticle Proteomics, LLC Researcher, Industrial Technology Research Institute Applied Researcher, BioDiscovery Inc. Ph.D. degree in Microbiology, UC Davis MBA degree in Finance, Rady School of Management, UC San Diego	Director, Medeologix, Inc. Director, Prodeon Medical Corporation Chairman, Yi Chuang Biodesign, Inc.	-	-	-	
Director of Regulatory, Quality & Clinical Affairs	Republic of China	Pei Chen	Female	108.08.05	1,385	0.002%	-	-	-	-	Director of Clinical Research, Han.biomedical Inc. Examiner, Drug Department, Taiwan Food and Drug Administration Assistant Manager of Clinical Research, R&D Department, TSH Biopharm Corporation Limited Director of Clinical Research, TDW Pharmaceutical Inc. Postdoc, Academia Sinica, Institute of Biomedical Sciences & Manager of Clinical Center Ph.D. of Life Sciences, National Defense Medical Center	-	-	-	-	
Senior Manager of Finance & Business Analysis & Accounting Officer	Republic of China	Tori Lin	Female	111.04.07	14,271	0.02%	-	-	-	-	Assistant Manager, Administration, Kalin Enterprise Co., Ltd. Manager, Accounting, Interserv International Inc. In Charge of PWC Master, Department of Management Science, National Yang Ming Chiao Tung University Department of Accounting, Soochow University	-	-	-	-	
Assistant Manager of Internal Audit	Republic of China	Franey Jeng	Female	102.03.01	16,370	0.02%	-	-	-	-	Administrative Specialist, Acorn Taiwan Consultant Co., Ltd. Administrative Assistant of BSPT Bachelor of Department of Information Management, National Taipei University of Business	-	-	-	-	

Note 1 : The Chairman and general manager of the Company are the same person. Dr. Jang, as a world famous investor and an entrepreneur in advanced medical devices, has already lead many novel medical device projects to improve the quality of medical treatment, and also has brought the benefit to the patients all around the world for over 30 years. Thus, under the leadership of Chairman Jang, the Company consolidates Taiwan's technology and talents to provide pioneering solutions for international medical devices field and create gold medical standards for the next generation. Except the Chairman, the other Directors of the Company are not the Company's employees or managers concurrently. The Company has elected one additional seat for independent director in 2023 Annual Shareholders' Meeting.

(3) Remuneration paid to directors, supervisors, general managers and deputy general managers in the most recent year

- The names and remuneration of the "Directors and Supervisors" shall be disclosed individually if there has been an after-tax loss in the last three years of the individual or separate financial reports, unless the net profit after taxation has been generated in the last year of the parent only or individual financial reports and is sufficient to cover the accumulated losses.
- The remuneration of individual directors shall be disclosed if the directors' shareholding has been insufficient for at least three consecutive months in the most recent year, and the remuneration of individual supervisors shall be disclosed if the supervisors' shareholding has been insufficient for at least three consecutive months in the most recent year: None.
- If the average qualitative ratio of directors or supervisors for any three months of the most recent year is greater than 50%, the remuneration of individual directors or supervisors whose qualitative ratio is greater than 50% for each such month shall be disclosed: None.
- If the remuneration received by all directors and supervisors in the financial report exceeds 2% of the net profit after tax, and if the remuneration received by individual directors or supervisors exceeds NT$15 million, the remuneration of individual directors or supervisors shall be disclosed: No such cases.
- If a listed company's corporate governance evaluation results in the latest year are at the last level, or if the company has been subject to change of trading method, suspension of trading, termination of listing as of the printing date of the annual report, or any other criteria approved by the Corporate Governance Evaluation Committee that the company should not be evaluated: None.
- The average annual salary of full-time employees not holding executive positions in the most recent year of the listed company does not reach NT$500,000: No such cases.

A. Remuneration Paid to Directors in 2024 Unit: NT$ thousands

Title	Name	Directors Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 10)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%) (Note 10)		Remuneration from ventures other than subsidiaries or from the parent company (Note 11)
		Base Compensation (A) (Note 2)		Severance Pay (B)		Directors Compensation (C) (Note 3)		Business Execution Expense (D) (Note 4)				Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay (F)		Employee Compensation (G) (Note 6)						
																The Company		Companies in the financial statements (Note 7)				
		The Company	Companies in the financial statements (Note 7)	本公司 The Company	Companies in the financial statements (Note 7)	The Company	Companies in the financial statements (Note 7)	The Company	Companies in the financial statements (Note 7)	The Company	Companies in the financial statements (Note 7)	The Company	Companies in the financial statements (Note 7)	The Company	Companies in the financial statements (Note 7)	Cash	Stock	Cash	Stock	The Company	Companies in the financial statements (Note 7)	
Chairman	Medeon, Inc. (USA) Representative: Yue Teh Jang	-	-	-	-	-	-	27	27	27 (0.003%)	27 (0.003%)	651.3	14,589.7	-	-	-	-	-	-	678.3 (0.084%)	14,616.7 (1.815%)	-
Director	Center Laboratories, Inc. Representative: Jung Chin Lin	-	-	-	-	-	-	27	27	27 (0.003%)	27 (0.003%)	-	-	-	-	-	-	-	-	27 (0.003%)	27 (0.003%)	-
Director	Center Laboratories, Inc. Representative : Chih Hsiung Wu	-	-	-	-	-	-	22.5	22.5	22.5 (0.003%)	22.5 (0.003%)	-	-	-	-	-	-	-	-	22.5 (0.003%)	22.5 (0.003%)	-
Director	Hong Jen Chang (Note 12)	-	-	-	-	-	-	9	9	9 (0.001%)	9 (0.001%)	-	-	-	-	-	-	-	-	9 (0.001%)	9 (0.001%)	-
Director	Hsin Yuan Fang (Note 12)	-	-	-	-	-	-	9	9	9 (0.001%)	9 (0.001%)	-	-	-	-	-	-	-	-	9 (0.001%)	9 (0.001%)	-
Independent Director	Chi Hang Yang	600	600	-	-	-	-	58.5	58.5	658.5 (0.082%)	658.5 (0.082%)	-	-	-	-	-	-	-	-	658.5 (0.082%)	658.5 (0.082%)	-
Independent Director	Chia Ying Ma	600	600	-	-	-	-	63	63	663 (0.082%)	663 (0.082%)	-	-	-	-	-	-	-	-	663 (0.082%)	663 (0.082%)	-
Independent Director	Jerome Shen (Note 12)	320	320	-	-	-	-	31.5	31.5	351.5 (0.044%)	351.5 (0.044%)	-	-	-	-	-	-	-	-	351.5 (0.044%)	351.5 (0.044%)	-
Independent Director	Jien Wei Yeh	600	600					58.5	58.5	658.5 (0.082%)	658.5 (0.082%)	-	-							658.5 (0.082%)	658.5 (0.082%)	
Independent Director	Feng Shyang Yang (Note 13)	331.7	331.7					22.5	22.5	354.2 (0.044%)	354.2 (0.044%)	-	-									

1. Please describe the policy, system, criteria and structure for the payment of remuneration to independent directors and its relevance to the amount of remuneration paid in terms of the responsibilities, risks and time commitment involved.

A. In accordance with the articles of incorporation, the Company shall set aside not more than two percent for the remuneration of its directors if the Company makes a profit in a year. However, if the Company has accumulated losses, the Company shall have reserved a sufficient amount to offset its accumulated losses, and then distribute the employees and directors' remuneration in accordance with the previous ratio.

B.The Company conducted an evaluation on the performance of the Board in 2024 (the items of evaluation include the 5 dimensions of the level of participation in the operation of the Company, upgrade the decision-making quality of the Board, the organization and structure of the Board, the election of Directors and their continuing education, and internal control), and the self-assessment of the Directors in 2024 (the items of evaluation include the 6 dimensions of the control of the objective and mission of the Company, the sense of duties, level of participation in the operation of the Company, cultivation of internal relation and communication, professional standing and continuing education of the Directors, and internal control) in accordance with the "Rules for Performance Evaluation of Board of Directors". However, the Company did not yield any profit in 2024 that only the fixed remuneration for the Independent Directors and the attendance fees for the Directors have been disbursed.

2. Remuneration received for services rendered by directors of the Company (e.g. as consultants to non-employees of the parent company/financial reporting company/investment business, etc.) in the most recent year, other than those disclosed in the table above: None

Note 1: The names of directors should be listed separately (corporate shareholders should list the names of corporate shareholders and their representatives separately). The general directors and independent directors should be listed separately. The amounts of each payment should be disclosed in aggregate. If the director is also the general manager or deputy general manager, he/she should fill out this form and the remuneration of the general manager and deputy general manager (by disclosing the name and remuneration method), or the remuneration of the deputy general manager (by disclosing the name by aggregating the ranges) and the remuneration range table.

Note 2: This refers to the most recent annual compensation of directors (including directors' salaries, bonuses, severance pay, various bonuses and incentive payments, etc.).

Note 3: The amount of directors' remuneration approved by the Board of Directors in the most recent year is included.

Note 4: This refers to the latest year's directors' related business execution expenses (including transportation expenses, special expenses, various allowances, dormitories, in-kind provision of cars, etc.). If housing, automobiles and other transportation or personal expenses are provided, the nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed. If the individual has a driver, please include a note stating that the Company will pay the driver the relevant compensation, but it will not be counted as remuneration.

Note 5: This refers to the most recent year in which the directors and employees including the general manager, deputy general manager, other managerial officers and employees received salaries, salary increases, severance pay, bonuses, incentive payments, transportation expenses, special payments, allowances, dormitories, cars, and other in-kind provisions, etc. If housing, automobiles and other transportation or personal expenses are provided, the nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed. If the individual has a driver, please include a note stating that the Company will pay the driver the relevant compensation, but it will not be counted as remuneration. Salary expense recognized in accordance with IFRS 2, "Share-based Payment," including the acquisition of employee stock options, new shares with restricted employee rights and participation in cash capital increase to subscribe for shares, should also be included in remuneration.

Note 6: The amount of employee compensation including stock and cash received by directors who are also employees of the Company including those who are also general managers, deputy general managers, other managers and employees in the most recent year should be disclosed as approved by the Board of Directors in the most recent year, and if the amount cannot be estimated, the proposed distribution amount for this year should be calculated in proportion to the actual distribution amount last year, and the name of the manager who distributed the employee compensation and the distribution status should also be included.

Note 7: The total amount of each remuneration paid to the Company's directors by all companies in the consolidated report (including the Company) should be disclosed.

Note 8: The total amount of each remuneration paid by the Company to each director is disclosed in the name of the director at the level of vesting.

Note 9: The total amount of each remuneration paid to each director of the Company by all companies in the consolidated report (including the Company) should be disclosed, and the names of the directors should be disclosed in the respective grades.

Note 10: The net income after tax refers to the net income after tax of the most recent year for individual or separate financial reports.

Note 11: a. This column should clearly state the amount of remuneration received by the directors of the Company from businesses other than subsidiaries or from the parent company (if none, please enter "none").

b. If a director of the Company receives remuneration from a subsidiary or a parent company, the remuneration received by the director of the Company from a subsidiary or a parent company should be included in Column I of the remuneration scale and the name of the column should be changed to "Parent Company and All Transferred Subsidiaries".

c. Remuneration Remuneration refers to the compensation, remuneration (including remuneration to employees, directors and supervisors) and business execution expenses related to the director's role as a director, supervisor or manager of a business other than a subsidiary transferring to an investment company or a parent company.

Note 12: Term expired on June 12, 2024.

Note 13: Appointed on June 12, 2024.

* The compensation disclosed in this table is different from the concept of income under the Income Tax Act, so the purpose of this table is for information disclosure and not for tax purposes.

B. Remuneration Paid to Supervisors in 2024: Not applicable.

C. Remuneration Paid to General Managers and Deputy General Managers in 2024

Unit: NT$ thousands

Title	Name	Salary (A) (Note 2)		Severance Pay (B)		Bonuses and Allowances (C) (Note 3)		Employee Compensation (D) (Note 4)				Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 8)		Remuneration from ventures other than subsidiaries or from the parent company (Note 9)
		The Company	Companies in the financial statements (Note 5)	The Company	Companies in the financial statements (Note 5)	The Company	Companies in the financial statements (Note 5)	The Company		Companies in the financial statements (Note 5)		The Company	Companies in the financial statements (Note 5)	
								Cash	Stock	Cash	Stock			
General Manager	Yue Teh Jang	7,098.6	31,104.5	237.8	237.8	-	-	-	-	-	-	7,336.4 (0.91%)	31,342.3 (3.89%)	-
Vice President	Albert Weng													
Vice President	Greta Chang													
Vice President	Jenny Chen													

Range of Remuneration

Range of Remuneration Paid to General Managers and Deputy General Managers	Name of General Managers and Deputy General Managers	
	The Company (Note 6)	Companies in the financial statements (Note 7)
Less than NT$ 1,000,000	Yue Teh Jang, Albert Weng	-
NT$1,000,000(incl.) ~ NT$2,000,000(excl.)	-	-
NT$2,000,000(incl.) ~ NT$3,500,000(excl.)	Greta Chang, Jenny Chen	Greta Chang, Jenny Chen
NT$3,500,000(incl.) ~ NT$5,000,000(excl.)	-	-
NT$5,000,000(incl.) ~ NT$10,000,000(excl.)	-	-
NT$10,000,000(incl.) ~ NT$15,000,000(excl.)	-	Yue Teh Jang, Albert Weng
NT$15,000,000(incl.) ~ NT$30,000,000(excl.)	-	-
NT$30,000,000(incl.) ~ NT$50,000,000(excl.)	-	-
NT$50,000,000(incl.) ~ NT$100,000,000(excl.)	-	-
More than NT$100,000,000	-	-
Total	4 people	4 people

Note 1: The names of the general manager and deputy general manager should be listed separately to disclose the amount of each benefit in aggregate. If a director is also a general manager or deputy general manager, he/she should complete this form and the remuneration of the general and independent directors (by disclosing their names and the manner of remuneration), or the remuneration of the general and independent directors (by disclosing their names by aggregating the ranges) and the remuneration range table.
Note 2: The most recent annual salary, duty increment and severance pay of the general manager and deputy general manager are included.
Note 3: The amount of bonuses, incentive payments, transportation expenses, special expenses, allowances, dormitories, vehicles and other in-kind payments for the general manager and deputy general manager for the most recent year are included. If housing, automobiles and other transportation or personal expenses are provided, the nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed. If the individual has a driver, please include a note stating that the Company will pay the driver the relevant compensation, but it will not be counted as remuneration. Salary expense recognized in accordance with IFRS 2, "Share-based Payment," including the acquisition of employee stock options, new shares with restricted employee rights and participation in cash capital increase to subscribe for shares, should also be included in remuneration.
Note 4: The amount of employee compensation (including stock and cash) for the general manager and deputy general manager approved by the Board of Directors in the most recent year is included. If the amount cannot be estimated, the proposed distribution for this year is calculated in proportion to the actual distribution last year, and should also be listed in Table 1-3.
Note 5: The total amount of remuneration paid to the general manager and deputy general manager of the Company by all companies in the consolidated report (including the Company) should be disclosed.
Note 6: The total amount of compensation paid by the Company to each general manager and deputy general manager is disclosed in the name of the general manager and deputy general manager at the level to which they are vested.
Note 7: The total amount of remuneration paid to each general manager and deputy general manager of the Company by all companies in the consolidated report (including the Company) should be disclosed, and the names of the general manager and deputy general manager should be disclosed at the level to which they belong.
Note 8: The net income after tax refers to the net income after tax of the most recent year for parent only or individual financial reports.
Note 9: a. This column should clearly state the amount of remuneration received by the general manager and deputy general manager of the Company from businesses other than subsidiaries that have invested in the Company or from the parent company (if none, please enter "none").
b. If the general manager and deputy general manager of the Company receive remuneration from a subsidiary or a parent company, the remuneration received by the general manager and deputy general manager of the Company from a subsidiary or a parent company should be included in column E of the remuneration scale, and the name of the column should be changed to "Parent Company and All Transferred Ventures".
c. Remuneration refers to the compensation, remuneration (including remuneration to employees, directors and supervisors) and business execution costs of the Company's general manager and deputy general manager in their capacity as directors, supervisors or managers of a business other than a subsidiary or a parent company.
＊The compensation disclosed in this table is different from the concept of income under the Income Tax Act, so the purpose of this table is for information disclosure and not for tax purposes.

D. Remuneration for the top five highest paid executives in 2024:

Unit: NT$ thousands

Title	Name	Salary (A) (Note 2)		Severance Pay (B)		Bonuses and Allowances (C) (Note 3)		Employee Compensation (D) (Note 4)				Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 8)		Remuneration from ventures other than subsidiaries or from the parent company (Note 9)
		The Company	Companies in the financial statements (Note 5)	The Company	Companies in the financial statements (Note 5)	The Company	Companies in the financial statements (Note 5)	The Company		Companies in the financial statements (Note 5)		The Company	Companies in the financial statements (Note 5)	
								Cash	Stock	Cash	Stock			
General Manager	Yue Teh Jang	9,162.2	33,168.1	328	328	-	-	-	-	-	-	9,490 (1.18%)	33,495.9 (4.16%)	-
Vice President	Albert Weng													
Vice President	Greta Chang													
Vice President	Jenny Chen													
Senior Director of Management	Janice Chang (Note 8)													

Note 1：The term “top five highest paid officers” refers to the managerial officers of the Company. The criteria for managerial officers are based on the scope of application of “managerial officers” as stipulated by the Securities and Futures Commission of the Ministry of Finance in its Official Letter Tai-Tsai-Cheng-San-Tzu No. 0920001301 dated March 27, 2003. The “Top Five Highest Remuneration” calculation is based on the total amount of base salary, severance and pension, bonus and allowance received by the officers from all companies in the consolidated financial statements, as well as the amount of remuneration for employees (i.e., the total of the four items A+B+C+D), and then ranked by the top five highest remuneration. If a director is also the aforementioned officer, this table should be filled in. (names and method of remuneration should be disclosed individually)

Note 2：This is for the salary, duty allowance and severance of the top five highest paid officers in the most recent year.

Note 3：This is for various bonuses, incentive payments, transportation fee, special expenses, various stipends, dormitories, company cars and other provisions for the top five highest paid officers in the most recent year. If housing, automobiles and other transportation or personal expenses are provided, the nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed. If the individual has a driver, please include a note stating that the Company will pay the driver the relevant compensation, but it will not be counted as remuneration. Salary expense recognized in accordance with IFRS 2, “Share-based Payment,” including the acquisition of employee stock options, new shares with restricted employee rights and participation in cash capital increase to subscribe for shares, should also be included in remuneration.

Note 4：The amount of employee remuneration (including stock and cash) received by the top five highest paid officers in the most recent year should be disclosed as approved by the Board of Directors, and if the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year, and should also be listed in Table 1-3.

Note 5：The total amount of remuneration paid to the top five highest paid officers of the Company by all companies in the consolidated statements (including the Company) should be disclosed.

Note 6: The net income after tax refers to the net income after tax of the most recent year for parent only or individual financial reports.

Note 7：a. This column should explicitly state whether the top five highest paid officers of the Company “have” or “have not” received remuneration from investees other than subsidiaries. (if none, please enter “none”).

b. Remuneration refers to the compensation or payment (including remuneration to employees, directors and supervisors) and business execution expenses of the top five highest paid officers of the Company in their capacity as directors, supervisors or officers of an investee enterprise other than a subsidiary.

Note 8：The individual resigned in October 2024.

＊The compensation disclosed in this table is different from the concept of income under the Income Tax Act, so the purpose of this table is for information disclosure and not for tax purposes.

E. The names of managers who received employee compensation in 2024 and the distribution status: None.

(4) An analysis of the total compensation paid to the Company's directors, supervisors, general manager, and vice president as a percentage of net income after tax for the most recent two years, and an explanation of the policy, criteria and composition of compensation payments, the process for determining compensation, and the relationship to operating performance and future risks for the Company and all consolidated companies

A. The total amount of remuneration paid to the directors, supervisors, general manager and deputy general manager of the Company for the last two years as a percentage of net income after tax:

Unit: NT$ thousands

Item / Title	2023				2024			
	Total remuneration		Ratio of total to net income after tax (%)		Total remuneration		Ratio of total to net income after tax (%)	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	Company	Companies in the consolidated financial statements
Director	2,443.5	2,443.5	(0.20)	(0.20)	2,780.2	2,780.2	(0.35)	(0.35)
General Managers and Deputy General Managers	8,359	31,366	(0.69)	(2.60)	7,336.4	31,342.3	(0.91)	(3.89)

B. The policy, standard and composition of compensation payments, the procedures for setting compensation and the relationship to operating performance and future risks.

a. Directors:

(i) In accordance with the Company's Articles of Incorporation, not more than 2% of the Company's annual profits, if any, shall be appropriated as remuneration to the directors. However, if the Company still has accumulated losses, the amount of remuneration shall be retained in advance and the directors' remuneration shall be provided in proportion to the aforementioned amount.

(ii) The Remuneration Committee has evaluated the performance of the Board of Directors in 2024, measuring five aspects including participation in the Company's operations, improving the quality of board decision-making, composition and structure of the Board of Directors, election of directors and continuing education, and internal control. On the other hand, the results of the 2024 self-evaluation of directors' performance (measuring six major aspects, including mastery of corporate goals and tasks, knowledge of directors' duties, participation in corporate operations, internal relations and communication, directors' professionalism and continuing

education, and internal control) and the value of directors' participation in and contribution to corporate operations were approved by the Board of Directors. However, as there is no profit in 2024, there is no distribution of directors' remuneration.

(iii). The method of the performance of the independent directors for the year 2024 is the same as that described above. In 2024, the Company only paid independent directors' remuneration as fixed remuneration and traveling expenses for attending the board meeting.

b. General manager, deputy general manager and managerial officers: The remuneration of the general manager, deputy general manager and managerial officers consists of base salary and bonuses, with reference to industry standards, title, rank, education, professional ability and responsibilities, etc. Bonus payments and salary adjustments are based on overall operational performance (e.g., revenue, achievement rate of annual strategic goals) and individual performance assessment (including work performance, professional competence, leadership and management, execution skills, communication and coordination skills, teamwork, work attitude and organizational commitment, problem solving skills, and time management). The Remuneration Committee recommends the allocation principles based on the overall operating performance and individual performance appraisal results, which are approved by the Board of Directors.

The following indicators are taken into account in measuring the personal performance of the general manager, deputy general manager and managers:

Appraisal Item	Assessment standards description	Weight
Work Performance	Achievement of annual KPI targets (e.g. revenue, achievement rate of annual strategic targets)	50%
Professional Capabilities	Able to perform the basic duties of the current job, to allocate resources effectively, and to control and manage budgets.	50%
Leadership and Management	Able to lead by example, set a clear vision for the organization, build consensus, guide team operations, resolve conflicts, actively train talents, make informed decisions, take responsibility, and boost team morale.	
Execution skills	Being aware of the priority and importance of all of the team's tasks, being able to correctly allocate and coordinate resources, leading the team to take action, and being able to achieve the team's targets before deadlines.	
Communication and coordination skills	Having empathy and being able to listen, effectively convey information and build team consensus, coordinate with others to jointly resolve problems or difficulties faced by the team, make use of resources within and outside the team/organization as appropriate to address problems faced by the team and achieve the team's targets.	
Teamwork	Able to help team members understand the importance of their tasks, effectively adopt various team building methods, and effectively use different motivational techniques to achieve the final goal.	

Work Attitude and Organizational Commitment	Having vision and being enthusiastic and proactive in performing tasks, as well as being willing to learn, keep pace with the times, adjust one’s expectations to meet the Company's needs, and take responsibility.	
Problem solving skills	Being able to make quick decisions on various events or problems with potential risks and take specific and clear preventive measures, being bold to take the initiative to bear the responsibility for decision-making consequences.	
Time management	Able to prioritize work objectives according to their importance and urgency, and to allocate and utilize their time effectively to complete various tasks within the time frame	

2. Implementation of Corporate Governance:

(1) Implementation Status of Board of Directors

A total of 8 (A) Board of Directors meetings were held in 2024 and as of March 31, 2025. The attendance of the directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remark
Chairman	Medeon, Inc. (US) Representative: Yue Teh Jang	8	0	100.00	Re-elected and assumed office on June. 12, 2024
Director	Center Laboratories, Inc. Representative: Jung Chin Lin	8	0	100.00	Re-elected and assumed office on June. 12, 2024
Director	Center Laboratories, Inc. Representative: Chih Hsiung Wu	7	1	87.50	Re-elected and assumed office on June. 12, 2024
Director	Hong Jen Chang	2	1	66.67	Term expired on June 12, 2024
Director	Hsin Yuan Fang	2	1	66.67	Term expired on June 12, 2024
Independent Director	Chi Hang Yang	7	1	87.50	Re-elected and assumed office on June. 12, 2024
Independent Director	Chia Ying Ma	8	0	100.00	Re-elected and assumed office on June. 12, 2024
Independent Director	Jerome Shen	3	0	100.00	Term expired on June 12, 2024
Independent Director	Jien Wei Yeh	8	0	100.00	Re-elected and assumed office on June. 12, 2024
Independent Director	Feng Shyang Yang	4	1	80.00	Elected and assumed office on June. 12, 2024

Other mentionable items:

1. If any of the following circumstances occurred during the implementation of Board of Directors, the date and session of the meeting, the content of the motion, the opinions of all independent directors and the Company's handling of the opinions of the independent directors shall be stated:
   (1) Matters referred to in Article 14-3 of the Securities and Exchange Act: The Company has established Audit Committee; hence, it does not subject to the provisions in Article 14-3 of the Securities and Exchange Act. Please refer to “Implementation Status of Audit Committee” of the annual report for more information.
   (2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the Board of Directors: None.
2. If there are directors’ avoidance of motions in conflict of interest, the directors’ names, contents of motion, causes for avoidance and voting should be specified:

Board of Directors	Session	Content of Motion	The directors’ names, contents of motion, causes for avoidance and voting
Jan. 12, 2023	The 14th Meeting of the 5th Board of Directors	Proposal: Issurance of 2022 annual managers’ performance bonus. Description: The performance bonus will be paid according	The motion was passed after the Chairman of the Board, Mr. Yue Teh Jang, an interested party, left the meeting first, and after the Acting Chairman consulted the other directors present, there were no objections.

			to the 2022 annual performance results.	
	Jan. 12, 2023	The 14th Meeting of the 5th Board of Directors	Proposal: 2023 Manager's Salary and Benefit Compensation Plan. Description: The Company's 2023 annual managerial salaries and benefits are presented to the Board of Directors for approval.	The motion was passed after the Chairman of the Board, Mr. Yue Teh Jang, an interested party, left the meeting first, and after the Acting Chairman consulted the other directors present, there were no objections.
	Aug. 03, 2023	The 19th Meeting of the 5th Board of Directors	Proposal: Manager’s group performance bonus in the first half-year of 2023 Description: The Manager’s group performance bonus in the first half-year of 2023 are submitted to the Board of Directors for adoption.	The motion was passed after the Chairman of the Board, Mr. Yue Teh Jang, an interested party, left the meeting first, and after the Acting Chairman consulted the other directors present, there were no objections.
	Jan. 18, 2024	The 21st Meeting of the 5th Board of Directors	Proposal: 2023 Manager's Salary and Benefit Compensation Plan. Description: The Company's 2023 annual managerial salaries and benefits are presented to the Board of Directors for approval.	The motion was passed after the Chairman of the Board, Mr. Yue Teh Jang, an interested party, left the meeting first, and after the Acting Chairman consulted the other directors present, there were no objections.
	Jan. 18, 2024	The 21st Meeting of the 5th Board of Directors	Proposal: 2024 Manager's Salary and Benefit Compensation Plan. Description: The Company's 2024 annual managerial salaries and benefits are presented to the Board of Directors for approval.	The motion was passed after the Chairman of the Board, Mr. Yue Teh Jang, an interested party, left the meeting first, and after the Acting Chairman consulted the other directors present, there were no objections.
	Jun 14, 2024	The 1st Meeting of the 6th Board of Directors	Proposal: Appointment of the 5th Compensation Committee Members Description: In line with the re-election of the Board, the appointment of the 5th Compensation Committee members is submitted to the Board of Directors for approval.	Chi Hang Yang attended on behalf of Feng Shyang Yang. Interested parties Chi Hang Yang, Chia Ying Ma, and Jien Wei Yeh left the meeting first. The motion was approved with no objection from the remaining directors.
	Aug. 6, 2024	The 2nd Meeting of the 6th Board of	Proposal: Manager’s group performance bonus in the first half-year of 2024 Description: The Manager’s group	The motion was passed after the Chairman of the Board, Mr. Yue Teh Jang, an interested party, left the meeting first, and after the Acting Chairman consulted the other directors

	Directors	performance bonus in the first half-year of 2024 are submitted to the Board of Directors for adoption.	present, there were no objections.
Nov. 11, 2024	The 3rd Meeting of the 6th Board of Directors	Proposal: Appointment of Sustainability Committee Members Description: To fulfill the Company's sustainability goals and strengthen sustainability governance, the establishment of the Sustainability Committee and the appointment of its members are submitted to the Board of Directors for approval.	Interested parties Chi Hang Yang, Chia Ying Ma, Jien Wei Yeh, and Feng Shyang Yang left the meeting first. The motion was approved with no objection from the remaining directors.
Jan. 21, 2025	The 4th Meeting of the 6th Board of Directors	roposal: 2025 Manager's Salary and Benefit Compensation Plan. Description: The Company's 2024 annual managerial salaries and benefits are presented to the Board of Directors for approval.	The motion was passed after the Chairman of the Board, Mr. Yue Teh Jang, an interested party, left the meeting first, and after the Acting Chairman consulted the other directors present, there were no objections.

3. Implementation Status of Board Evaluations:

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method
Execute once a year	Jan. 1, 2024-Dec. 31, 2024	Performance evaluation of the Board of Directors, individual Board members, the Audit Committee, and the Remuneration Committee	Internal self-evaluation by the Board of Directors, self-evaluation by the members of the Board of Directors, the Audit Committee and the Remuneration Committee
Evaluation item			
(1) In order to implement corporate governance and enhance the functions of the Board of Directors, and to clearly define performance objectives in order to improve operational efficiency, the Board of Directors of the Company has established the "Board of Directors' Performance Evaluation Method", which shall be performed at least once a year and shall be completed before the end of the first quarter of the following year. Scope of evaluation: Including the performance evaluation of the entire Board of Directors, individual Board members, the Audit Committee, and the Compensation Committee. Evaluation method: Including internal self-evaluation by the Board of Directors and functional committees. The evaluation standard is divided into five grades: very poor, poor, moderate, excellent, and very good according to the indicators of each measurement item. (2)The performance evaluation of the Board of Directors for 2024 and the results are as follows: A. The performance of the Board of Directors is evaluated in five major areas, including participation in the company's operations, improvement of the quality of board decisions, board composition and structure, selection and continuing education of directors, and internal control.			

B. The performance evaluation of board members (self) is measured in six major areas, including mastery of corporate goals and tasks, awareness of directors' responsibilities, participation in corporate operations, internal relationship management and communication, professional and continuing education of directors, and internal control.

C.The performance evaluation of the Audit Committee is measured in five major areas, including participation in company operations, awareness of functional committee responsibilities, improvement of functional committee decision quality, functional committee composition and selection of members, and internal control.

D. The performance evaluation of the Compensation Committee is measured in four major areas, including participation in company operations, awareness of functional committee responsibilities, improvement of functional committee decision quality, as well as functional committee composition and selection of members.

E. The performance evaluation of the Board of Directors, the Audit Committee, the Compensation Committee, and the members of the Board of Directors (self) during the period of 2024.1.1 to 2024.12.31 were evaluated in the first four items, and the overall operation of the Board of Directors was generally excellent. The results of the aforementioned evaluation were reported to the Board of Directors on January 21, 2025.

4. Assessment of the current and most recent year's goals for enhancing the functions of the Board of Directors (e.g., establishing an audit committee, enhancing information transparency, etc.) and their implementation.

The Company has established independent directors, an audit committee and a salary and compensation committee to comply with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

5. Attendance of Independent Directors at Board Meetings for 2024 and as of March 31, 2025.

V: Attendance in person☆Attendance by proxy△Leave of absence

Name	Jan. 18, 2024	Feb. 29, 2024	May 2, 2024	June 14, 2024	Aug. 6, 2024	Nov. 11, 2024	Jan. 21, 2025	Feb. 27, 2025
Chi Hang Yang	V	V	☆	V	V	V	V	V
Chia Ying Ma	V	V	V	V	V	V	V	V
Jerome Shen	V	V	V					
Jien Wei Yeh	V	V	V	V	V	V	V	V
Feng Shyang Yang				☆	V	V	V	V

Note 1: If the director or supervisor is a legal entity, the name of the legal shareholder and the name of the representative should be disclosed.

Note 2: (1) If a director or supervisor leaves the Board of Directors before the end of the year, the date of departure should be indicated in the Remarks column, and the actual attendance rate (%) should be calculated based on the number of meetings of the Board of Directors and the actual number of attendance during his or her term of office.

(2) If there is a change of director and supervisor before the end of the year, both the new and old director and supervisor should be listed, and the date of change should be indicated in the Remarks column as the old, new or re-elected director and supervisor. The actual attendance rate (%) is calculated based on the number of meetings of the Board of Directors and the actual number of attendance during the term of office.

Note 3: Term expired on June 12, 2024.

Note 4: Appointed on June 12, 2024.

(2) The implementation status of the Audit Committee or the participation of supervisors in the operation of the Board of Directors:

A. Implementation Status of Audit Committee

A total of 8 (A) Audit Committee meetings were held in 2024 and as of March 31, 2025. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remark
Independent Director	Chia Ying Ma (Convener)	8	0	100.00	Note 1
Independent Director	Chi Hang Yang	8	0	100.00	Note 1
Independent Director	Jerome Shen	3	0	100.00	Note 2
Independent Director	Jien Wei Yeh	7	1	87.50	Note 1
Independent Director	Feng Shyang Yang	4	1	80.00	Note 3

Note 1: Re-elected and assumed office on June. 12, 2024
Note 2: Term expired on June 12, 2024
Note 3: Elected and assumed office on June. 12, 2024

Other mentionable items:

The Company's Audit Committee consists of 4 independent directors. The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its role of overseeing the quality and integrity of the Company in performing accounting, auditing, financial reporting processes and financial controls. Please refer to "Information on Directors and Supervisors" on pages 10-13 of this annual report for the main professional qualifications and experience.

The Audit Committee's annual work focuses on assisting the Board of Directors in monitoring the fair presentation of the Company's financial statements, the selection and independence of the certified public accountants, the effective implementation of the Company's internal controls, the Company's compliance with relevant laws and regulations, and the control of the Company's existing or potential risks. The Audit Committee held 6 meetings in 2024 and considered issues such as financial reporting, deficit offset, appointment or compensation of certified public accountants, assessment of the independence and AQIs of certified public accountants, significant asset transactions, internal control system and related procedures, annual audit plan, private placement of marketable securities, Proposal for the Transfer of Treasury Shares to Non-Executive Employees.

1.If the Audit Committee operates under any of the following circumstances, it shall state the date and period of the Audit Committee meeting, the content of the motion, the content of the

objections, reservations or major recommendations of the independent directors, the results of the Audit Committee's resolutions and the Company's handling of the Audit Committee's opinions.

(1) Matters referred to in Article 14-5 of the Securities and Exchange Act: None of the members of the Audit Committee of the Company expressed any objection to the matters listed in Article 14-5 of the Securities and Exchange Act. Please refer to pages 32-36 for the implementation status.

(2) Other than the two foregoing items, other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.

2. If there are independent directors' avoidance of motions in conflict of interest, the independent directors' names, contents of motion, causes for avoidance and voting should be specified: None.

3. Communication between the independent directors and the internal auditors and accountants (should include significant matters, manner and results of communication regarding the Company's financial and business conditions).

(1) The head of internal audit regularly reports separately to the independent directors on the execution of audit operations, and a summary of the historical communication is as follows.

Date	Content of report and communication	Results
Nov 11, 2024 Before the Audit Committee Meeting	1. Report on the implementation status of internal audit operations for 2024 Q3. (Separate meeting)	1. Full communication, discussion and awareness. 2. The independent directors have no comments on this communication.

(2) The accountant shall report separately to the independent directors, at least annually, on the results of the audit of the financial statements, and shall provide an explanation of the results of the audit and a summary of the communications made, as follows:.

Date	Content of report and communication	Results
June 14, 2024 After the Audit Committee Meeting	Report on relevant requirements for corporate governance and legal requirements. (Separate meeting)	1. Full communication, discussion and awareness. 2. The independent directors have no comments on this meeting.

B. Supervisors' Participation in Board of Directors: Not applicable.

(3) Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons:

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies”?	V		The Company has established and disclosed the “Corporate Governance Best-Practice Principles”.	None
2. Shareholding structure & shareholders’ rights				
(1) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		(1) The Company has a spokesperson and a proxy spokesperson to handle issues such as shareholder proposals and disputes.	None
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		(2) The Company regularly reviews the list of substantial shareholders and ultimate controllers of substantial shareholders.	None
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	V		(3) The Company's transactions with related companies are governed by the "Procedures for Transactions with Specified Companies, Group Companies and Related Parties".	None
(4) Does the company establish internal rules against insiders trading with undisclosed information?	V		(4) The Company has established "Internal Material Information Handling and Prevention of Insider Trading Management Practices" to regulate that insiders should not use unpublished	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			information in the market to trade marketable securities.	
3. Composition and Responsibilities of the Board of Directors				
(1) Does the Board develop and implement a diversified policy for the composition of its members?	V		(1) Please refer to pages 19-21 of this annual report in relation to "Board Diversity and Independence".	None
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?		V	(2) The Company established the Remuneration Committee on October 30, 2014 and the Audit Committee on April 20, 2015, respectively, and held meetings in accordance with the law. Established the Sustainability Development Committee on November 11, 2024, responsible for formulating sustainability risk management policies and operational framework based on materiality. For duties, member profiles, and operations, please refer to the Company's website (https://www.medeonbiodesign.com/investors-corporate-governance/?lang=zh).	None
(3) Does the company establish a standard to measure the performance of the Board and	V		(3) In order to implement corporate governance and enhance the functions of the Board of Directors, and to clearly define	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?			performance objectives in order to improve operational efficiency, the Board of Directors of the Company has established the "Board of Directors' Performance Evaluation Method", which shall be performed at least once a year and shall be completed before the end of the first quarter of the following year. Scope of evaluation: Including the performance evaluation of the entire Board of Directors, individual board members, the Audit Committee, the Compensation Committee. Evaluation method: Including internal self-evaluation by the Board of Directors and functional committees. The evaluation standard is divided into five grades: very poor, poor, moderate, excellent, and very good according to the indicators of each measurement item. The contents and results of the 2024 annual performance evaluation are as follows. A. The performance of the Board of Directors is evaluated in five major areas, including participation in the company's operations, improvement of the quality of board decisions, board composition and structure, selection and continuing education of directors, and internal control.	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			B.The performance evaluation of board members (self) is measured in six major areas, including mastery of corporate goals and tasks, awareness of directors' responsibilities, participation in corporate operations, internal relationship management and communication, professional and continuing education of directors, and internal control. C.The performance evaluation of the Audit Committee is measured in five major areas, including participation in company operations, awareness of functional committee responsibilities, improvement of functional committee decision quality, functional committee composition and selection of members, and internal control. D. The performance evaluation of the Compensation Committee is measured in four major areas, including participation in company operations, awareness of functional committee responsibilities, improvement of functional committee decision quality, as well as functional committee composition and selection of members. E. The performance evaluation of the Board of Directors, the Audit Committee, the Compensation Committee, and the members of the Board of Directors (self) during the period	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			from January 1 to December 31, 2024, were evaluated in the first four items, and the overall operation of the Board of Directors was generally excellent. The results of the aforementioned evaluation were reported to the Board of Directors on January 21, 2025.	
(4) Does the company regularly evaluate the independence of CPAs?	V		(4) According to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, a TWSE/TPEx listed company shall evaluate the independence and suitability of the CPA engaged by the company regularly, and no less frequently than once annually. The independence and suitability of the CPA engaged by the Company were submitted to the Audit Committee on January 21, 2025, and the independent assessment report of the CPA and the AQIs assessment report were reviewed and approved by the Board of Directors on January 21, 2025. After the evaluation on CPA Guan Hong Lin and Hua Ling Liang of PwC Taiwan, the Company did not find anything that may affect their independence. They are qualified to serve as CPA of the Company and the results of the CPA independent assessment and AQIs assessment are as follows:	None

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Illustration</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><th>Factors Affecting Independence</th><th>Evaluation Item</th><th>Whether such circumstances occurred</th></tr>
<tr><td rowspan="6">I. Self-interest</td><td>1. Whether there is a direct or material indirect financial interest with the Company and its related parties.</td><td>☐ Yes ■ No</td></tr>
<tr><td>2. Whether there is any financing or guarantee with the Company, its related parties or its directors and supervisors.</td><td>☐ Yes ■ No</td></tr>
<tr><td>3. Whether to consider the possibility of losing customers.</td><td>☐ Yes ■ No</td></tr>
<tr><td>4. Whether there is a close business relationship with the Company and the Company's related parties.</td><td>☐ Yes ■ No</td></tr>
<tr><td>5. Whether there is a potential employment relationship with the Company and the Company's related parties.</td><td>☐ Yes ■ No</td></tr>
<tr><td>6. Whether there is any contingent public fee related to case auditing.</td><td>☐ Yes ■ No</td></tr>
<tr><td rowspan="2">II. Self-assessment</td><td>1. Whether a member of the audit service team is currently or has been a director, supervisor, or manager of the Company and the Company's related parties or has a significant influence on the audit case within the last two years.</td><td>☐ Yes ■ No</td></tr>
<tr><td>2. Whether the non-audit services provided to the Company and the Company's related parties will directly affect the material items of the audit case.</td><td>☐ Yes ■ No</td></tr>
<tr><td>III. Defense</td><td>1. Whether to advertise or broker stocks or other securities issued by the Company and the Company's affiliates.</td><td>☐ Yes ■ No</td></tr>
</table>
</td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Illustration</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td>2. Whether to act as an advocate for the Company and the Company's related parties, or to coordinate conflicts with other third parties on behalf of the Company and the Company's related parties.</td><td>☐ Yes ■ No</td></tr>
<tr><td>IV. Familiarity</td><td>1.Whether or not they are related to the directors, supervisors, managers, or persons who have significant influence on the audit cases of the Company and its related parties.</td><td>☐ Yes ■ No</td></tr>
<tr><td></td><td>2.Whether or not the CPA who has retired within one year holds a position as a director, supervisor, manager, or has a significant influence on the audit of the Company and its related parties.</td><td>☐ Yes ■ No</td></tr>
<tr><td></td><td>3.Whether to receive gifts of significant value from the Company, its related parties or its directors, supervisors or managers.</td><td>☐ Yes ■ No</td></tr>
<tr><td>V. Duress</td><td>1.Whether the Company and its related parties require the accountants to accept improper choices by management in accounting policies or improper disclosures in financial statements.</td><td>☐ Yes ■ No</td></tr>
<tr><td></td><td>2.Whether the Company and its related parties exerted pressure on the accountants to improperly reduce the number of audits to be performed in order to reduce public expenses.</td><td>☐ Yes ■ No</td></tr>
</table>
AQI Assessment Result:
<table>
<tr><th>Dimensions</th><th>AQI</th><th>Indicators</th><th>Applicable</th></tr>
<tr><td rowspan="2">Profession</td><td>Audit Experience</td><td>Whether the CPA and auditors possess sufficient audit experience to perform the audit work.</td><td>■Yes☐ No</td></tr>
<tr><td>Training Hours</td><td>Whether CPA and auditors receive sufficient training to acquire professional knowledge</td><td>■Yes☐ No</td></tr>
</table>
</td><td></td></tr>
</table>

Evaluation Item	Implementation Status						Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration				
					and skills.		
				Attrition Rate	hether the firm maintains sufficient senior human resources.	■Yes□ No	
				Professional Support	Whether the firm is equipped with sufficient experts, including CAAT specialists and financial appraisers.	■Yes□ No	
			Quality Control	Workload	Whether partners are loaded with excessive engagements or work overtime.	■Yes□ No	
				Involvement	hether the involvement of audit team in each audit phase is appropriate.	■Yes□ No	
				(EQCR) EQCR	Whether EQC reviewers spend sufficient time on engagement.	■Yes□ No	
				Quality Supporting Capacity	hether the firm is equipped with sufficient resources such as risk management, audit professional consultants to support audit teams.	■Yes□ No	
			Independence	Non Audit Service (NAS)	Whether the proportion of NAS affects the firm proposal's independence.	■Yes□ No	
				Familiarity	hether audit firm tenure affects the firm's independence.	■Yes□ No	
			Monitoring	xternal Inspection Results & Enforcement	Whether the firm's compliance wit quality control system and engagement is satisfactory.	■Yes□ No	
				Number of Official Improvement Letters Issued by Authority			
			Innovation	Innovative Planning or Initiatives	Whether the firm has undertaken appropriate planning or initiatives to improve audit quality.	■Yes□ No	

4. Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)?	V		4.On November 4, 2021, the Board of Directors appointed vice president of the Finance & Business Analysis Department, Jenny Chen, as the Head of Corporate Governance, who is responsible for leading the team in supervising corporate governance-related matters, including conducting meetings of the Board of Directors, the Audit Committee, the Remuneration Committee and the Shareholders' Meeting in accordance with the law; and assist directors in their appointment and continuing education programs, to provide information necessary for directors to carry out their business, to assist directors in complying with laws and regulations, etc. The business performance in 2024 was as follows. (1) Assisted the Chairman of the Board of Directors in matters related to 6 Board meetings and prepared the minutes of the Board meetings (2) Assisted the Chairman of the Audit Committee in conducting 6 Audit Committee meetings and producing the minutes of the Audit Committee meetings (3) Assist the Chairman of the Remuneration Committee with 2 Remuneration Committee meetings and prepare the minutes of the Remuneration Committee meetings (4) Assist the Board of Directors in the 2024 General Shareholders' meeting and prepare the minutes of the General Meeting (5) Provide information on continuing education for directors	None

(6) Provide information necessary for directors and members to carry out their business

(7) Assist directors in compliance with the Act

(8) Immediate handling of director requests

Corporate Governance Executive 2024: Seminar as shown below:

Study period	Organizer	Course	Training hours
Sep. 19, 2024	Greater China Financial and Economic Development Association	Corporate Financial Decision-Making: A Behavioral Perspective	3
Sep. 27, 2024	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3
Oct. 30, 2024	The Republic of China Association for Corporate Management and Sustainable Development	Practical Analysis of Corporate Mergers and Acquisitions, Equity Investment Planning, and Joint Venture Agreements	3
Nov. 14, 2024	Greater China Financial and Economic Development Association	Global Political and Economic Analysis After the U.S. Presidential Election	3

<table>
<tr>
<td>5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?</td>
<td>V</td>
<td></td>
<td>5.Stakeholders who have any opinions can communicate with the management or directors and supervisors in any form, such as letters or telephone calls.
<table>
<tr><th>Stakeholders</th><th>Key Concerns</th><th>Communication pipeline and frequency</th><th>Contact Window</th></tr>
<tr><td>Shareholders Investors</td><td>Business performance
Risk control and management
Shareholders' equity</td><td>Company website/every time
Road show/every time
Shareholders' Meeting/once a year
Board of Directors Meeting/once a season
Material information and press releases/every time
Shareholders call for consultation/each time</td><td>Spokesperson and Chief Corporate Governance Officer

Jenny Chen, Finance & Business Analysis Dept. Vice President
02-28816686 #118
IR@medeonbio.com</td></tr>
<tr><td>Customers</td><td>Business sales consultation and services</td><td>Related seminars/every time
Electronic correspondence/every time
Visits, meetings, conference calls/every time</td><td>Pearl Ling, Finance & Business Analysis Dept. Vice Manager
02-28816686 #125
pearl.ling@medeonbio.com</td></tr>
<tr><td>Suppliers</td><td>Product quality assurance</td><td>Matching with suppliers through purchasing staff/every time</td><td>Jessie Hong, Management Dept. Senior Manager
02-28816686 #123
jessie@medeonbio.com</td></tr>
<tr><td>Employees</td><td>Compensation and Benefits
Employee care
Employee training and development</td><td>Labor-management meeting/once a season
Internal website/permanent</td><td>Jessie Hong, Management Dept. Senior Manager
02-28816686 #123
jessie@medeonbio.com</td></tr>
<tr><td>Competent authority</td><td>Legal compliance</td><td>Meeting of the competent authority or related seminar/every time</td><td>Jenny Chen, Finance & Business Analysis Dept. Vice President
02-28816686 #118</td></tr>
</table>
</td>
<td>None</td>
</tr>
</table>

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			jenny@medeonbio.com The Company's communication with stakeholders in 2024 was reported to the Board of Directors on January 21, 2025, and the report is as follows. (1) Communication with employees: A total of 4 labor-management meetings were held. (2) Communication with customers: Conduct irregular physical and online meetings with customers on products, processes, and quality management, with at least 2 on-site customer audits. Participate in at least 2 overseas (U.S.) trade shows annually. (3) Shareholder/investor communication: 1 corporate meeting, 1 shareholders' meeting and 6 board meetings, 35 material information, 2 press releases, 75 calls from investors, and timely responses (4) Recusal of interests: The Board of Directors recused itself from 5 cases in total.	
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company has appointed a professional shareholder service agency to deal with shareholder affairs, established.	None
7. Information disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		(1) The Company has established a corporate website to disclose both financial standings and the status of corporate governance.	None
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to	V		(2) The Company has a person to collect and disclose the Company's information, and has a spokesperson and an acting spokesperson, and the presentation of the corporate	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)? (3) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	V		presentation is also disclosed on the Company's website. (3) The Company's 2024 financial report was announced and reported within two months after the end of the fiscal year of 2023.The 2023 quarterly financial reports of the Company were reported to the Board of Directors prior to the announcement deadline, and the iXBRL financial statements were published on the same day of the Board of Directors' meeting, and the operations for each month were announced and reported before the prescribed deadline.	None
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)? (1) Employee rights and benefits, employee care: The Company has established various employee welfare measures, further education, training and retirement systems to protect employee rights and benefits and take care of employees. (2) Investor Relations: The Company has a spokesperson and a proxy spokesperson whose contact information is made public so that investors can reflect their opinions at any time. (3) Supplier relationships and interests of stakeholders: The Company maintains equal and good relationships with its suppliers and stakeholders. (4) Directors' training records:				

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	

Title	Name	Study period	Organizer	Course	Training hours
Chairman	Medeon, Inc. (US) Representative: Yue Teh Jang	Oct. 29, 2024	International Project Management Association	Digital Transformation and Latest IT	3
		Nov. 12, 2024	International Project Management Association	Succession Team Building and Talent Development	3
Director	Center Laboratories, Inc. Representative: Jung Chin Lin	Jul. 9, 2024	Taipei Exchange Foundation	AI Strategy and Governance	3
		Sep. 20, 2024	Taiwan Investor Relations Association	Trade Secrets, Information Security, and Securities Regulation	3
Director	Center Laboratories, Inc. Representative: Chih Hsiung Wu	Sep. 18, 2024	Accounting Research and Development Foundation	2024 ESG Summit: Net-Zero and Sustainable Future	6
Independent Director	Chi Hang Yang	Jun. 13, 2024	Independent Director Association Taiwan	Introduction to IFRS Sustainability Disclosure and Carbon Neutral Trends	3
		Sep. 3, 2024	Independent Director Association Taiwan	From ESG Transformation to Impact Investing and Business Opportunities	3
Independent Director	Chia Ying Ma	Aug. 7, 2024	Taiwan Corporate Governance Association	Corporate & M&A Law, Tax Considerations and BVI Law Amendments	3
		Sep. 30, 2024	Taiwan Directors Association	Fair Treatment, Age-Friendly Service, and Financial Exploitation	3
		Oct. 4, 2024	Taiwan Directors Association	ESG Trends and TNFD Framework for Natural Risks	3
		Oct. 8, 2024	Taiwan Corporate Governance Association	Tax Impact on Group Value Chain and International Tax Disputes	3
		Dec. 20, 2024	Taiwan Corporate Governance Association	Successful M&A Negotiation: Case Studies	3
		Dec. 20, 2024	Taiwan Corporate Governance Association	Practical Issues of Unconventional Transactions for Directors	3

Evaluation Item		Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
		Yes	No	Abstract Illustration	
Independent Director	Jien Wei Yeh	Aug. 29, 2024	Securities and Futures Institute	Board Performance Evaluation	3
		Oct. 23, 2024	The Greater China Financial Development Association	Ensuring Corporate Sustainability Through Talent Development	3
Independent Director	Feng Shyang Yang	Sep. 11, 2024	Securities and Futures Institute	Sustainability Strategy for Listed Companies	3
		Sep. 12, 2024	Corporate Operating and Sustainable Development Association	ESG Trends and Global Tax Reform in Pandemic Environment	3

(5). Risk management policies and risk measurement standards: In order to establish a sound awareness of risk management and to reasonably ensure the achievement of strategic objectives for sustainable development, the Company has established "Risk Management Policies and Procedures" as the highest guiding principle for risk management by the Board of Directors on January 12, 2023. And reported 2022 sustainable development implementation status based on the principle of materiality to Board of Directors on Jan. 12, 2023. Please refer to the "Risk Management Policy, Scope, Organization and Implementation Status" on the Company's website for a brief description of the relevant information (https://www.medeonbiodesign.com/investors-corporate-governance/?lang=zh).

(6). Implementation of customer policy: Our company is committed to improving product quality and process technology to provide customers with the most perfect service quality. In the event of a customer complaint, we will provide a customer complaint channel in accordance with our established customer complaint handling practices.

(7). The Company has taken out liability insurance for directors and supervisors: The Company has taken out liability insurance for directors.

(8). Succession planning:

In addition to the professional background and skills of the Company's directors, they also possess relevant business management capabilities. In addition, the Company arranges annual training courses on finance, law, business, commerce, risk management, corporate governance, corporate social responsibility, internal control system and financial reporting responsibilities, etc. The directors are required to complete at least 6 hours of further education per year for each of the above courses. The succession plan of the Company requires not only excellent working ability but also honesty, integrity, and recognition of

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
corporate philosophy, etc. On January 8, 2016, the original Chairman, Jung Chin Lin, successfully handed over the position to Yue Teh Jang, the former General Manager of the Company. In addition to possessing certain professional skills, our senior executives must have integrity and share the company's values. The Company continues to cultivate outstanding talents with management ability, professionalism, leadership, strategy and judgment through training programs such as job rotation, acting duties and difficult tasks or occasional work situations. The actual implementation results are as follows: In July 2019, Associate Director Albert Weng and Associate Director Greta Chang were promoted to vice president of Product Business Group and vice president of Regulatory and Quality Control Clinical Department respectively. In February 2021, vice president Yiju Chen was promoted to Executive vice president, vice president Elisa Huang was promoted to Vice president of Operations and Chief Financial Officer, Associate Manager Jenny Chen was promoted to Senior Associate and served as Deputy Chief Financial Officer, and Manager Sharon Hsu was promoted to Associate Manager. In April 2022, vice president Elisa Huang was transferred to the US subsidiary. Senior Associate Jenny Chen was promoted to Vice president and served as Chief Financial Officer. Manager Tori Lin was promoted to Senior Manager and served as Accounting Supervisor. In April 2023, Vice president Greta Chang was promoted to Executive vice president. The Company will continue to identify potential management talents through job rotation, acting positions, assignment opportunities, strategic consensus camps, professional seminars and training programs, etc. to select a full range of management talents to prepare for future successors. (9). Intellectual property management: Intellectual property is the core value of R&D oriented companies and is the focus of competition among innovative medical devices. The Company regularly reports on intellectual property-related matters to the Board of Directors, most recently on November 11, 2024. Please refer to the "Intellectual Property Management Plan and Implementation" on the Company's website (https://www.medeonbiodesign.com/investors-corporate-governance/?lang=zh).				

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	

9. Please provide information on the results of the corporate governance evaluation released by the Corporate Governance Center of the Taiwan Stock Exchange Corporation in the most recent year, and propose priorities and measures to enhance those areas that have not yet been improved. (Not required for companies not included in the assessment):

The Company participated in the 10th (2024) annual corporate governance evaluation and, based on the evaluation results of the Securities and Futures Institute, the main recommended improvements or future improvements proposed are as follows:

Major Recommended Improvements	Improvement Status
Was the Sustainability Report approved by the Board of Directors?	The 2023 report was submitted as a report item to the Board in Aug. 2024. The 2024 report will be submitted as a discussion item for board resolution.
Was the Sustainability Report prepared in accordance with GRI Standards and disclosed on MOPS and the company website?	The 2023 report (published in 2024) was prepared based on the GRI Standards 2016. The 2024 report will follow the latest GRI Standards

(4) If the Company has established a Remuneration Committee, it shall disclose its composition, duties and implementation status:

The Company's Board of Directors resolved on October 30, 2014 to establish a Remuneration Committee and formulate the "Remuneration Committee Chapter".

A.Composition: The members of the Remuneration Committee are elected in accordance with 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 term of office of the current members is from June 14, 2024 to June 11, 2027, and is composed of Chi Hang Yang (Convenor), Chia Ying Ma, Jien Wei Yeh, and Feng Shyang Yang.

B. Information on the Members of Remuneration Committee

Title	Criteria / Name	Professional Qualification and Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent Director	Chi Hang Yang (Convener)	The individual had experience as an instructor or higher position in a public or private college or university in fields relevant to the Company's business, and work experience in commerce, law, finance, accounting, or other areas necessary for the Company's operations. For main professional qualifications and experience, please refer to pages 10-13 of this annual report under "Information on Directors and Supervisors." Not been under any circumstances stated in Article 30 of the Company Act.	All members are independent directors and their independence is in accordance with 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" (Note).	2

Independent Director	Chia Ying Ma	The individual had experience as an instructor or higher position in a public or private college or university in fields relevant to the Company's business, and work experience in commerce, law, finance, accounting, or other areas necessary for the Company's operations. For main professional qualifications and experience, please refer to pages 10-13 of this annual report under "Information on Directors and Supervisors." Not been under any circumstances stated in Article 30 of the Company Act.		1
Independent Director	Jien Wei Yeh	The individual had experience as an instructor or higher position in a public or private college or university in fields relevant to the Company's business, and work experience in commerce, law, finance, accounting, or other areas necessary for the Company's operations. For main professional qualifications and experience, please refer to pages 10-13 of this annual report under "Information on Directors and Supervisors." Not been under any circumstances stated in Article 30 of the Company Act.		0

Independent Director	Feng Shyang Yang	The individual has work experience in commerce, law, finance, accounting, or other areas necessary for the Company's operations. For main professional qualifications and experience, please refer to pages 10-13 of this annual report under "Information on Directors and Supervisors." Not been under any circumstances stated in Article 30 of the Company Act.		0

Note: No member of the Remuneration Committee had any of the following two years prior to appointment and during his or her term of office.

1. An employee of the company or any of its affiliates.
2. A director of supervisor of the company or any of its affiliates.
3. A natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.
4. A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer in Subparagraph 1 or any of the persons in the preceding two subparagraphs.
5. 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 Article 27, paragraph 1 or 2 of the Company Act.
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: a director, supervisor, or employee of that other company.
7. If the chairperson, general manager, 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: a director (or governor), supervisor, or employee of that other company or institution.
8. A director, supervisor, managerial officers, or shareholders holding 5% or more of the shares of a specific company or organization with which the Company has financial or business correspondence.
9. A professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

C.Duties: A. Establish and regularly review the policies, systems, standards and structures for performance evaluation and compensation of directors and managerial officers. B. Periodically evaluate and set the remuneration of directors and managerial officers.

D.Implementation Status: A total of 2 (A) Remuneration Committee meetings have been held in 2024 to evaluate and review the compensation of directors and managers, and then submit the proposal to the Board of Directors for discussion and resolution. Qualifications and Attendance of Members of Remuneration Committee during the Most Recent Year:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remark
Member of Remuneration Committee (Convener)	Chi Hang Yang	2	0	100	Term of office expired and re-assumed office on June 14, 2024
Member of Remuneration Committee	Chia Ying Ma	2	0	100	Term of office expired and re-assumed office on June 14, 2024
Member of Remuneration Committee	Jerome Shen	1	0	100	Term of office expired and left office on June 14, 2024
Member of Remuneration Committee	Jien Wei Yeh	1	0	100	Assumed office on June 14, 2024
Member of Remuneration Committee	Feng Shyang Yang	1	0	100	Assumed office on June 14, 2024

Other mentionable items:

1.Scope of Duties of Remuneration Committee:

(1) The Committee shall faithfully perform the following duties and responsibilities with the care of a good administrator and shall submit its recommendations to the Board of Directors for discussion.

A. Regularly review the Remuneration Committee Chapter and propose amendments.

B. Establish and regularly review the performance evaluation standards, annual and long-term performance goals, and salary and compensation policies, systems, standards and structures for its directors and managerial officers, and disclose the content of the performance evaluation standards in the annual report.

C. Regularly evaluate the achievement of the performance targets of the Company's directors and managers, and determine the content and amount of their individual remuneration based on the evaluation results obtained from the performance evaluation standards.

(2) In performing the aforementioned duties and responsibilities, the Remuneration Committee shall follow the following principles:

A. Ensure that the company's salary and compensation arrangements comply with the relevant laws and regulations and are sufficient to attract the best talent.

B. The performance evaluation and salary compensation of directors and managers shall be based on the usual level of compensation in the industry, and shall take into consideration the results of individual performance evaluation, the time invested, the

responsibilities assumed, the achievement of personal goals, the performance of other positions, the salary compensation offered by the Company to equivalent positions in recent years, and the achievement of short-term and long-term business goals and the Company's financial position, etc. to assess the reasonableness of the relationship between individual performance and the Company's operating performance and future risks.

C. Directors and managers should not be induced to engage in conduct that exceeds the Company's risk appetite in pursuit of remuneration.

D. The percentage of remuneration for short-term performance of directors and senior managers and the timing of payment of some variable remuneration shall be determined by considering the characteristics of the industry and the nature of the Company's business.

E. The content and amount of remuneration for directors and managers should be reasonable. The determination of remuneration for directors and managers should not be materially different from the financial performance, and if there is a significant decline in profits or a long-term loss, the remuneration should not be higher than the previous year. If it is still higher than the previous year, the reasonableness should be disclosed in the annual report and reported in the shareholders' meeting.

F. Members of the Remuneration Committee are not allowed to join the discussion and vote on their personal compensation decisions.

(3) The remuneration referred to in the preceding two items includes cash compensation, stock options, bonus shares, retirement benefits or severance pay, various allowances and other measures with substantial incentives; the scope of which shall be consistent with Regulations Governing Information to be Published in Annual Reports of Public Companies regarding directors' and managers' remuneration.

2. If the Board of Directors does not adopt or amend the recommendation of the Compensation Committee, it should state the date and period of the Board of Directors' meeting, the content of the resolution, the result of the Board of Directors' resolution and the Company's handling of the recommendation of the Compensation Committee (if the compensation approved by the Board of Directors is better than the recommendation of the Compensation Committee, it should state the difference and the reasons for the difference): None.

3. If a member of the Remuneration Committee has any objection or reservation to a resolution and it is recorded or stated in writing, the date and period of the Remuneration Committee, the content of the resolution, the opinions of all members, and the handling of the opinions of the members shall be stated: None.

4.Significant resolutions of the Remuneration Committee for 2024 and up to the date of printing of the annual report.

Meeting date	Material resolution	Resolution results
Jan. 18, 2024 The 8th Meeting of the 4th Remuneration Committee	1.Evaluation of the performance of the Board of Directors, Board Members and Functional Committees 2. 2023 Annual Manager's Evaluation Bonus Payment 3. 2024 Manager's Salary and Benefit Compensation Plan 4. The third subscription list of Managers for the First Company Treasury Stock	Resolution of the Remuneration Committee: Approved by all members. The Company's handling of the opinions of the Remuneration Committee members: The first proposal was reported to Borad of Directors on January 18, 2024, and the second to the fourth proposals was approved by all directors present on January 18, 2024.
Aug. 6, 2024 The 1st Meeting of the 5th Remuneration Committee	1. 2024 First Half Year Performance Bonus for Managerial Teams	Resolution of the Remuneration Committee: Approved by all members. The Company's handling of the opinions of the Remuneration Committee members: Approved by all directors present on Aug. 6, 2024.
Jan. 21, 2025 The 2nd Meeting of the 5th Remuneration Committee	1.Evaluation of 2024 performance of the Board of Directors, Board Members and Functional Committees 2. 2024 Annual Manager's Evaluation Bonus Payment 3. 2025 Manager's Salary and Benefit Compensation Plan	Resolution of the Remuneration Committee: Approved by all members. The Company's handling of the opinions of the Remuneration Committee members: The first proposal was reported to Borad of Directors on January 21, 2025, and the second to the fourth proposals was approved by all directors present on January 21, 2025.

(5) Promotion of Sustainable Development Initiatives and Deviations from the "Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish exclusively (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the corporate social responsibility policies and reporting to the board?	V		The Company's Board of Directors originally approved and implemented the "Corporate Social Responsibility Best Practice Principles", which was revised and approved by the Board of Directors on March 24, 2022, in accordance with the law as the "Sustainable Development Best Practice Principles". On November 11, 2024, the Company established the Sustainable Development Committee to be responsible for promoting sustainability-related matters, with the Finance and Business Analysis Department assisting in implementing various plans, focusing on environmental, social, corporate governance. and stakeholders' interests related to the Company's operations. Based on the principle of materiality, the Company formulates sustainable development risk management policies and operational frameworks, and executes the Board of Directors' decisions on risk matters. The Board of Directors supervises the Company's sustainability operations and targets, including sustainability-related risk policies and response strategies, cyber security management, climate change, and energy risks, as well as human rights protection and ethical	No major differences.

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			management training and promotion, while urging the Company to adjust its business direction when necessary, to align with more environmentally friendly and sound management practices, thereby conducting ethical management and improving risk control to move toward the sustabibility goals. The Company reported on the sustainability operations in 2024 and the sustainability goals for 2025 to the Sustainable Development Committee and the Board of Directors, respectively, on January 13 and January 21, 2025, based on the principle of materiality in risk management.	
2. Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?	V		In order to establish a sound awareness of risk management and to reasonably ensure the achievement of strategic objectives for sustainable development, the Company established the "Risk Management Policy and Procedures" based on the principle of materiality, which was approved by the Board of Directors on November 5, 2020 as the highest guiding principle for risk management of the Company. The Company reported to the Sustainable Development Committee and the Board of Directors on January 13 and January 21, 2025, respectively, on the sustainability operations in 2024 and the sustainability goals for 2025 based on the principle	No major differences.

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			of materiality in risk management. Please refer to the " Sustainable Development Status " on the Company's website for a brief description of the relevant information. (https://www.medeonbiodesign.com/investors-corporate-governance/?lang=zh)	
3. Environmental issues (1) Does the company establish proper environmental management systems based on the characteristics of their industries?	V		(1) The Company specializes in the research and development of medical devices, and although it does not have production and manufacturing issues that require special compliance with the environmental management system of industry-specific regulations, it still complies with the general environmental safety and health related regulations in Taiwan.	No major differences.
(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	V		(2) The Company implements waste separation and sets up a resource recycling office, promotes paper reduction, uses recycled paper and encourages the use of environmentally friendly chopsticks and cups as well as extensively adopts video conferencing for meetings and replaces printed agenda materials with digital files to reduce the impact on the environment.	
(3) Does the company evaluate the potential risks and opportunities in climate change with	V		(3) Priority is given to the procurement of energy-saving equipment, with office and laboratory air-	

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
regard to the present and future of its business, and take appropriate action to counter climate change issues?			conditioning with regular controls; lighting equipment is turned off during lunch break, and lights are turned off after work, with reminders posted on meeting room switches to turn off lights when leaving, and signs placed near elevators to encourage employees to take the stairs for health and environmental reasons, in response to the policy of energy saving and carbon reduction.	
(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?	V		(4) The Company specializes in the R& D of medical devices and does not produce any water or waste for manufacturing. In 2024, only domestic water usage and general waste generated by employees at the Shilin and Wugu offices were present. Although such usage and waste from tenants are managed by the building's management office, the Company actively implements conservation and classification measures, including placing water-saving reminders on restroom doors and setting up waste sorting bins in staff lounges to promote environmental awareness and habits. The Company also replaces physical travel for external or inter-company training and meetings with video conferencing, reducing energy consumption caused by transportation. The	

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			Company does not have Scope 1 direct greenhouse gas emissions, and only Scope 2 indirect emissions from electricity use in offices. Most employees commute using public transportation. In 2024, the Company's Shilin and Wugu offices recorded carbon emissions totaling 24,751 kg, significantly lower than the 128,857 kg in 2023, primarily due to the termination of the Wugu office lease in February 2024. Using 2022 as the baseline year, the Company has achieved its 5% carbon reduction goal set for 2024. For the carbon dioxide emission reduction target in 2025, please refer to "Sustainable Development Status" on the Company's website. (https://www.medeonbiodesign.com/investors-corporate-governance/?lang=zh)。	
4. Social issues (1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		(1) In addition to adhering to the Labor Standards Act and the Gender Equality at Work Act and other laws and regulations where we operate globally, our human rights protection policy recognizes and supports the principles set forth in the The principles embodied in the United Nations Universal Declaration of Human	No major differences.

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights, among other international human rights conventions. The company is committed to creating a diverse, open, equal and harassment-free work environment, prohibiting differential treatment or any form of discrimination, and regularly implementing labor safety-related education and training and free health checks to build a healthy, safe and comfortable workplace environment. In 2024, a total of 37 participants attended human rights education training sessions, with a cumulative training duration of 1 hour.	
(2) Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	V		(2) The Company has set the salaries of employees in accordance with the ranks and established a leave system that is superior to the provisions of the Labor Standards Act. In addition to the labor and health insurance and pensions provided by law, the Company also provides group insurance	

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			including term insurance, accidental injury insurance, medical injury, cancer and pandemic insurance, wedding and funeral subsidies, health examination subsidies, birthday gifts, contracted factories, and domestic and overseas employee travel benefits. Bonuses and salary adjustments will be paid based on overall operational performance(e.g., revenue, achievement rate of annual strategic goals) and individual performance appraisals (including professional ability, leadership and management, teamwork, work attitude and organizational commitment, and time management). The average annual salary increase (including promotion) for managerial officers and non-managerial employees in 2024 was 3.4%. Our company advocates diversity and equality in the workplace and believes in the value of diversity in the workplace, building an inclusive and friendly workplace where salaries, promotions and various employee benefits do not differ according to gender, age, religion, political stance, nationality, place of birth, physical or mental disability, or ethnic group.	

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			There is no difference in salary and compensation between women and men in our company, and both men and women are entitled to equal pay for equal work and equal promotion opportunities. In 2024, the Company ensured equal pay for equal work, with reward criteria and promotion opportunities being the same for both male and female employees. Female employees comprised 68% of our workforce, and female managerial officers (including associate managers and above) made up 50% of all managerial positions. Both figures exceeded our 2024 target of 40% or above.	
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		(3) The Company believes that providing a safe and healthy working environment for employees is the only way to create high efficiency and high quality work performance, and to reduce accidents caused by unsafe behavior through continuous education, training and promotion of emergency response capabilities and safety concepts for employees. A. Workplace Security Management a. Establish a "Labor Safety and Health Code of Practice" to stipulate safety management matters for employees to follow.	

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			b. Access control is implemented, employees and visitors entering the company are required to swipe their cards or verify. c. In addition to 24-hour security guards at the building where our company is located, there are surveillance cameras at all entrances and exits, and security management is strengthened at night and on holidays to protect the personal safety of our employees. B. Environment Cleaning a. Building and office cleaning operations: 2 times a day for the building and 1 time a day for the office. b. Office disinfection (including rodent control) operations: implemented once every six months. c. Office drinking water filter replacement: 1 time per quarter. d. Office air conditioning filter cleaning: regular cleaning. C.Fire Safety a. The building in which the Company is located is equipped with a complete fire	

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			protection system, including alarm system, fire protection system and escape system, as required by the regulations. b. We have commissioned a qualified and professional testing consultant to conduct the functional testing of the system units in the building in which we are located. c. Fire hydrants and fire extinguishers are installed in public walkways in accordance with regulations, and all fire protection systems are regularly inspected and maintained in accordance with regulations. (4) In 2024, an annual inspection of fire protection systems and equipment was conducted. D.Staff Health Management a. We subsidize all employees' expenses for general health checkups every year. 17 people had employee health checkups and 28 people (including dependents) received influenza vaccinations in 2024. b. The Company organizes employee fat reduction competitions on an ad hoc basis to promote health and wellness. In 2024, a total of 14 employees participated in the	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			“Muscle Gain and Fat Reduction Competition.” Collectively, participating employees achieved a total body fat reduction of 10.3% and a total muscle mass increase of 3.0%. c. In 2024, there were no occupational injuries, occupational diseases or fatalities among our employees.	
(4) Does the company provide its employees with career development and training sessions?	V		(4) The Company's annual training plan is in line with the Company's management strategy and objectives, to collect and understand the development priorities and training needs of each unit, to provide multiple learning channels, to promote personal growth and organizational learning, to encourage independent learning, and also to consider the personal development plans of employees, the functional training system of each level, the quality management system and the relevant regulations of laws and regulations, and other professional skills to compile the "Employee Training Plan".	
(5) Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling	V		(5) The Company ensures the safety and effectiveness of its products through a rigorous product design process. The marketing and labeling of products and services comply with	

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
of products and services, and are relevant consumer protection and grievance procedure policies implemented?			relevant laws and regulations and international standards, and has established relevant policies and complaint procedures to protect the rights of consumers or customers.	
(6) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.		V	(6) The contract between the Company and the supplier does not yet contain provisions requiring the supplier to comply with relevant regulations on environmental protection, occupational safety and health or labor human rights issues, but if the supplier has seriously violated the above regulations, the contract may be terminated or cancelled at any time.	
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit?	V		In 2024, the Company prepared the 2023 Sustainability Report in accordance with internationally recognized reporting standards and made it available on the Market Observation Post System (MOPS) and the Company's website prior to August 2024. For further details, please refer to the "2023 Sustainability Report" on the Company's website(https://www.medeonbiodesign.com/investors-corporate-governance/?lang=zh).	No major differences.
6. Describe the difference, if any, between actual practice and the sustainable development principles, if the company has implemented such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies: The Company has established a "Code of Practice for Sustainable Development" and has complied with it, and there has been no discrepancy so far.				

Promotion Item	Implementation Status			Deviations from "the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	

7. Other useful information for explaining the status of corporate social responsibility practices:
Based on the concept of "What is taken from the community is used in the community", the company helped the following organizations in 2024:

Festival/ Activity	Organization	Description	Procured/Sponsored Items	Quantity	Amount (NTD)	Community Coverage
Dragon Boat Festival: Support for Local Farmers	AGRIC Enterprise Co., Ltd	Commitment to the land by promoting organic and sustainable farming, enhancing food safety, supporting local farmers in cultivation, production, and sales, and increasing the value of local agriculture.	AGRIC Organic Soy Sauce Gift Set	22	$10,900	Note 1
Mid-Autumn Festival: Charity Collaboration between Puren's "Guidance Program" and SunnyHills' "Sunshine Project"	Puren Youth Care Foundtion	The "Guidance Program" collaborates with junior high schools across Taiwan, targeting high-need students. Teachers design projects centered on school clubs based on student needs, with funding support from Puren Foundation. Through this program, Puren aims to guide students' apt development, helping high-need and rural children find motivation to learn, cultivate interests, build confidence, and pursue better futures, while fostering good character and kindness, encouraging them to help others and promote a positive social cycle.	SunnyHills Gift Box A portion of the proceeds is donated to support children in Puren Youth Care Foundation's "Guidance Program."	20	$10,800	Note 2
Donation of receipts to save persistent vegetative state (PVS)	Genesis Social Welfare Foundation	By upholding the concept of compassion, upholding the spirit of humanity and respecting life, and combining the kind-hearted people of the society, Genesis works on social services for the vegetables, the elderly, and the poor in a way that trickles into a river and gathers sand into a tower	Donation of receipts	159 receipts	NA	Note 3

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
Note 1: The Company is located in Shilin District, Taipei City. Yunlin County is one of the major agricultural counties in Taiwan, ranking among the top three in annual production. The total organic farming area nationwide is approximately 17,872.6 hectares, with Yunlin County accounting for about 927.7 hectares, representing only 5.19%. The Company supports the environment and philosophy of organic cultivation to contribute to the SDG goal of "Life on Land" by promoting a biodiversity-friendly environment. Note 2: The Company is located in Shilin District, Taipei City. The Foundation guides students in developing their strengths, enabling those less interested in academics to build confidence, find motivation to learn, and experience a nurturing environment like a family, which enhances their sense of belonging to school. The Company supports the Foundation’s efforts to reduce school dropouts, thereby decreasing youth crime, educational resource waste, and youth unemployment, creating a positive cycle that contributes to achieving the SDG goal of “Quality Education” through inclusive learning opportunities. Note 3: The Company is located in Shilin District, Taipei City. The Company supports the Genesis Social Welfare Foundation’s belief that “saving one vegetative patient is equivalent to saving an entire family.” Behind each vegetative patient is a family facing emotional and financial hardship, dedicating all their time, energy, and resources in the hope that their loved one will awaken. The Foundation provides professional support and emotional care to these families, creating a dedicated space for patients and helping to achieve the SDG goal of "Good Health and Well-being.				

(5-1) Climate-Related Information for TWSE/TPEx Listed Companies

Item	Implementation Status
1. Oversight and governance of climate-related risks and opportunities by the Board of Directors and management.	1.In response to the growing importance of climate change, the Company's Board of Directors and management actively participate in the oversight and governance of climate-related risks and opportunities. The Finance and Business Analysis Department is responsible for promoting sustainability efforts, including the assessment and monitoring of potential risks and opportunities from climate change. The Board is updated annually and oversees the Company's sustainability performance and goals, including climate and energy-related risks. The Board also guides the Company to adjust strategies when necessary to ensure alignment with environmentally friendly and sound management practices, and to strengthen ethical conduct and risk control toward sustainable development goals.
2. How identified climate risks and opportunities impact the business, strategy, and financial planning (short-, medium-, and long-term).	2.The Company has identified a range of climate-related risks and opportunities that could significantly affect its operations, strategy, and financial performance. • **Short-term goals:** Enhance supply chain management and develop diverse procurement channels to reduce the impact of extreme weather (e.g., typhoons, floods, droughts) that may disrupt production or delay logistics. • **Medium-term goals:** Transition to low-carbon operations through energy efficiency improvements, increased use of renewable energy, and reduction of carbon footprint in response to stricter environmental regulations, despite possible increases in operating costs. • **Long-term goals:** Invest in technological innovation and strategic planning to capture new market opportunities and maintain financial stability amid global economic shifts caused by climate change. The Company will continue monitoring climate risks and opportunities and take proactive actions to remain competitive.
3. Financial impacts of extreme weather events and transition actions.	3.Extreme weather events (e.g., typhoons, floods, droughts, and heatwaves) pose threats to global sustainability and may lead to supply chain disruptions and raw material price fluctuations, increasing production costs. To mitigate such risks, the Company plans to invest in green technologies, renewable energy, and energy efficiency projects. Although these investments may increase capital expenditures in the short term, they are expected to reduce long-term energy and carbon-related costs.
4. Integration of climate risk identification, assessment, and management processes into the overall risk management framework.	4.The Company plans to develop procedures for identifying, assessing, and managing climate risks, and to adjust operations accordingly based on the outcomes of these processes.

5. Use of scenario analysis to assess climate resilience, including scenarios, parameters, assumptions, analytical factors, and financial impacts.	5.The Company will evaluate whether to use scenario analysis to assess its resilience to climate-related risks and identify key financial impacts.
6. Transition plans to manage climate-related risks, including metrics and targets used to assess physical and transition risks.	6.The Company will formulate a transition plan to manage climate-related risks after careful evaluation and will develop related indicators and targets for identifying and managing both physical and transition risks.
7. Use of internal carbon pricing as a strategic planning tool.	7.The Company will determine whether to adopt internal carbon pricing as a planning tool following careful assessment.
8. Climate-related targets, including coverage, GHG emission scopes, planning timeframe, annual progress, and use of carbon credits or RECs.	8.The Company will establish climate-related targets following internal evaluation.
9. GHG inventory, assurance status, reduction targets, strategies, and action plans.	9.For GHG emissions data, please refer to page 61-74 of the Annual Report under section "(5) Implementation of Sustainable Development and Differences from the Corporate Sustainability Best Practice Principles," and to the 2024 Sustainability Report. As an emerging stock company with paid-in capital under NT$5 billion, the Company will disclose its GHG inventory by 2026 and assurance results by 2028, in accordance with the third phase of the “Sustainability Pathway for TWSE/TPEx Listed Companies.”

(6) Fulfillment of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons

The Company has established "Ethical Corporate Management Best Practice Principles" and deals with our agents, suppliers, and customers in a fair and transparent manner, and does not engage in illegal bribes or accept bribes, nor does it make illegal political contributions or donations. The directors and the managerial officers observe the principle of disinterest and a high degree of self-discipline and have not improperly benefited themselves or others. The Chief Internal Auditor reports regularly to the Board of Directors on the compliance with the internal control system. The Company also provides a whistle-blowing channel and keeps the identity of the whistle-blower confidential.

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs				
(1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?	V		(1) The Company has established the "Ethical Corporate Management Best Practice Principles", which has been approved by the Board of Directors. The directors of the Company uphold a high degree of self-discipline and recuse themselves from the discussion and voting on the motions listed in the Board of Directors' meeting if they have an interest in themselves or the legal entity they represent that may be harmful to the Company's interests, and they are not allowed to exercise their voting rights on behalf of other directors.	No major differences.
(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business	V		(2) The Company has established the "Ethical Corporate Management Best Practice Principles", "Guidelines for the Adoption of Codes of Ethical	

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?			Conduct", "Code of Conduct for Employees", "Work Rules for Employees" and "Rules for Reporting Violations of Integrity" to regulate the preventive measures for business activities with higher risk of dishonesty and to encourage internal and external personnel to report dishonesty or misconduct in order to implement honest management. The Company's "Ethical Corporate Management Best Practice Principles" prohibits dishonest conduct by directors, managers, employees or persons with substantial control over the Company from offering, promising, requesting or accepting, directly or indirectly, any improper benefit or committing any other dishonest act in violation of integrity, wrongfulness or breach of fiduciary duty in order to obtain or maintain benefits in the course of conducting business. Benefit means anything of value, including money, gifts, commissions, positions, services, favors, rebates, etc., in any form or name. The Company's "Code of Conduct for Employees" and "Work Rules for Employees" stipulate that employees shall not use their official relationships or accept improper gifts, presents, invitations to	

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			banquets or donations of any kind from others, and through the establishment of principles and systems, the possibility of dishonest behavior is prevented and risks are reduced. We also sign an employment contract with our employees, requiring them to strictly abide by the rules of benefit avoidance and not to obtain improper benefits directly or indirectly.	
(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	V		(3) Education and training are provided to employees so that they are fully aware of the Company's determination to operate in good faith and the consequences of dishonest behavior,and there was no breach of honest management in 2024.	
2. Fulfill operations integrity policy				
(1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	V		(1) The Company's business activities do not involve other illegal affairs or purposes. The Company may suspend or remove from the list of qualified suppliers those who have a record of dishonest behavior.	No major differences.
(2) Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a	V		(2) The Company's Finance & Business Analysis Department is responsible for promoting the Company's integrity management objectives and reported to the Board of Directors on January 21, 2025 on the implementation of integrity	

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
year) to the Board of Directors while overseeing such operations?			management for 2024, which is summarized as follows: A. Ethical management (including prevention of insider trading, etc.) promotion: A total of 19 information promotion sessions was held. B. Ethical management (including prevention of insider trading, etc.) education and training: 19 participants attended the training. C. Violation of ethical management: 0 cases.	
(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V		(3) The Company has established a policy to prevent conflicts of interest and provide appropriate channels of presentation. The directors will recuse themselves from discussing and voting on the Board of Directors' motions where there is a conflict of interest.	
(4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	V		(4) The Company has established an accounting system and internal control system in accordance with relevant laws and regulations. The internal audit unit prepares an audit plan based on risk assessment, and after approval by the Board of Directors, the internal auditors regularly review the compliance status and report to the Board of Directors.	
(5) Does the company regularly hold internal and external educational trainings on operational	V		(5) In addition to regular supervisory meetings and internal departmental meetings, the Company also	

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
integrity?			conducts annual training and awareness-raising sessions for its employees so that they are fully aware of the Company's determination to operate with integrity and the importance of preventing insider trading. The Company has conducted education and training on the "Ethical Corporate Management Best Practice Principles" and "Internal Material Information Handling and Prevention of Insider Trading Management Practices" in 2024 and informed the Company of the relevant regulations. Any violation will be punished by the company and the employment contract will be terminated in serious cases. In 2024, 19 participants attended the training for a total of 1 hours and 19 information sessions on honest management (including prevention of insider trading).	
3. Operation of the integrity channel (1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up? (2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-	V		The Company has established the "Rules for Reporting Breach of Ethical Management", which provides for specific procedures, reporting channels and incentives for reporting breaches of integrity, internal malpractice and grievances, and provides reporting channels for internal and external personnel. The reporters shall be punished in accordance with the relevant regulations. In	No major differences.

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
investigation confidentiality measures? (3) Does the company provide proper whistleblower protection?			addition, the Company shall not improperly or unfavorably dispose of a whistleblower in connection with a whistleblowing matter.	
4. Strengthening information disclosure (1) Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?	V		The Company's Ethical Corporate Management Best Practice Principles is available on the Company's website and the Market Observation Post System (MOPS). Please refer to the " Implementation Status of Ethical Corporate Management " on the Company's website for the relevant information (https://www.medeonbiodesign.com/investors-corporate-governance/?lang=zh)	No major differences.
5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies, please describe any discrepancy between the policies and their implementation: No major differences.				
6. Other important information to facilitate a better understanding of the company's ethical corporate management policies: (e.g., review and amend its policies) (1) The Company complies with the Company Act, the Securities and Exchange Act, and other relevant laws and regulations of the competent authorities as the basis for the implementation of ethical management. (2) The Company's "Regulations Governing Board Meetings" stipulate that a director who has an interest in a meeting that is harmful to his or her own interests or those of the legal entity he or she represents may present his or her opinions and answer questions, but may not participate in discussions or vote, and shall recuse himself or herself from discussions or votes, and may not exercise his or her voting rights on behalf of other directors. (3) The Company has established the "Management of Material Internal Information and Prevention of Insider Trading", which stipulates that those who are aware of the Company's material internal information that is not publicly available shall not disclose it to others and shall take care to avoid insider trading.				

Note 1: The implementation status should be stated in the abstract Illustration field regardless of whether "Yes" or "No" is checked.

(7) Other important information that may be disclosed to enhance understanding of corporate governance operations: None.

(8) Implementation Status of Internal Control System

A. Internal Control Statement:
Please refer to the Market Observation Post System (MOPS) > Single Company > Corporate Governance > Company Rules/Internal Control > Internal Control Statement Announcement (https://mops.twse.com.tw/mops/#/web/t06sg20).

B. If an accountant is engaged to review the internal control system, the accountant's review report should be disclosed: Not applicable.

(9) Significant resolutions of the shareholders' meeting and the Board of Directors for the most recent year and up to the date of printing of the annual report.

A. Shareholders' Meeting

Nature	Meeting date	Summary of Important Motion	Implementation Status
General Shareholders' Meeting	June 12, 2024	Ratification of 2023 Business Report and Financial Statements	The case was approved by voting as written.
		Ratification of the proposal of 2023 Deficit Offset	The case was approved by voting as written.
		Approval of Issuance of new common shares by Private Placement	The Company will hold a board meeting before the expiration of the term to decide whether to proceed with the private placement.
		Approval of electing 6th session of Directors	7 directors (including 4 independent directors) were elected by voting and were approved for registration by the Ministry of Economic Affairs on September 27, 2024, and the newly elected directors have actively participated in the operation of the Board of Directors.
		Approval of releasing newly elected directors or its representativeof from Non-Competition Restrictions	The proposal was approved by voting and the directors exercise the competitive activities approved by the shareholders' meeting.

B. Board of Directors

Meeting date	Material resolution	Matters referred to in Article 14-5 of the Securities and Exchange Act	Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors
Jan. 18, 2024 The 21st Meeting of the 5th Board of Directors	1.The Company's proposed increase in investment in its subsidiary, Medeologix, Inc.	v	
	2.2024 Business Plan		
	3.2024 Group Consolidated Budget		
	4.Proposal for the 2023 Annual Manager's Evaluation Bonus Payment		
	5.Proposal for the 2024 Manager's Salary and Benefit Compensation Plan		
	6.Proposal to approve the third subscriber list, record date, and related matters for the first repurchase of treasury shares transferring to employees		
	7.Proposal for the 2024 Accountant Independence Evaluation, Accountant Appointment and Certification Compensation	v	
	Matters referred to in Article 14-5 of the Securities and Exchange Act were approved by all members present in the 18th Meeting of the 3rd Audit Committee on Jan. 18, 2024. The Company's response to the Audit Committee's opinions: All attending directors (independent directors) approved.		
Feb. 29, 2024 The 22nd Meeting of the 5th Board of Directors	1.Proposal for the 2023 Business Report and Financial Statements	v	
	2.Proposal for the 2023 internal control policies effectiveness evaluation and declaration of internal control policies	v	
	3.2023 deficit offset proposal	v	
	4.Issuance of new common shares by Private Placement	v	
	5.Election of the 6th Board of Directors		
	6.Proposal to establish relevant matters related to 2024 General Shareholders' Meeting		
	Matters referred to in Article 14-5 of the Securities and Exchange Act were approved by all members present in the 19th Meeting of the 3rd Audit Committee on Feb. 29, 2024. The Company's response to the Audit Committee's opinions: All attending directors (independent directors) approved.		
May 2, 2024 The 23rd Meeting of the 5th Board of	1. Proposal for the Financial Report for the First Quarter of 2023 Proposal for the Financial Report for the First Quarter of 2024	v	
	2. Proposal to elect 6th session of Directors and Independent Directors		
	3. Proposal to release newly elected directors or its representatives from Non-Competition Restrictions		

Meeting date	Material resolution	Matters referred to in Article 14-5 of the Securities and Exchange Act	Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors
Directors	4.Not to proceed the private placement of common shares approved by the 2023 Annual Shareholders' Meeting.		
	Matters referred to in Article 14-5 of the Securities and Exchange Act were approved by all members present in the 20th Meeting of the 3rd Audit Committee on May 2, 2024. The Company's response to the Audit Committee's opinions: All attending directors (independent directors) approved.		
June 14, 2024 The 1st Meeting of the 6th Board of Directors	1.Proposal to elect the Chairperson of the Company		
	2.Proposal to appoint the members of the 5th Compensation Committee		
	3.The Company intends to increase its investment in its subsidiary Medeon International, Inc. and through this subsidiary, the Company will participate in the cash capital increase of Aquedeon Medical, Inc.	∨	
	4.Proposal to release the newly elected director from non-competition restrictions		
	Matters referred to in Article 14-5 of the Securities and Exchange Act were approved by all members present in the 1st Meeting of the 4th Audit Committee on June 14, 2024. The Company's response to the Audit Committee's opinions: All attending directors (independent directors) approved.		
Aug. 6, 2024 The 2nd Meeting of the 6th Board of Directors	1. The Company's proposed increase in investment in its subsidiary, Prodeon Medical Corporation	∨	
	2. Proposal for the 2024 Q2 Financial Statements	∨	
	3. Proposal to update the 2024 Group Consolidated Budget Plan		
	4. Proposal for the payment of the 2024 First-Half Managerial Performance Bonus		
	5. Proposal to amend the "Electronic Data Processing Cycle"	∨	
	Matters referred to in Article 14-5 of the Securities and Exchange Act were approved by all members present in the 2nd Meeting of the 4th Audit Committee on Aug. 6, 2024. The Company's response to the Audit Committee's opinions: All attending directors (independent directors) approved.		
Nov. 11, 2024 The 3rd Meeting of the 6th Board of	1.Proposal for the 2024 Q3 Financial Statements	∨	
	2.Proposal for the 2025 Annual Audit Plan	∨	
	3.Proposal to establish the "Sustainability Committee Charter"	∨	
	4.Proposal to appoint the members of the Sustainability Committee		
	5.Proposal to establish "Sustainability Information	∨	

Meeting date	Material resolution	Matters referred to in Article 14-5 of the Securities and Exchange Act	Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors
Directors	Management Procedures”		
	6.Proposal to amend the Company’s “Audit Committee Charter”	v	
	7. Proposal to amend the Company’s “Board Meeting Rules of Procedure”	v	
	Matters referred to in Article 14-5 of the Securities and Exchange Act were approved by all members present in the 3rd Meeting of the 4th Audit Committee on Nov. 11, 2024. The Company’s response to the Audit Committee’s opinions: All attending directors (independent directors) approved.		
Jan. 21, 2025 The 4th Meeting of the 6th Board of Directors	1.The Company’s proposed increase in investment in its subsidiary, Medeologix Corporation.	v	
	2. Proposal for intercompany loans to subsidiary, Prodeon Medical Corporation	v	
	3. Proposal for the 2025 Business Plan		
	4. Proposal for the 2025 Group Consolidated Budget		
	5. Proposal for the 2024 Managerial Evaluation Bonus Payment		
	6.Proposal for the 2025 Managerial Salary and Benefit Compensation Plan		
	7.Proposal for the 2025 Appointment and Independence Evaluation of CPA	v	
	8. Proposal to amend the “Risk Management Policies and Procedures”	v	
	Matters referred to in Article 14-5 of the Securities and Exchange Act were approved by all members present in the 4th Meeting of the 4th Audit Committee on Jan. 21, 2024. The Company’s response to the Audit Committee’s opinions: All attending directors (independent directors) approved.		
Feb. 27, 2025 The 5th Meeting of the 6th Board of Directors	1.Proposal for the 2024 Business Report and Financial Statements	v	
	2. Proposal for the 2024 internal control system effectiveness evaluation and declaration	v	
	3. Proposal for the 2024 deficit offset	v	
	4. Issuance of new common shares by Private Placement	v	
	5. Proposal to amend the Company’s “Articles of Incorporation”	v	
	6. Proposal to amend the Company’s “Compensation Cycle” and “Compensation Cycle Audit Guidelines”	v	
	7. Proposal to release directors and their representatives from non-competition restrictions		

Meeting date	Material resolution	Matters referred to in Article 14-5 of the Securities and Exchange Act	Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors
	8. Proposal to establish relevant matters related to the 2025 Annual Shareholders' Meeting		
	Matters referred to in Article 14-5 of the Securities and Exchange Act were approved by all members present in the 5th Meeting of the 4th Audit Committee on Feb. 27, 2024. The Company's response to the Audit Committee's opinions: All attending directors (independent directors) approved.		

(10) For the most recent year and up to the date of printing of the annual report, the directors or supervisors had different opinions on important resolutions passed by the Board of Directors and there are records or written statements of the main contents: None.

3. Information Regarding the Company's Audit Fee:

2024 CPA Audit Fee

Unit: NT$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Remark
PwC Taiwan	Hsiao Tzu Chou Hua Ling Liang	Jan. 1, 2024 ~Dec. 31, 2024	2,749	88	2,837	The non-audit services are related to business registration.

(1) If the audit fee paid in the year of change of accounting firm is less than the audit fee paid in the year before the change, the amount, percentage and reason of the decrease in audit fee before and after the change should be disclosed: Not applicable.

(2) If the audit fee is reduced by 10% or more from the previous year, the amount, percentage and reason for the reduction of audit fee shall be disclosed: Not applicable.

4. If the Company has changed its accountant in the last two years and the subsequent period, the following information should be disclosed:

(1) Regarding the former CPA

Replacement Date	January 21, 2025		
Replacement reasons and explanations	The causes of change on January 21, 2025: With the internal organization adjustment of PwC Taiwan, the CPA of the Company, CPA Hsiao Tzu Chou and Yu Kuan Lin have been replaced with CPA Guan Hong Lin and Hua Ling Liang from the first quarter of 2025.		
Describe whether the Company terminated or the CPA did not accept the appointment	Parties / Status	CPA	The Company
	Termination of appointment	V	
	No longer accepted (continued) appointment		
Other issues (except for unqualified issues) in the audit reports within the last two years	None		
Differences with the company	Yes		Accounting principles or practices
			Disclosure of Financial Statements
			Audit scope or steps
			Others
	None	V	
	Description		
Other Revealed Matters (Those that shall be disclosed from Item 1-4 to 1-7, Paragraph 6, Article 10 of this Code)	None		

(2) Regarding the successor CPA

Accounting Firm	PwC Taiwan
Name of CPA	CPA Hsiao Tzu Chou and Hua Ling Liang
Date of appointment	On January 21, 2025, the Board of Directors approved CPA Guan Hong Lin and Hua Ling Liang
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	Not Applicable.
Succeeding CPA's written opinion of disagreement toward the former CPA	Not Applicable.

5. Where the Company's chairman, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its CPA or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed： None.

6. Any equity transfer or pledge, or change in pledge status, involving a director, supervisor, managerial officer, or shareholder holding more than 10 percent of the Company's shares during the most recent fiscal year or the current fiscal year up to the date of publication of this annual report is summarized as follows:

- Equity Transfers:
  Please refer to the Market Observation Post System > Company > Shareholding Changes / Securities Issuance > Equity Transfers > Post-reporting of Insider Shareholding Changes (https://mops.twse.com.tw/mops/#/web/query6_1)
- Equity Pledges:
  Please refer to the Market Observation Post System > Company > Shareholding Changes / Securities Issuance > Insider Pledge and Release of Pledge > Insider Pledge and Release of Pledge Announcements (https://mopsov.twse.com.tw/mops/web/STAMAK03_1)

There were no instances in which the counterparty to any equity transfer or equity pledge involving a director, supervisor, managerial officer, or major shareholder was a related party.

7. Relationship information, if among the company's 10 largest shareholders any one is a related party or a spouse, a relative within the second degree of kinship of another.

Apr. 22, 2025 (Unit: shares; %)

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		The names and relationships of the top ten shareholders who are related to each other or are related to each other as spouses or second degree relatives, etc.		Remark
	Shares	Shareholding percentage (%)	Shares	Shareholding percentage (%)	Shares	Shareholding percentage (%)	Name	Relationship	
Center Laboratories, Inc.	27,411,028	29.72	-	-	-	-	None	None	-
Representative: Su Chi Wang	-	-	-	-	-	-	None	None	-
Medeon, Inc.	10,450,911	11.33	-	-	-	-	None	None	-
Representative: Yue Teh Jang	-	-	-	-	-	-	None	None	-
Xin Yi Enterprise Co., Ltd.	3,036,528	3.29	-	-	-	-	Yong Feng Yu Inc.	Shinyi Enterprises is the corporate director of YFY Investment Holdings	-
Representative: Xing Ru Zhang	-	-	-	-	-	-	None	None	-
Yong Feng Yu Inc.	2,126,317	2.31	-	-	-	-	Xin Yi Enterprise Co., Ltd. YFY Development Corp.	Shinyi Enterprises is the corporate director of YFY Investment Holdings YFY Investment Holdings is the corporate director of YFY Construction	-
Representative: Hui Ching Ye	-	-	-	-	-	-	None	None	-
Chi Wan Chang	1,428,000	1.55	-	-	-	-	None	None	-
Mega International Commercial Bank in custody of National Development Fund Trust	1,404,037	1.52	-	-	-	-	None	None	-
Guangyuan Investment Co., Ltd.	1,106,861	1.20	-	-	-	-	YFY Development Corp.	Wing Fung Yu Construction and Development is the corporate director of Wide Source Investment	-
Representative: Xin Yi Lin	-	-	-	-	-	-	None	None	-
Cathay Life Insurance Co., Ltd.	903,152	0.98	-	-	-	-	None	None	-

Representative: Ming He Xiong	-	-	-	-	-	-	None	None	-
Shun Cheng Hsieh	642,911	0.70	-	-	-	-	None	None	-
YFY Development Corp.	-	-	-	-	-	-	Yong Feng Yu Inc.	YFY Investment Holdings is the corporate director of YFY Construction	-
Representative: Bing Zheng Luo	621,000	0.67	-	-	-	-	Yong Feng Yu Inc.	Bing Zheng Luo is the corporate director of YFY Investment Holdings	-
Chang Jing Ou	27,411,028	29.72	-	-	-	-	None	None	-

8. The total number of shares and total equity stake held in any single enterprise by the company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the company:

Consolidated shareholding ratio

Dec. 31, 2024 (Unit: shares; %)

Investment Business (Note 1)	The Company's investment		Directors, Supervisors, Managers and Investments in Direct or Indirectly Controlled Businesses		Consolidated Investment	
	Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage
Medeon International, Inc.	30,940,039	100%	-	-	26,939,999	100%
Prodeon Medical Corporation	24,636,000	89.27%	-	-	24,636,000	89.27%
Yi Chuang Biodesign, Inc.	10,000	100%	-	-	10,000	100%
Medeologix Corporation.	52,814,174	96.61%	-	-	52,814,174	96.61%
Aquedeon Medical, Inc.	-	-	9,854,560	97.46%	9,854,560	97.46%
Proden Medical, Inc.	-	-	3,000	100%	3,000	100%
Medeologix, Inc.	-	-	20,000,000	100%	20,000,000	100%
MedeonBio, Inc.	-	-	2,900,000	100%	2,900,000	100%
Medeologix LLC	-	-	-	100%	-	100%

Note 1: Long-term investment by equity method.

III. Capital Overview

1. Capital and Shares

(1) Changes of capital stock during recent years and during the current fiscal year up to the date of publication of the annual report：

Unit: NT$ thousands; thousand shares

Year/Month	Par Value	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other then Cash	Others
112.06	10	200,000	2,000,000	87,863	878,626	Conversion of employee stock options to common stocks from a cash capital increase of NT$ 225 thousand	None	Note 1
112.09	10	200,000	2,000,000	92,245	922,449	Capital reserve to increase capital to NT$146,060 thousand	None	Note 2

Note 1: Approval letter from the Ministry of Economic Affairs: Jing-Shou-Sheng-Zi No. 11230093230

Note 2: Approval letter from the Ministry of Economic Affairs: Jing-Shou-Sheng-Zi No. 11230093230

A. Type of stock issued during the two most recent fiscal years or during the current fiscal year up to the date of publication of the annual report

March 31, 2025 (Unit: shares)

Type of Stock	Authorized Capital			Remark
	Issued Shares	Un-issued Shares	Total	
Common Shares	92,244,893	107,755,107	200,000,000	The Company's stock is listed on the over-the-counter market

B. Approved offering of marketable securities under the omnibus reporting system and related information: None.

(2) List of major shareholders: List the shareholders whose shareholding percentage reaches 5% or more, if there are less than 10, the list should be disclosed to the top 10 shareholders in terms of shareholding percentage

Apr. 22, 2025 (Unit: shares)

Shares / List of Major Shareholders	Shareholding	Shareholding Percentage %
Center Laboratories, Inc.	27,411,028	29.72
Medeon, Inc.	10,450,911	11.33
Xin Yi Enterprise Co., Ltd.	3,036,528	3.29
Yong Feng Yu Inc	2,126,317	2.31
Qi Wan Zhang	1,428,000	1.55
Mega International Commercial Bank in custody of National Development Fund Trust	1,404,037	1.52
Guangyuan Investment Co., Ltd.	1,106,851	1.20
Cathay Life Insurance Co., Ltd.	903,152	0.98
YFY Development Corp.	642,911	0.70

(3) Dividend Policy and Implementation Status

A. Dividend Policy under the Articles of Incorporation

When the Company has a surplus in each year's final accounts, the Company shall first make a tax payment to make up for previous years' deficits, and then set aside 10% of the legal reserve, except that if the legal reserve has reached the Company's paid-in capital, it may not be set aside again; furthermore, the Company shall set aside or reverse the special reserve as required by law; if there is still a balance, the Board of Directors shall prepare a proposal for the distribution of the surplus and submit it to the shareholders for resolution. The Board of Directors shall prepare a proposal for the distribution of earnings and submit it to the shareholders for resolution.

The Company's dividend distribution policy will be based on the current and future investment environment, capital requirements, domestic and international competition and capital budget, taking into account the interests of shareholders, the balance of dividends and the Company's long-term financial planning, etc. The Board of Directors will prepare the distribution plan annually in accordance with the law and submit it to the shareholders' meeting. The types and rates of dividends may be adjusted by the shareholders' meeting in accordance with the actual profit and capital position of the year, provided that the total amount of dividends distributed from each year's earnings shall not be less than 10% of the distributable earnings for that year, and the percentage of cash dividends shall not be less than 10% of the total amount of dividends.

B. Circumstances of the proposed dividend distribution at this shareholders' meeting:

Not applicable.

C.Description of expected significant change in dividend policy: None.

(4) The effect of the proposed gratis share placement at the shareholders' meeting on the Company's operating results and earnings per shareThe Company has not issued any financial forecast, so it is not applicable.

(5) Remuneration for employees, directors and supervisors:

A.The percentage or range of compensation for employees, directors and supervisors as set forth in the Articles of Incorporation.

If the Company makes a profit in a year, it shall contribute not less than 1% to the remuneration of its employees and not more than 2% to the remuneration of its directors. However, if the Company still has accumulated losses, the amount of remuneration shall be retained in advance and the employees’ remuneration and directors' remuneration shall be provided in proportion to the aforementioned amount.

Employee compensation may be in the form of stock or cash, and may be paid to employees of affiliated companies who meet certain criteria. Directors' remuneration is payable in cash only.

The Company's employees and managers are paid a base salary and bonuses, which are based on industry standards, as well as title, rank, education, professional ability and responsibilities. Bonus payments and salary adjustments are based on overall operational performance (e.g., revenue, achievement rate of annual strategic goals) and individual performance assessment (including work Performance, professional competence, leadership and management, execution skills, communication and coordination skills, teamwork, work attitude and organizational commitment, problem solving skills, and time management). The manager's salary is recommended by the Compensation Committee and approved by the Board of Directors based on the overall operating performance and individual performance evaluation results.

The following indicators are considered in measuring the personal performance of employees and managers.

Appraisal Item	Assessment standards description	Weight
Work Performance	Achievement of annual KPI targets (e.g. revenue, achievement rate of annual strategic targets)	50%
Professional Capabilities	Able to perform the basic duties of the current job, to allocate resources effectively, and to control and manage budgets.	50%
Leadership and Management	Set an example by leading team members with a positive work attitude and ensuring that team members accept and achieve mission goals, plans and policies.	
Execution skills	Being able to complete tasks on time and control quality; actively reporting and coordinating resources to prevent task results from being affected in case of unexpected events during execution.	
Communication and coordination skills	Having empathy and being able to listen, effectively convey information, and build consensus through communication.	
Teamwork	Being able to support team consensus in the decision-making process and decide on actions taken based on team consensus for the benefit of the team. Being able to put aside personal interest and willing to take on more responsibilities to achieve team goals.	
Work Attitude and Organizational Commitment	Being able to frequently review daily business and strive for improvement, having a sense of responsibility for assigned tasks, and striving to complete tasks	
Problem solving skills	Being able to face problems or errors at work with courage, analyzing the problems to find the root cause, putting forth solutions, preventing recurrence of such problems	
Time management	Able to prioritize work objectives according to their importance and urgency, and to allocate and utilize their time effectively to complete various tasks within the time frame	

There was no difference in compensation between female and male employees, and the average annual salary adjustment (including promotion) for both manager and non-manager ranks was 3.4% in 2024.

B. The basis for estimating the amount of compensation to employees, directors and supervisors, the basis for calculating the number of shares for employee compensation distributed by stock, and the accounting treatment if the actual amount of distribution differs from the estimated amount.

In accordance with the Company's Articles of Incorporation, if the Company makes a profit in a year, it shall set aside not less than one percent for the remuneration of its employees and not more than 2% for the remuneration of its Directors. However, if the Company has accumulated losses, the Company shall have reserved a sufficient amount to offset its accumulated losses, and then distribute the employees and directors' remuneration in accordance with the previous ratio. Therefore, the Company did not yield any profit in 2024 that only the fixed remuneration for the Independent Directors and the attendance fees for the Directors have been disbursed without any other accrual of the remuneration of employees and directors.

C. The Board of Directors approved the distribution of remuneration: Not applicable.

D. The actual distribution of compensation to employees, directors and supervisors in the previous year (including the number, amount and price of shares distributed), the difference between the distribution and the recognition of compensation to employees, directors and supervisors, and the amount of the difference, the reasons for the difference and the treatment of the difference: Not applicable

(6) Repurchase of the Company's shares by the Company for the most recent year and up to the date of printing of the annual report.

On March 30, 2020, the Board of Directors approved the first buyback of treasury stock to employees for the period from March 31, 2020 to May 29, 2020, which was executed as follows

Buyback period	First
Purpose of buying back	Transfer of shares to employees
Buy Back Period	Mar. 31, 2020 to May 29, 2020
Buyback interval price	NT$38 to 76
Type and number of shares bought back	394,000 common shares
Amount of shares bought back	NT$20,477,770
Buyback volume as a percentage of scheduled buyback volume (%)	0.59%
Number of shares cancelled and transferred	Transferred 293,000 shares of employee stock
Cumulative number of shares held by the Company	Remaining 101,000 common shares
Ratio of the cumulative number of shares held by the Company to the total number of shares in issue (%)	0.11%

2. Bonds (including Overseas Bonds): Not applicable as the Company has no such circumstances.
3. Preferred Stock: Not applicable as the Company has no such circumstances.
4. Global Depository Receipts: Not applicable as the Company has no such circumstances.

5. Employee Stock Option:

(1) As of the date of printing of the annual report, the outstanding employee stock options were processed and the impact on shareholders' equity.

March 31, 2025

Types of Employee Stock Opton	2013 1st Employee Stock Opton	2013 2nd Employee Stock Opton		2014 1st Employee Stock Opton	2014 2nd Employee Stock Opton		
Filing effective date	Not applicable (Note 1)	Not applicable (Note 1)		Not applicable (Note 1)	Nov. 11, 2014 (Note 2)		
Issue date	Sep. 9, 2013	Sep. 27, 2013	Aug. 13, 2014	Aug. 13, 2014	Nov. 18, 2014	Jun. 8, 2015	Nov. 3, 2015
Duration	30 months	10 years	10 years	10 years	10 years	0 years	10 years
Units Issued	168	1,019	1,551	260	820	642	538
Stock Options as a Percentage of Shares Issued	0.18%	1.10%	1.68%	0.28%	0.89%	0.70%	0.58%
Period	May 21, 2014-Mar. 8, 2016	Sep. 27, 2015-Sep. 26, 2023	Aug. 13, 2016-Aug. 12, 2024	Aug. 13, 2016-Aug. 12, 2024	Nov. 18, 2016-Nov. 17, 2024	Jun. 8, 2017-Jun. 7, 2025	Nov. 3, 2017-Nov. 2, 2025
Performance	Issuance of new shares	Issuance of new shares	Issuance of new shares	Issuance of new shares	Issuance of new shares	Issuance of new shares	Issuance of new shares
Restricted period and rate (%)	After 17 months from the expiration date - 100% subscription	At least 2 years - 50% subscription At least 3 years - 75% subscription 4 years - 100% subscription					
Number of shares executed	-	572,250	1,216,500	195,000	635,000	-	-
Amount of executed option	-	5,722,500	12,165,000	1,950,000	6,350,000	-	-
Number of outstanding stock options (effective outstanding stock options at the end of the period)	-	0	0	0	0	227,000	20,000
Subscription price per share for unexecuted stock options	NT$ 10	NT$ 10	NT$ 10	NT$ 10	NT$ 10	NT$ 120.6	NT$ 136.9
Stock Options as a Percentage of Shares Issued (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.25%	0.02%
Impact on shareholders' equity	The Company issues employee stock options to attract and retain talents needed by the Company, to motivate employees and to enhance employee motivation in order to jointly create the interests of the Company and its shareholders. Meanwhile, the stock option will be executed within 2.5 years or 10 years after the issuance date, and the dilution effect on the original shareholders' equity is still limited because the stock option are diluted annually.						

Note 1: The Company was a non-public company at the time of issuing the employee stock options, and the issue was approved by the Board of Directors in accordance with Article 167-2 of the Company Act.

Note 2: The Company's second issuance of employee stock options in 2014 was approved and declared effective pursuant to Order No. 1030044523 issued by the Financial Supervisory Commission, Securities and Futures Bureau, on November 11, 2014.

Note 3: The first issuance of employee stock options in 2016 was approved pursuant to Order No. 1050040735 issued by the Financial Supervisory Commission, Securities and Futures Bureau, on October 12, 2016. However, the Company did not issue the stock option.

(2) The names, acquisition and subscription of the top ten employees who have acquired employee stock options as of the date of publication of the annual report.

March 31, 2025

	Title (Note 1)	Name	Number of stock options acquired	Ratio of the number of stock options acquired to the total number of shares issued(Note 4)	Executed (Note 2)				Un-executed (Note 2)			
					Quantity of stock options	Price of stock options (Note 5)	Amount of stock options	Ratio of the number of shares subscribed to the total number of shares issued(Note 4)	Quantity of stock options	Price of stock options (Note 6)	Amount of stock options	Ratio of the number of shares subscribed to the total number of shares issued(Note 4)
Managerial	Execitive Vice President	Greta Chang	420 units	0.46%	420 units	NT$ 10	NT$ 4,200 thousand	0.46%	0 units	0	0	0%
	Vice President	Albert Weng										
	Vice President	Jenny Chen										
Employees (Note 3)	Senior Manager	Ivy Lee	837 units	0.91%	590 units	NT$ 10	NT$ 5,900 thousand	0.64%	247 units	NT$ 120.6 or NT$ 136.9	NT$ 30,114.2 thousand	0.27%
	Senior Manager	Jessie Hung										
	Deputy Manager	Franey Jeng										
	Coordinator	Tina Yang										
	Coordinator	Alvita Hung										
	Subsidiary employee	Elisa Huang										
	Subsidiary employee	Kelvin Tsai										
	Subsidiary employee	Sharon Hsu										
	Subsidiary employee	Elton Lin										
	Subsidiary employee	Ken Lin										

Note 1: Including managers and employees (if they have left or died, they should be specified), individual names and titles should be disclosed, but the acquisition and subscriptions should be disclosed in aggregate.

Note 2: The number of columns will be adjusted according to the actual number of issues.

Note 3: The top ten employees who acquired the stock options refer to the employees other than the Manager.

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

Note 5: The price of the executed employee stock options should be disclosed as the price of the stock options at the time of execution.

Note 6: The unexecuted employee stock option price should be disclosed as the adjusted stock option price calculated according to the issuance method.

6. Restricted Stock Awards

(1) New shares with restricted employee rights that have not yet fully met the vesting conditions should be disclosed as of the date of printing of the annual report and the effect on shareholders' equity: The Company has no such cases and therefore, they are not applicable.

(2) The names of managers and the top ten employees who acquired new shares with restricted employee rights as of the date of the annual report and the circumstances of their acquisition: The Company has no such information, therefore, it is not applicable.

7. New Shares Issuance in Connection with Mergers and Acquisitions: Not applicable as there is no such circumstances occurred.

8. Financing Plans and Implementation:

(1) Issuance of New Shares through Cash Capital Increase in 2018

A. Project Details

(a) Date and reference number of approval by the competent authority:

Approved pursuant to Order No. 1070327925 issued by the Financial Supervisory Commission, Securities and Futures Bureau, on August 24, 2018, and the extension of the fundraising period for the 2018 cash capital increase was filed for record pursuant to Order No. 1070338244 issued by the Financial Supervisory Commission, Securities and Futures Bureau, on October 23, 2018.

(b) Total funding required for this project: NT$1,323,376 thousand.

(c) Source of funds:

A total of 8,000 thousand common shares were issued through a cash capital increase at a par value of NT$10 per share and an issue price of NT$86 per share, representing a premium over par value. The total amount raised was NT$688,000 thousand, with the remaining NT$635,376 thousand funded through the Company's internal resources.

(d) Project items and fund utilization schedule:

Unit: NT$ thousand

Project Items		Scheduled Completion Date	Total Funds Required	Planned Fund Utilization Schedule																			
				2018			2019				2020				2021				2022				
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Investment in Subsidiaries	Prodeon Medical Corporation	2021 Q4	518,816	-	-	290,966	-	-	-	137,578	-	-	-	72,292	-	-	-	17,980	-	-	-	-
	Aquedeon Medical, Inc.	2022 Q4	804,560	-	-	142,400	-	-	-	188,680	-	-	-	255,430	-	-	-	124,600	-	-	-	93,450
Total			1,323,376	-	-	433,366	-	-	-	326,258	-	-	-	327,722	-	-	-	142,580	-	-	-	93,450

(e) Expected Benefits:

The primary objective is to reinvest in the Company's subsidiary, Prodeon Medical Corporation, for the development of a minimally invasive medical device for benign prostatic hyperplasia (URO-T01), as well as to reinvest in the subsidiary Medeon International, Inc. for the indirect investment in its sub-subsidiary, Aquedeon Medical, Inc., for the development of a thoracic aortic repair device (CVS-T01). Through the injection of long-term and stable funding, the Company will be able to successfully execute high-cost development projects involving Class III medical devices that require human clinical trials. This will enhance the scale of operations and corporate value, strengthen the Company's financial structure, avoid increases in financing costs, reduce the risk of R&D interruptions, and improve the Company's leverage in licensing negotiations. These efforts are expected to contribute positively to the Company's future operations.

B. Implementation Status

Unit: NT$ thousand

<table>
<tr><th colspan="2">Project Items</th><th colspan="3">Implementation Status</th><th>Reasons for Schedule Advancement or Delay and Improvement Plans</th></tr>
<tr><td rowspan="6">Investment in Subsidiaries</td><td rowspan="4">Prodeon Medical Corporation</td><td rowspan="2">Amount Utilized</td><td>Budgeted</td><td>518,816</td><td rowspan="4">The project item has been completed</td></tr>
<tr><td>Actual</td><td>518,816</td></tr>
<tr><td rowspan="2">Execution Progress</td><td>Budgeted</td><td>100%</td></tr>
<tr><td>Actual</td><td>100%</td></tr>
<tr><td rowspan="4">Aquedeon Medical, Inc.</td><td rowspan="2">Amount Utilized</td><td>Budgeted</td><td>804,560</td><td rowspan="4">The development progress of this product has been slower than originally expected, primarily due to the inherent characteristics of the biotechnology industry, which include high investment requirements, high risk, long development cycles, and knowledge-intensive processes. As a result, the Company has adopted a cautious approach to funding, allocating resources to each stage of development only after obtaining appropriate and valuable experimental data. This ensures prudent use of capital and protection of clinical trial subjects, which has led to a conservative pace of actual expenditure. The product has undergone multiple animal studies, which demonstrated its potential to effectively reduce vascular anastomosis and suturing time during surgery. In August 2023, the product received approval from the U.S. FDA for an Investigational Device Exemption (IDE) clinical trial. In March 2024, the first patient was enrolled and treated in the United States, and the postoperative outcome showed sustained vessel patency and patient recovery. To date, 20 cases have been enrolled in the first stage of the pivotal trial.</td></tr>
<tr><td>Actual</td><td>595,431</td></tr>
<tr><td rowspan="2">Execution Progress</td><td>Budgeted</td><td>74.01%</td></tr>
<tr><td>Actual</td><td>100%</td></tr>
</table>

C.Benefit Analysis

The proceeds from this cash capital increase were allocated to reinvestments. Through the injection of long-term and stable funding, the Company was able to effectively carry out high-cost development projects involving Class III medical devices that require human clinical trials. This funding strategy enhances the Company's operational scale and corporate value, strengthens its financial structure, avoids increased financing costs, reduces the risk of R&D interruptions, and improves the Company's leverage in licensing negotiations. Overall, it is expected to bring positive benefits to the Company's future operations.

D.Operating Status of the Investee Company and Its Impact on the Company's Investment Gains and Losses

As the thoracic aortic repair device under development by Aquedeon Medical, Inc. is still in the R&D stage, the Company recorded an investment loss of NT$110,457 thousand from Aquedeon Medical, Inc. in 2024. Aquedeon Medical, Inc. will evaluate the development progress of the product and seek potential licensing or collaboration partners at an appropriate time. Once licensing proceeds are secured, the Company is expected to generate positive investment returns.

IV. Operational Highlights

1. Business Activities

(1) Business Activities

A. Business Scope

a. Main areas of business operations

- Mechanical Equipment Manufacturing
- Wireless Communication Mechanical Equipment Manufacturing
- Electronics Components Manufacturing
- Data Storage Media Manufacturing and Duplicating
- Optical Instruments Manufacturing
- Medical Devices Manufacturing
- Wholesale of medical devices
- Wholesale of Electronic Materials
- Retail sale of precision instruments
- International Trade
- Management Consulting
- Information Software Services
- Data Processing Services
- Electronic Information Supply Services
- Product Designing
- Biotechnology Services
- Research and Development Service
- Market Research and Public Opinion Polling
- Unclassified Other Services
- Software Publishing
- All business activities that are not prohibited or restricted by law, except those that are subject to special approval

b. 2024 Business Percentage

Unit: NT$ thousands

Item	2024	
	Sales Revenue	percentage
Merchandise sales revenue	114,760	39.19%
Commissioning services revenue	178,048	60.81%
Total	292,808	100.00%

c. Current products (services) of the Company

(i) R&D of medical devices

Our company's primary focus is on developing medical devices for minimally invasive surgeries, including laparoscopic, orthopedic, urological, and advanced cardiovascular procedures. On March 2, 2018, we signed an Asset Purchase Agreement with Terumo, a leading international medical device manufacturer, successfully transferring Cross-Seal™ (IVC-C01) to them. As of the end of 2023, We have received an upfront payment of $20 million at the time of signing and milestone payments totaling $11 million. We will continue to support Terumo in obtaining Supplement PMA approval for the next-generation product to secure future milestone payments. Aside from the Cross-Seal™ large bore vascular closure system, we are also developing several other products.

- A. Urocross® Expander system (URO-T01)
- B. Duett™ – Vascular Graft System for Aortic Dissection Repair (CVS-T01)
- C. PUMA™ – Trauma Internal Fixation Device (ORP-T01)
- D. ClickClean™ - in-situ cleaning device for laparoscopic surgery (LAP-A01)
- E. AbClose™ - in-port site closure system (LAP-C01)

(ii) Production and Manufacturing:

In the field of advanced medical device contract development and manufacturing organization (CDMO) business, we've been actively acquiring and integrating crucial technologies through our subsidiary, Medeologix, Inc. Our efforts have led to the establishment of strong customer relationships with leading international medical manufacturers and startups in Silicon Valley. By strategically managing and leveraging resources across our group, we're able to offer tailored services to customers from our U.S. sites, while efficiently managing high-volume production demands in Taiwan. We offer a wide range of advanced medical balloons, medical catheters, semi-finished medical products, and assembled medical devices to global innovative medical device manufacturers. Our services encompass the entire production process, from initial development to full-scale manufacturing.

d. New products (services) under development

In addition to our current product portfolio, our company remains dedicated to exploring innovative opportunities in minimally invasive surgical-related medical devices. This includes advancements in neurointervention procedures, peripheral vascular surgery, orthopedic and plastic surgery, hepatobiliary and gastrointestinal surgery, weight loss surgery, urology, and gynecological surgery. Furthermore, we're actively working to expand our presence in the advanced medical device CDMO market. Through our subsidiary, Medeologix, Inc., we continue to strengthen our manufacturing capabilities for advanced medical balloons, catheters, device components, and finished product assembly. At the same time, we're optimizing our

production line setups and strategically recruiting top-tier talents in management, research and development, and manufacturing. Our goal is to swiftly establish a prominent position in the global advanced medical device CDMO market as a dark horse.

(2) Industry Overview

The U.S. Food and Drug Administration (FDA) defines a medical device as an instrument, apparatus, implement, machine, contrivance, implant, in vitro reagent, or other similar or related article, including an element, a component, or accessory. In accordance with the provisions of Taiwan's Pharmaceutical Affairs Act, and with reference to the "Classification of Medical Devices" announced by the Department of Health on June 21, 2000, medical devices are classified based on function, supplemented by usage and structure. Medical devices are classified into five categories: diagnosis and monitoring devices, surgical and therapeutic medical devices, auxiliary and compensatory medical devices, in vitro diagnostic devices, and other types of medical devices that do not fall under the above-mentioned categories.

A. Current status and development of the industry

As the global population continues to age, the demand for healthcare has shown steady and rapid growth in both developed and developing countries. According to a report by BMI Research, the size of the global medical device market reached US$514.77 billion in 2023 and is projected to grow to US$614.15 billion by 2026, representing a compound annual growth rate (CAGR) of 6.2% from 2023 to 2026. Despite this growth, the global medical device market has faced significant challenges due to international economic, social, and geopolitical factors. These include the energy crisis triggered by the Russo-Ukrainian war, rising inflation, exchange rate fluctuations, and weakened demand, which have affected markets globally, particularly in Europe. In the United States, interest rate adjustments and slower economic growth have further impacted the medical device market, resulting in a reduction in medical device–related investments in 2024 compared to 2023. Nevertheless, with the continued rise in the aging population and the growing need for chronic disease management, coupled with the advancement of artificial intelligence (AI), remote health monitoring, and precision medicine, the medical device market is expected to maintain strong growth momentum, with a positive long-term outlook.

Market in the USA

The United States is the largest single market for medical devices globally, home to numerous world-leading firms that drive innovation in the medical device industry. In 2023, the size of the U.S. medical device market reached US$241.88 billion, with a projected compound annual growth rate (CAGR) of 4.9% from 2023 to 2026. The increasing elderly population in the U.S. has led to a rise in the prevalence of chronic diseases such as

cardiovascular diseases, diabetes, osteoarthritis, and Alzheimer's disease, driving the demand for therapeutic medical devices (such as cardiovascular stents and orthopedic implants) as well as home healthcare equipment (such as remote medical monitoring devices). The U.S. medical device market is a global leader in the application of AI, robotic surgery, 3D printing, and wearable devices. As generative AI technology matures, it is expected to further drive the adoption of smart medical devices (such as AI-assisted imaging diagnostic systems) and the growing demand for personalized medicine (such as genetic testing and customized implants). Overall, the U.S. medical device market is expected to maintain steady growth driven by aging demand and technological advancements.

Market in Europe

According to the Medical Devices Industry Yearbook released by the Industrial Technology Research Institute in 2023, the Western European medical device market is the second largest market in the world. The Western European market is projected to reach US$128.82 billion in 2024 and US$137.80 billion by 2025, with a compound annual growth rate (CAGR) of 5.6% from 2023 to 2026. Western European countries are experiencing significant aging, with their elderly population exceeding 85 million. Among these countries, Italy, Finland, Portugal, Greece, Germany, France, Denmark, and Sweden have successively become "super-aged societies," bringing the total number of such countries to 10. As the elderly population continues to increase, the demand for therapeutic medical devices and relevant medical care products is expected to rise accordingly, facilitating the innovation and R&D and business opportunities in the fields of medical care products related to elderly chronic diseases, orthopedic products, implants, surgical robots, and digital health care. It is expected that the Western European medical device market will continue to grow in the future.

The Medical Devices Regulation (MDR) was implemented in May 2021, and replaced the current EU Medical Devices Directive (93/42/EEC) and the EU Active Implantable Medical Device Directive (90/385/EEC).MDR has a material impact on medical device ecosystem, including manufacturers, auditors, and distributors. Some of the key changes include the reclassification of devices, the need for more stringent clinical evidence, documentation and regulatory efforts for high-risk medical devices such as Class III medical devices and implants. In view of this, the Company has prepared in advance for the regulatory amendments and will pay close attention to the relevant information in the future to take immediate action and accelerate the regulatory approval process.

Market in China

In 2023, the scale of China's medical device market was approximately US$33.27 billion. The Chinese government has been pursuing relevant policies in recent years to promote the medical device industry and increase support for domestically manufactured equipment.

Related policies like the Ministry of Science and Technology's "12th Five-Year Plan for Medical Enterprise and Technology Industry" in 2011, the State Council's "Made in China 2025" in 2015, and the "14th Five-Year Plan for the Development of the Medical Device Industry" in 2021 jointly declared by the Ministry of Industry and Information Technology, were proposed with clauses to strengthen the research and development of innovative medical device industry, enhance the industrialization capability and quality of medical equipment, reduce import dependence and lower medical costs as a result of promoting massive launch of domestically manufactured medical devices and the application of innovative products. China's medical industry is also gradually developing towards smart telemedicine, AI medical imaging, and other areas. With the widespread adoption of 5G networks and Internet of Things (IoT) technology, emerging solutions such as telemedicine or digital health management platforms are expected to grow rapidly, driving innovation and development in the overall medical device industry.

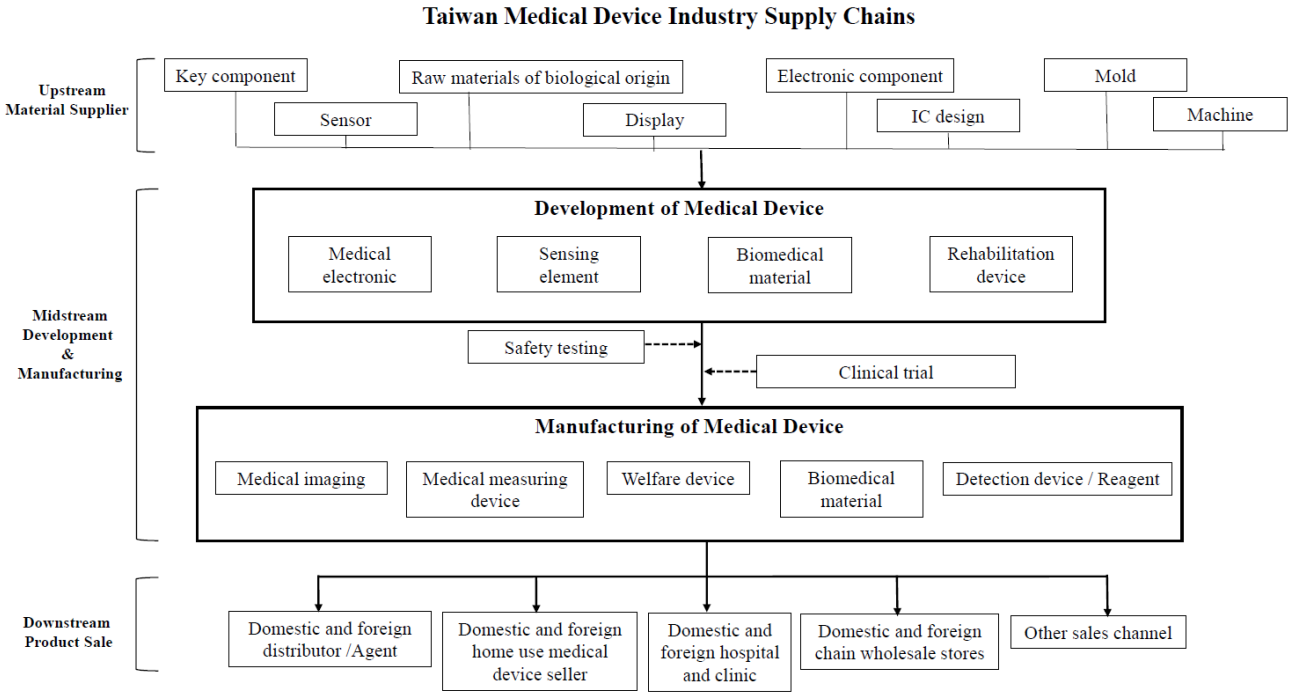
Market in Taiwan

Taiwan's medical device manufacturers cover various stages from R&D, design, production, and manufacturing to sales. Taiwan's product line is diverse, but it mainly focuses on mid-level products, particularly Class II medical devices or those with lower risk levels. Currently, the top three exported products from Taiwan are contact lenses, various plastic-made laboratory and medical supplies, and diagnostic and surgical instruments specific to certain medical specialties, showcasing Taiwan's export advantage in the mid-level medical device sector.

As medical device technologies continue to evolve, new service models emerge, and the trends of aging and chronic diseases intensify, these factors continue to drive the growth of Taiwan's medical device industry. However, Taiwan's medical device market still heavily depends on imports, with imports accounting for approximately 60% of the market, especially high-end medical equipment, which is largely reliant on overseas supply. Nevertheless, local companies have been actively developing high-value-added products, such as advanced catheters and other medical consumables, while also enhancing process management to improve quality and production capacity to strengthen market competitiveness. Taiwan's semiconductor industry provides key technological support for the development of innovative medical devices, particularly showing high potential in the application of biomedical chips. Leveraging its mature ICT industry foundation, Taiwan companies are accelerating the digital transformation of healthcare. In the future, through continuous technological innovation and international collaboration, Taiwan is expected to further solidify its competitive advantage in the global medical device market, with the medical device market projected to maintain steady growth.

B. The Interrelationships among the upper, middle and lower stream of the industry

The industrial structure of medical devices is divided by the product manufacturing process (as shown below). The upstream composes of various materials and parts suppliers, such as



various electronic and semiconductor, or metal cover, bracket, baffle, antenna shrapnel, housing and other stamping components, combined with nylon, polypropylene and ABS plastic pellets, glass fiber and fire-retardant composite material industry. The midstream covers a wide-range of product development and manufacturing manufacturers. Dividing the products by their applications, we have advanced medical imaging devices (e.g., digital X-ray machines, ultrasound, MRI, CT), medical testing and monitoring devices (e.g., electronic blood pressure monitors, thermometers, ear thermometer, air testing products, thermostatic products), optical medical devices (e.g., optical lenses, contact lenses), disposable products (e.g., catheters, test strips), medical instruments, human implants, hygiene products, and treadmills. The downstream composes of product sales agents and distributors to hospitals, clinics and pharmacies. Advanced medical imaging equipment is mainly sold to hospitals, advanced health examination centers or imaging centers; disposable products are mainly sold to hospitals and pharmacies; professional medical equipment is mainly sold to hospitals and clinics; electronic thermometers and electronic blood pressure monitors for home care are mainly sold to pharmacies. The medical device industry is surrounded by professional consulting firms that support safety testing of medical devices and clinical trials of products.

Source: Medical and Pharmaceutical Industry Technology and Development Center & Science and Technology International Strategy Center (ISTI) IEK-Biotechnology Medical

C. Various trends of product development

All of our products fall under the broad category of minimally invasive surgery, a term coined by British surgeon John EA Wickham in 1984, following the successful performance of the world's first minimally invasive cholecystectomy in 1987. In the early days, minimally invasive surgery referred exclusively to laparoscopic procedures, as the only open surgery that could be replaced by minimally invasive suFrgery at that time. As minimally invasive techniques evolved and were supplemented by endoscopic and image-guided systems, they were further applied to other areas of surgery, including gastroenterology, orthopedics, gynecology, urology, neurosurgery and cardiovascular surgery.

Minimally invasive surgery, as the name implies, is a surgery performed through a small incision. During a minimally invasive surgery, surgical instruments are inserted into the patient's body through a small incision or through the body's natural canal, using special instruments or a trocar. The similar procedures as a traditional incision are performed with a video-assisted system, while the surgeon operates the instruments outside the patient's body. The biggest difference between minimally invasive surgery and open surgery is that open surgery requires a larger incision to perform the surgery, whereas minimally invasive surgery requires only a few small incisions to achieve the same medical outcomes. For example, in a laparoscopic surgery, only three to five incisions of 0.5 to 1 cm in diameter are made on the abdominal wall. Compared to traditional open surgery, minimally invasive surgery has become one of the standard surgical procedures because of the smaller incisions, less bleeding, reduced risk of infection, less post-operative pain, as well as shorter length of hospital stay and recovery time.

Traditional open surgery versus minimally invasive surgery

Traditional open surgery	Minimally invasive surgery
● Long and deep wounds ● Mainly general anesthesia ● Long bed rest, recovery and hospitalization time (At least 7 days) ● Susceptible to infection, inflammation, bleeding, or wound dehiscence ● More likely to damage other body tissues	● Small wounds with less bleeding ● Local anesthesia ● Short bed rest, recovery period and length of hospital stay (Discharge within 2-3 days or 24 hours on average) ● Less susceptible to infection ● Less likely to damage other body tissues ● Minimal or no post-operative scarring with excellent wound appearance ● Detailed evaluation is required prior to the surgery

Source: Compiled by the Company

Category for minimally invasive surgery

Hepatobiliary and gastroenterology	Gastrectomy, colectomy, splenectomy, cholecystectomy, choledocholithotomy, small bowel bypass, hepatectomy, bariatric surgery, etc.
Orthopedics	Spine surgery, total joint replacement, arthroscopic surgery, etc.
Gynecology	Tubal ligation, ectopic pregnancy, removal of ovarian or fallopian tube tumors, uterine tumors (e.g. uterine fibroids) and total hysterectomy
Urology	Adrenalectomy, nephrectomy, living donor nephrectomy, partial nephrectomy, radical nephrourectomy and bladder cuff excision, ureterorenoscopic lithostripsy, radical cystectomy and radical prostatectomy, etc.
Cardiovascular surgery	Transcatheter aortic valve replacement, coronary artery bypass surgery, endoscopic vascular harvesting, endoscopic internal mammary artery harvesting, and other interventional cardiovascular surgery, etc.

Source: Compiled by the Company

Minimally invasive surgery-related medical devices are divided into three main categories: surgical devices, monitoring and imaging equipment, and endoscopic instruments. Endoscopic instruments accounted for the largest market share in terms of minimally invasive surgery-related medical devices. Moreover, endoscopes can be classified into rigid scopes, flexible scopes, capsule scopes, and disposable scopes. Depending on the specialties, they can also be divided into gastroscope, ENT endoscope, urological endoscope, thoracoscope, laparoscope, arthroscope, gynecology endoscope and neuroscience endoscope.

The development of medical devices is time consuming. As the products will eventually be used in human beings, a series of clinical trials at high standards and accreditation under regulation will be necessary to ensure the safety and efficacy for the treatment option that provides for patients. At the early stage of product development, assessment will be conduct to verify unmet needs, followed by the prototyping, and testings to confirm the safety and efficacy of the products. The developing companies will commit resources for animal experiments, followed by preliminary feasibility studies and large scale pivotal studies. The result will be referred to accreditation for regulatory approval before the product is permitted to launch to market. Top global medical device companies and medical device innovation companies tended to search for partners who provides contract development and manufacturing services to accelerate the time to market of products. Under the partnership, suppliers will assist its customers in prototyping and development of parts and components. This not only helps customers to improve operation efficiency and cost control at the early stage of product development, by leveraging the partners' manufacturing capibiliites, it allows customers to have a comprehensive production plan from low volume manufacturing

to mass production. Based on the accumulated research and development experience of the Company, medical devices developers became more and more reliant on the partnership. Medeon also realizes in the course of product development that there are few one-stop shopping providers in the market who can provide development and manufacturing services to all kinds of customers as large CDMO firms are less interested in the small quantity orders for product development; in contrast, even though small CDMO firms can do prototyping and low volume production very quickly with high quality for product developer at early stage, they ususally lack the capacity to provide large scale production to customers when they enter the later stage of development. Medeon targets at emerging as a CDMO firm with the capacity of providing one-stop shopping at high technological barrier and high quality manufacturing so as to provide related services to top global medical devices companies and innovative medical device start-ups.

The Company currently focuses on developing a series of products for minimally invasive surgeries applied in cardiovascular surgery, laparoscopy, treatment of benign prostatic hypertrophia and orthopedic surgery, including Cross-Seal™ - large bore vascular closure device , ClickClean™ – in-situ cleaning device for laparoscopic surgery, AbClose™ – port site closure device, Urocross® Expander system, PUMA™ – Trauma Internal Fixation Device, Duett ™ – Vascular Graft System for Aortic Dissection Repair. The market segmentation, existing technology and product development trends in these five product areas are described below:

① Cardiac catheterization

In recent years, as interventional procedures, implants and accompanied guidance systems have developed rapidly, treatment of many cardiovascular diseases gradually leaning towards transcatheter procedures. Early transcatheter procedures are dominated by vascular stenting and balloon angioplasty. After the patient receives local anesthesia, a catheter is passed through the femoral artery of the inguinal area or the radial artery (radial artery of the wrist or brachial artery of the elbow) into the coronary arteries and contrast agent is injected to visualize the coronary arteries so as to determine the location and severity of the narrowing and stenosis. Then interventional treatments can be performed by balloon angioplasty, conventional vascular stenting, or placing drug-eluting stents.

The highest sales reside in the drug eluting stent market, while the vascular closure device is the next highest, over US$1 billion in the U.S. market annually. Manual Compression was used as a hemostasis method in the past. Although it is still the standard clinical practice, it takes 20-40 minutes to stop bleeding and the patient must be bedridden for 6-12 hours afterwards, depending on the patient's condition. In addition, this practice will cause pain from the wound at the inguinal area due to the compression on the incisions. This is a very uncomfortable process to the patient. It is expected that this practice will

be gradually replaced by hemostasis device after interventional procedures. Hence, we can reasonably deduce that hemostasis device after interventional procedures will have a huge market growth in the future. Common bore size of interventional procedures is indicated by French Scale, ranging from 3F to 34F (1F = 0.335mm). At present, the conventional vascular closure device sold on the market is 5F to 8F (1.7mm-2.7mm).

In recent years, transcatheter procedures have been expanded in advanced interventional procedures such as in transcatheter aortic valve implantation (TAVI) and endovascular aneurysm repair (EVAR). Among the applications, TAVI has provided another option to patients at high risk for aortic angiostenosis and those not suitable for large open thoracotomy. Open thoracotomy imposes higher surgical complexity and danger, where it takes 4 to 6 hours to break the sternum, arrest the heart, establish an extracorporeal circulation, and remove the valve, as opposed to TAVI, where it only requires 90 minutes for the process and leaves a wound of only a few centimeters. In addition, open thoracotomy requires two to three months of recovery period whereas TAVI shortened it to a few days. Hence, these advantages make TAVI become a high potential treatment option.

Large bore for arterial incision of 8F or greater are required for this kind of procedures. With a larger arterial incision, it is more difficult to stop bleeding after surgery. The rapid arterial blood flow and the need for anticoagulants during surgery make it difficult to stop bleeding, which is always one of the keys to a successful procedure. In the past, arterial suturing is mostly performed by vascular surgeons after surgery, resulting in longer time, resources, and labor costs from the surgical team. With the increasing popularity of large bore minimally invasive procedures such as TAVI and EVAR, large bore vascular closure devices have great market potential as the demand is expected to increase.

② **Urological procedure**

The incidence of benign prostatic hyperplasia (BPH) in men increases with age. Hence, the market for BPH grows as the population ages. If the enlarged prostate gland compresses the urethra, patients experience major symptoms of frequent urination, difficulty in urination, and dribbling at the end of urination, resulting in the inability to sleep continuously at night, or even affecting the daytime life. These symptoms are not life-threatening, however, they impose a significant impact on the life quality of the patient. Clinically, medication is still the first line of treatment for benign prostatic hyperplasia, but due to its limited effectiveness and the serious side effects of certain medications, the patient's quality of life may still be severely affected. Thus, some patients switch to surgical treatment. However, traditional methods such as electrocautery or laser resection often result in postoperative complications including pain, bleeding, or irreversible sexual dysfunction. Although minimally invasive treatment options have gradually emerged in recent years, the majority still involve

permanent implants. According to market experience, such therapies may still be associated with pain during urination, pelvic pain, and hematuria, and often require the use of a urinary catheter for several days to relieve symptoms. When permanent implants are used and the prostate continues to grow, additional invasive resection surgery is required to remove the implant and perform secondary treatment. Therefore, minimally invasive treatments using non-permanent implants, which are easier to remove and better preserve future treatment options, represent a highly promising direction in the current market. The market related to benign prostatic hyperplasia (BPH) is large and continues to grow. In the United States alone, there are 40 million patients. The aging population and the increasing demand for minimally invasive treatments that do not cause permanent damage are the main growth drivers for this market.

③Thoracic aortic repair procedure

As the average life expectancy increases and the population ages, the risk factors for cardiovascular diseases such as hypertension, hyperglycemia, hyperlipidemia, smoking, and obesity increase, and the incidence of aortic lesions also shows gradual increasing trend. In addition, diagnostic methods such as CTs are becoming more advanced and popular, which increases the chance of early detection of aortic lesions, and thus, drives the market growth. Aortic dissection usually presents as acute and unbearable chest or back pain. The lesion occurs when the inner membrane of the vessel wall tears, causing blood flow to enter the vessel wall through the fissure and forming a false lumen. When such false lumen enlarged and compressed the original aortic vessel, blood delivery function is affected, easily causing ischemia in vital organs and may lead to organ failure and death. Without immediate treatment, 33% of patients die within 24 hours, 50% die within 48 hours, and 75% die within two weeks. Due to its acute nature, immediate open thoracotomy is required to prevent the expansion of the dissection area. However, the current open thoracotomy is highly invasive and time-pressured, which causes huge burden on cardiac thoracic surgeons. This type of surgery requires cardiopulmonary bypass, cardiac arrest, deep hypothermic circulatory arrest and other high-risk clinical procedures, with a high risk of postoperative stroke and lower limb paraplegia and a long recovery period. There is still plenty of room for developing innovative medical devices. A medical device developed by the Company aims to provide surgeons and patients with another choice of medical device. The innovative vascular anastomosis technology can significantly reduce the suturing time that used to take 30 to 45 minutes, thereby reducing the stress of this surgery on both surgeons and patients. It is estimated that the number of the surgeries performed worldwide will continue to grow in the future

④Traumatic orthopedic procedure

With the advent of an aging society, nearly 20 million new elderly people are added to the world's population each year. Hence, the orthopedic medical device market, being closely related to the elderly, is growing accordingly. Among them, the four major demanding products for orthopedic devices are trauma implants, spinal implants, joint reconstruction replacements, and bone bioactive materials. According to Kalorama Information's research report, the global orthopedic minimally invasive device market mainly consists of internal fixation and external fixation, where internal fixation devices mainly including plates and screws, intramedullary nails, and cannulated screws, account for about 80% of the global trauma device market. Although traditional screws and plates can provide stable support, there is still room for improvement due to the inability to move naturally after surgery, screw displacement and the risk of fracture. It is estimated that the number of limb trauma and orthopedic internal fixation surgeries in the U.S. each year will increase to 2.5 million. Among them, we have primary indications, such as wrist syndesmosis fixation surgery, ankle tibia and fibula syndesmosis fixation surgery, tarsometatarsal fixation surgery, and hallux valgus surgery. Aging society and the increasing number of sports injuries are expected to be the biggest growth drivers.

⑤ Laparoscopic surgical procedure

Laparoscopy is mainly used in the specialties of gastroenterology, gynecology, and urology. It is currently the largest market for minimally invasive surgery. iData Research (2023) estimates that 15 million procedures are performed annually worldwide.

During laparoscopic surgery, surgeons often encounter situations where the lens is dirtied by inadvertent contact with tissue fluids, debris or blood, resulting in poor visual field. Traditionally, hot water is prepared and kept warm on the patient's operating table, and surgeons have to remove the laparoscope from the patient and then wash it with hot water before placing it back in the patient's body. This complicated and time-consuming cleaning procedure has to be repeated by the surgical team and causes a lot of inconvenience during the operation. In addition to the interruptions that result in longer and more costly operations, the surgeon must reposition the laparoscope after each cleansing before continuing with the operation, and in the event of bleeding, the risk increases as delay of the surgery. Since every laparoscopic surgery inevitably requires lens cleaning, the potential demand for in-situ cleaning device for laparoscopic surgery is estimated to reach 15 million units (and still increasing) per year.

During laparoscopic surgery, the patient usually has three to five incisions in the abdomen to allow access of the instruments for the procedure. Some of which can be more than 10 mm in diameter due to the need for instrument or retrieval of tissue. At the end of the operation, surgeons suture wounds of more than 10 mm to avoid sequelae such as hernia. In obese patients, suturing the wound is particularly difficult because the fat layer is so thick that it is difficult for the surgeon to extend the needle to the deeper part of the wound

for suturing, increasing the need of supporting devices. According to Teleflex (2012), laparoscopic procedures with an incision of 10 mm or more accounts for 70% of all laparoscopic procedures. With 15 million laparoscopic procedures performed worldwide, it is conservatively estimated that the demand for port site closure system is 10.5 million per year.

D. Product competition status

The target markets and other market players for the six products under development by the Company are shown in the following table. Although other marketed available products have their own advantages and disadvantages, there is still no single product that can effectively address both the challenges faced by physicians and the clinical efficacy desired during surgery.

① **Cross-Seal – Large bore vascular closure system**

Company name	Product explanation
Company A	●A closure device provides one suture thread and is designed with a pre-closure mechanism. ●The indication is for 5F-21F sheath. A minimum of two closure devices must be used to suture large bore (8F-21F) of 8F or more, and in addition, surgeons must manually adjust the relative positions of the two closure devices to ensure a stable cross knot.
Company T	●Use collagen as a plug to promotes hemostasis ●It may be relatively unstable while using a plug based closure device for large bore procedures, although it may be more convenient.

② **Urocross® Expander system**

Company name	Product explanation
Company N	●Special design of suture and anchors at both ends to reduce the diameter of prosthetic lobe to achieve a dilated urethra ●The product must be used with a rigid cystoscope, so the discomfort of the surgery may be greater; in addition, with suture and anchors fixed at both ends, it is difficult to remove it after surgery in case of infection and inflammation ●As a permanent implant, it requires an additional surgery for removal if further treatment is needed.
Company M	●A specially designed narrow, folded structure is placed in the urethral prostate for 5 to 7 days, the device will expand and apply pressure at three precise points to reshape the urethra and the opening to the bladder.

	● Pressure around the perineum may cause side effects, such as frequent urination or urgent urination; the patient may also experience discomfort, such as hematuria and burning on urination during the implantation period.

③Duett ™ – Vascular Graft System for Aortic Dissection Repair

Company name	Product explanation
Company V	● Device integration reduced vascular anastomosis, making it easier to implement compared to traditional open surgery. ● However, the time for cardiopulmonary still long and deep hypothermic circulatory arrest is still required.

④ PUMA™ – Trauma Internal Fixation Device

Company name	Product explanation
Company A	● Internal fixation with metal and suture ● Suture fixation allows for slight movement and weight-bearing of the lower extremity and facilitates recovery; however, if the sutures are loosened, it is impossible to maintain tension and achieve the result of internal fixation.

⑤ClickClean™ – in-situ cleaning device for laparoscopic surgery

Company (product) name	Product explanation
Company C1	● The product includes a heater, micro-fiber material system, and the tool to clean the trocar. The lens must be taken out of the abdominal cavity and cleaned. ● The surgeons are troubled by constantly removing the laparoscope from and re-inserting in the patient's abdominal cavity during the procedure in order to perform cleaning, and thus cannot continuously monitor the surgical site

⑥ AbClose™ – port site closure device

Company name	Product explanation
Company C3	● The suture is inserted through the visceral peritoneum and into the abdominal cavity via the suture passer along the guide track, and the suture is clamped to the opposite track by another sleeve needle instrument and taken out from the opposite track ● The product often caused suture displacement due to its rotation, resulting in unstable suturing; moreover, the operation procedures are complicated and time-consuming

Company T	● First, the suture is mounted on the instrument body in advance. After inserting through the visceral peritoneum and into the abdominal cavity, it is required to clamp out the suture manually. The design of the mechanism can reduce the risk of inadvertent needle injury to organs or blood vessels during the suturing process. ● The non-intuitive interface causes the surgeons displacing the suture easily during the suturing process, resulting in less stable results

(3) Technology and R&D overview

A. Research and development expenses for 2024 were NT$751,870 thousand.

B. Successfully developed technologies or products

Since our incorporation at the end of 2012, we've been actively developing six products. Firstly, our Cross-Seal™ large bore vascular closure system (IVC-C01) underwent significant progress. In the first quarter of 2018, we finalized an asset purchase agreement with Terumo, which included an upfront payment received upon contract signing. This upfront payment amounted to $20 million, with additional milestone payments totaling $11 million realized by the end of 2023. Following a thorough on-site inspection by the U.S. FDA in 2023, we achieved a milestone by securing Taiwan's first Class III medical device approval (PMA). In the future, we will fully support Terumo in acquiring the Supplement PMA for the next-generation product and collaborate with them to successfully launch this product to the market, ensuring milestone payments are achieved at each stage. The Urocross® Expander system (URO-T01) was completed in December 2024, and will proceed to clinical trial data collection and statistical analysis. The Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01) have now entered the human clinical trial stage. We were actively enrolling cases for the clinical trials in 2024. We received US FDA 510 (k) clearance for ClickClean™ – in-situ cleaning device for laparoscopic surgery (LAP-A01) and AbClose™ – port site closure device (LAP-C01) in 2015 and 2016, respectively. The PUMA™ - Trauma Internal Fixation Device (ORP-T01) has also received US FDA 510 (k) clearance in the 1st quarter of 2018. We will continue to search for prospective investors for licensing and partners in sales distribution of these 3 patented products. A summary of the development progress of each product over the past 3 years is described as follows:

Year	Product development progress	
2022	Cross-Seal™ - large bore vascular closure system (IVC-C01)	Continue the preparation for the US FDA cGMP audit .

Year	Product development progress	
	Urocross® Expander system (URO-T01)	Received US FDA approval to conduct IDE study in the US in the middle of 2022, and start to recruit patients in 2022Q3. Enrollment in progress.
	Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01)	Continue to push forward to the First-in-Human Study in the USA in 2022 and have meetings with the US FDA regarding the regulatory approval planning by the 3rd quarter of 2022.
	PUMA™ - Trauma Internal Fixation Device (ORP-T01)	Continue to conduct limited launch to obtain more clinical feedback.
	ClickClean™ - in-situ cleaning device for laparoscopic surgery (LAP-A01)	Continue to conduct limited launch to obtain more clinical feedback.
	AbClose™ - in-port site closure system (LAP-C01)	Continue to conduct limited launch to obtain more clinical feedback.
2023	Cross-Seal™ - large bore vascular closure system (IVC-C01)	Received Taiwan's first Class III medical device PMA in September 2023.
	Urocross® Expander system (URO-T01)	Enrolling cases for the large pivotal clinical trials (IDE study), while collecting and compiling clinical trial data in 2023.
	Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01)	Received approval from the U.S. FDA to conduct the first human clinical trial (IDE) in the United States in September 2023
	PUMA™ - Trauma Internal Fixation Device (ORP-T01)	Continue to conduct limited launch to obtain more clinical feedback.
	ClickClean™ - in-situ cleaning device for laparoscopic surgery (LAP-A01)	Continue to conduct limited launch to obtain more clinical feedback.
	AbClose™ - in-port site closure system (LAP-C01)	Continue to conduct limited launch to obtain more clinical feedback.
2024	Cross-Seal™ - large bore vascular closure system (IVC-C01)	Received a milestone payment of US$1 million from Terumo under the Cross-Seal asset transfer and service agreement for item 2A-2.
	Urocross® Expander system (URO-T01)	The final patient enrollment for the large pivotal clinical trial (IDE Study) was completed in December 2024, while continuing to collect and compile clinical trial data.
	Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01)	Continued clinical trial enrollment in 2024.
	PUMA™ - Trauma Internal Fixation Device (ORP-T01)	Continue seeking licensing or commercial partners.
	ClickClean™ - in-situ cleaning device for laparoscopic surgery (LAP-A01)	Continue seeking licensing or commercial partners.
	AbClose™ - in-port site closure system (LAP-C01)	Continue seeking licensing or commercial partners.

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

A. Short-term development strategies:

A. We will continue to drive product development status forward and generate revenue from projects, including licensing and milestone payments:

The Urocross® Expander system (URO-T01) has successfully completed patient enrollment for the IDE study conducted in the United States in 2024, with a total of 240 patients. According to the trial design approved by the FDA, data collection and statistical evaluation of efficacy indicators can commence three months after the completion of patient enrollment. Following the FDA's audit of the clinical trial data, a formal submission for market approval may proceed. Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01) began its IDE study in the United States in 2024 and completed its first patient enrollment and treatment in March. Clinical trial will continue throughout 2025 to gather clinical data and enhance product value. Simultaneously, an application will be submitted to the FDA to expand the scale of the clinical trials, which will support the subsequent application for market approval. The Cross-Seal™ - large bore vascular closure system (IVC-C01) has completed a successful on-site inspection by the FDA in 2023 and the first PMA Approval for a Class III medical device originated from Taiwan then was obtained. In 2024, under the Cross-Seal asset transfer and service agreement, a milestone payment of US$1 million was received from Terumo for item 2A-2. Regarding the projects with development completed at a certain stage, under business development discussions, we are actively seeking licensing or commercial partnerships at full speed.

B. Continue to generate revenue from CDMO services:

The Company, through its subsidiary Medeologix Inc., provides advanced medical device contract development and manufacturing (CDMO) services to the global medical device market. Throughout 2024, several projects involving technology transfer from the United States to Taiwan for mass production were successfully completed, with orders gradually being transferred for direct shipment from Taiwan. In 2025, Medeologix Inc. will continue the revenue growth trend of 2024, offering customers efficient and high-quality manufacturing services. In 2025, Medeon will continue to expand services such as development of advanced medical balloons, catheters, finished products, subassemblies, and contract development. The goal is to develop potential medical device R&D customers and increase order volume. Additionally, we will continue to attract high-caliber manufacturing talent and implement technological upgrades to meet the strong demand from the global market and customers for advanced medical devices, and to further strengthen the Group's stable sources of revenue.

B. Long-term development strategies:

The Company's business model encompasses both the development and licensing of innovative medical devices and advanced Contract Development and Manufacturing Organization (CDMO) services, with the primary objective of achieving long-term and stable positive cash flow through a dual-track strategy.

a. Development and licensing of innovative medical devices

Through a comprehensive selection strategy, the Company will focus on developing innovative products with high market potential that can address unmet medical needs. The selection assessment covers multiple aspects, including clinical needs, market size and value, existing competitive products, technical feasibility, product development schedule, regulatory requirements, insurance reimbursement potential, patent strategies, and return on investment. This comprehensive approach effectively reduces development risks and protects shareholder interests. Since its establishment, the Company has been deeply engaged in fields such as cardiovascular minimally invasive procedures, laparoscopic surgery, orthopedics, and urology, continuously accumulating R&D capabilities and expertise. We have built a solid network of physician advisors, expanded our global customer network, and maintained close interactions with global regulatory certification bodies. Our team possesses extensive practical experience and achievements in areas such as regulatory certification, quality management, and product development. In the future, we will continue to optimize resource allocation, applying existing successful models to new R&D projects to maximize resource efficiency and enhance return on investment.

All our medical device R&D projects are aimed at licensing as the ultimate goal, and we are actively expanding potential partnerships and international licensing opportunities. Given the recent trend of major international companies becoming more cautious in their acquisition strategies for innovative products, which typically require large clinical trials or actual sales to validate market potential before initiating licensing negotiation processes, the Company will, in accordance with the regulatory requirements of major markets, promptly commence clinical trials to advance product development. We will also engage in small-scale sales as needed to accumulate clinical application experience, enhance product exposure, and increase market value, thereby positioning ourselves to seek licensing opportunities at the appropriate time.

b. Entering the CDMO market for advanced medical devices

To sustain the R&D capabilities accumulated through innovative medical device development and to create a stable and long-term positive cash flow, the Company

is actively expanding its business into the CDMO service sector. We collaborate with partners to build a complete industry chain, offering one-stop-shop services that cover everything from upstream process technology development to downstream mass production capabilities. Through this strategy, once the products are successfully licensed, the Group can continue to undertake subsequent production, providing customers with stable mass production services and further enhancing the overall value of the Company and shareholder returns.

In the future, Medeologix and its U.S. subsidiary will accelerate the expansion of manufacturing capabilities for various components, subassemblies, and finished products. This will not only strengthen our stable revenue base but also leverage close collaboration with strategic partners to achieve synergistic integration. Additionally, by utilizing Taiwan's superior manufacturing efficiency, quality, and talent advantages, we aim to provide high-quality products to international medical giants. This development strategy not only drives the growth of adjacent industry supply chains but also reinvests into our core R&D capabilities, enhancing overall operational resilience and profitability, providing solid support for the Group's long-term development.

2. Market, production and sales overview

(1) Market analysis

A. Sales (provision) areas of the Company's main products (services)

According to a research report by BMI Research, the global medical device market reached US$514.77 billion in 2023 and is projected to grow to US$614.15 billion by 2026, with a compound annual growth rate (CAGR) of 6.2% from 2023 to 2026. Among the market segments, diagnostic imaging products accounted for 23.8%, making it the largest single category; medical consumables accounted for 16.5%; and other types of medical devices, including wheelchairs, dialysis equipment, and endoscopic instruments, accounted for 29.1%. According to the analysis by Grand View Research, the market size of minimally invasive surgery reached US$31.6 billion in 2023 and is expected to grow to US$63.0 billion by 2030, with an average CAGR of 10.4%. Due to advantages such as smaller surgical wounds, reduced bleeding, lower infection rates, shorter recovery times, and a lower risk of complications, as well as the economic benefits associated with overall healthcare cost reduction, the growth rate of minimally invasive surgery is expected to outperform other sectors in the medical field.

B. Market share

The Company's products are still in the R&D stage and therefore have yet to gain market share, but the market size for each product is described as follows:

a. Cardiac catheterization

According to Fortune Business Insights™ (2025), the global market for cardiovascular devices was US$61.3 billion in 2023 and is expected to grow to US$117.6 billion in 2032. According to the research findings of Frost & Sullivan in 2013, of all the cardiac catheterization devices of the world, the market size of vascular closure device for cardiac catheterilizaton surgeries is just next to the market of drug-eluting stent (DES), and especially in the U.S. market, which accounts for 85% of the total sales. In March 2018, the Company successfully transferred the global intellectual property assets of the Cross-Seal™ – large bore vascular closure system (IVC-C01) to Terumo and established a medium- to long-term partnership with Terumo for this project.

b. Urological procedure

In general, the incidence of Benign Prostatic Hyperplasia (BPH) in men increases with age. According to statistics, there are approximately 40 million BPH patients in the United States alone. The aging population and the shift in demand toward minimally invasive treatments that do not cause permanent damage are the main driving forces behind the growth of this market. As the population structure tends to age in the future, it is estimated that the population of BPH patients will also increase. According to a research report published by Grand View Research in 2023, the BPH-related market is expected to grow at a compound annual growth rate of 8.9% between 2023 and 2030. The Company estimates that the potential market for medical devices for the treatment of lower urinary tract symptoms due to BPH is US$1.22 billion per year.

c. Thoracic aortic procedure

In recent years, the number of patients with thoracic aortic disease has been increasing with the aging of the population and changes in lifestyle. Among the patients, the death rate of Type A aortic dissection involving the ascending aorta is extremely high. If the surgery is not performed immediately, the mortality rate will reach 50% within 48 hours. According to Decision Resource Group's analysis of the Peripheral Vascular Device market in the U.S. in July 2016, it had a compound annual growth rate of 2.1% from 2014 to 2024. In traditional open thoracotomy, surgeons replace the diseased aorta and the carotid arteries leading to the brain with artificial aortic grafts. The time required for the surgery depends on the scope of the procedure, but it takes at least 6 to 8 hours. In addition, cardiopulmonary bypass is required. Since it is required to temporarily blocked the blood flow to the brain and some of the organs, the patient's body temperature needs to be lowered to a minimum of 20ºC (deep hypothermic circulatory arrest) to reduce the metabolic rate and protect the organs. Although prolonged circulatory arrest and hypothermia can protect the organs, they also increase the risk of complications and mortality. In this complex surgery, surgeons use surgical sutures to manually suture the autologous blood vessels and the artificial grafts, and the time for anastomosis will

significantly affect the total time and success rate of the surgery. The Company has developed thoracic aortic repair devices to provide precise and effective vascular anastomosis to shorten the surgical time of this critical procedure and address clinical needs. As a result, the potential market size for thoracic aortic repair materials is estimated at US$500 million per year.

d. Traumatic orthopedic procedure

With the advent of an aging society, the orthopedic medical device market, which is closely related to the elderly, will continue to grow as nearly 20 million new elderly people are added to the world's population each year; the incidence of falls, degenerative arthritis and osteoporosis is expected to increase, so the demand for orthopedic trauma devices is expected to increase accordingly. Together with the global sporting trend in recent years, the demand for sports injury rehabilitation has increased across all age groups. As a result, global sales of orthopedic trauma devices are expected to grow by 3% from 2020 to 2027, reaching an estimated US$56.2 billion in 2027. The Company estimates that the potential market for orthopedic internal fixation devices for limb trauma will reach US$5 billion per year.

e. Laparoscopic surgical procedure

According to a research report by iData Research (2023), the estimated number of laparoscopy-related procedures performed annually worldwide has reached 15 million. The global market for laparoscopy-related devices is expected to grow to US$11billion in 2023 and US$14 billion in 2030, with a compound annual growth rate of 3.2% from 2024 to 2030.

Our ClickClean™ – in-situ cleaning device for laparoscopic surgery (LAP-A01) and AbClose™ – port site closure device (LAP-C01) are applicable for laparoscopic procedures in a wide range of applications. The Company estimates the potential annual market size for laparoscopy cleaning requirements to be US$1.12 billion and for laparoscopic port site closure to be US$1.05 billion.

C. Future market supply, demand and growth

a. Cardiac catheterization

Calcified heart valve diseases in Elderly was conventionally treated by a high-risk open-chest valve replacement surgery, which involved opening the sternum, cardiac arrest, establishing cardiopulmonary bypass, and valve replacement. In recent years, Transcatheter Aortic Valve Implantation (TAVI), a less invasive procedure with faster recovery, has gradually replaced traditional open-chest valve replacement surgeries. The whole operation is extremely risky. In recent years, advanced transcatheter aortic valve implantation (TAVI) with small incisions and short recovery time has gradually replaced large open thoracotomy for valve replacement. In addition to transcatheter aortic valve

placement, other procedures are also emerging, which include endovascular aneurysm repair (EVAR), thoracic endovascular aortic repair (TEVAR), percutaneous balloon valvuloplasty (PBV), transcatheter mitral valve replacement (TMVR), percutaneous ventricular assist device (pVAD). There is also a gradual shift from major open thoracotomy to advanced transcatheter procedures, providing a less risky alternative for patients who are not suitable for major open thoracotomy. However, these procedures often require the use of large-bore catheters, and the difficulty of post-operative suturing and hemostasis is high, driving the demand for large-bore vascular closure devices, becoming one of the main drivers of market growth.

b. Urological procedure

Benign prostatic hyperplasia (BPH) is a common condition in men, with about 50% of men over the age of 50 experiencing symptoms, and up to 90% of men over the age of 80 affected. Although medication is the first-line treatment, its limited effectiveness and potential side effects can negatively impact quality of life, leading some patients to opt for surgical intervention. Existing surgeries, such as TURP and laser surgery, are effective but may result in side effects such as bleeding, infection, and sexual dysfunction. Our product aims to provide a non-tissue-destructive alternative, effectively alleviating symptoms and improving quality of life. With the aging population and a growing preference for minimally invasive treatments, the market for urological medical devices continues to expand.

c. Thoracic aortic procedure

According to Decision Resource Group's analysis of the Peripheral Vascular Device market in the U.S. in July 2016, it had a compound annual growth rate of 2.1% from 2014 to 2024. As the aging population increases, diagnostic methods are becoming more advanced and popular. Early detection of aortic dissection and aortic aneurysms are key drivers of the market growth. Current conventional treatment methods require long operation time, establishment of cardiopulmonary bypass and deep hypothermic circulatory arrest, high risk of stroke and lower limb paraplegia, heavy bleeding, and long recovery period. There is still plenty of opportunities for developing innovative medical devices.

d. Traumatic orthopedic procedure

In global medical device investments, orthopedic products rank second, with traumatic implants, spinal and joint reconstruction devices, and bone bioactive materials as the main categories. According to the World Health Organization (WHO), the proportion of the population aged 65 and above is projected to increase from 7.8% in 2010 to 16.7% by 2050. The aging population and the rise in sports injuries have driven the demand for orthopedic trauma devices, including internal fixation devices such as plates and screws, intramedullary nails, and cannulated screws, becoming a key driver for market growth.

e. Laparoscopic surgical procedure

Compared to traditional open surgery, laparoscopic procedures create smaller incisions and causes less bleeding, which reduces the risk of infection, alleviates postoperative pain, and shortens the length of hospital stay and recovery period. Therefore, laparoscopic procedures have gradually become one of the standard procedures and is now widely used in different types of surgeries, such as laparoscopic cholecystectomy and bariatric surgery in the specialties of hepatobiliary and gastroenterology, total hysterectomy, bilateral salpingo-oophorectomy and hysteromyomectomy in gynecology, and radical prostatectomy and nephrectomy in urology. Related technologies have also been developed and improved accordingly. According to iData Research (2023), the global market for laparoscopy-related devices was US$11 billion in 2023 and is expected to grow to US$14 billion in 2030, with a compound annual growth rate of 3.2% from 2024 to 2030.

D. Competitive niche

The Company's main competitive advantage lies in its ability to select medical devices development projects with real market value, define product specifications for new medical devices, conduct rigorous product design concept development and feasibility analysis, formulate intellectual property development strategies, conduct large-scale animal studies and clinical studies, obtain regulatory approvals, and develop reimbursement strategies during the development process. Through the initiation of multinational clinical trials, our company invited international renouned Key Opinion Leaders (KOLs) from certain specialties to serve as the principal investigators. This not only ensures alignment of product development with global treatment trends but also fosters strong collaboration with international experts in various medical specialties and major international medical device firms.

Moreover, with the product development and production experience accumulated in the past, the concept of manufacturbility is adopted in the early stage of product development, and a model of prototyping, trial production, and mass production in compliance with GMP is established to accelerate the product development process. During product development, we also maintain interactions with key international medical leaders regularly to ensure that product designs effectively address unmet clinical needs, in order to reduce product development risks. At the same time, we integrate multiple resources and actively engage in strategic alliances or product licensing with various partners to speed up the process of obtaining regulatory approvals for commercialization.

We have also established reputation and credibility for our innovative medical device platform through our close connections with renowned academic and research institutions in Taiwan and abroad. In the future, we will continue to incorporate various new product

concepts and key technologies through a win-win collaboration model in order to maintain our advantage of R&D capabilities.

E. Favorable and unfavorable factors of development prospect and countermeasures

a. Favorable factors

(i) The Company can truly consolidate user feedbacks and clinical needs from the medical community to effectively identify clinical needs, master real-time market competition and trends, and carefully select R&D projects so that the Company's resources can be invested in the R&D projects with true market value in order to reduce Company's operational risks.

(ii) Company actively integrates domestic and foreign medical industry resources to speed up the time to regulatory approval for commercialization, and seek licensing with strategic partners in order to reduce the risk during the development process of advanced medical devices.

(iii) For the developing products, some have successively obtained regulatory approvals for commercialization, and the others are planned for clinical studies with domestic and international KOLs, together with our contract research and/or manufacturing partners, to validate the safety and efficacy of the products as soon as possible.

(iv) With Chairman Dr. Jang's fruitful experience in successfully developing Class III medical devices, and with our team's track record of executing the asset purchase agreement with Terumo for Cross-Seal™ - large bore vascular closure system (IVC-C01) and obtaining Taiwan's first Class III medical device PMA from the U.S. FDA, we will continue to develop advanced medical devices with international standards that fit market demands, and further enhance Company's international visibility, which will be beneficial to the establishment of forming international strategic alliances and business arrangement in global markets.

(v) As the government continues to promote various policies to facilitate the development of the biomedical industry, Company will be able to increase the value of shareholder's equity by implementing those tax incentives.

(vi) In recent years, we have been actively seeking strategic investment opportunities. Through forming partnerships with strategic partners with advanced technologies and customer service capabilities, we have been able to vertically integrate upstream and downstream resources from rapid prototyping, assembly to production and manufacturing, and create a one-stop-shopping service for the development and manufacturing for medical devices, while creating a stable and positive cash flow for Company.

b. Unfavorable factors and countermeasures

(i) Advanced medical devices take excessive time to develop, and have higher research and development cost. The cost of various types of trials continues to increase with the global industry trends, resulting in higher product development risks. On the other hand, major international manufacturers have become less tolerant of product development risks in recent years, and have become more conservative in their evaluation of mergers and acquisitions, resulting in start-ups and emerging companies having to develop their products to a more mature stage to increase their opportunities of licensing or partnerships to international manufacturers.

Countermeasures

Our professional management and R&D team can carefully select R&D projects through carefully assessing clinical needs, and significantly reduce product development risks through a rigorous product development and design processes, animal testing and preliminary first-in-man studies planning. In addition, through collaboration with international manufacturers, we have accumulated experience in product development and manufacturing expense control, and enhanced the efficiency of resource utilization to support the smooth implementation of our projects as scheduled.

(ii) Domestic advanced medical device industry value chain and talent pool still have to be established successively

Countermeasures

One of the objectives of the Company is to develop medical device products with high market-value, actively cultivate local engineering and medical integration talents, and work together with various manufacturing and entrusted testing partners and medical centers to establish a successful model of advanced medical device development with fully localized R&D, manufacturing, and regulatory certification. Therefore, we will continue to cultivate talents and work with various partners to promote the successful launch of our products as soon as possible.

(iii) The upstream and downstream resources of advanced medical device industry in the developed countries in Europe and United States are well developed compared to Taiwan, and the uncertainty of the global supply chain may lead to market disruptions.

Countermeasures

We continue to expand our global network of top industry and medical connections to ensure that our product development meets international regulatory standards and market demands. By forming multinational

strategic alliances and deploying globally, we aim to enhance the success rate of product development. For medical device contract development, we have completed the integration of CDMO manufacturing resources and established production bases in both Taiwan and the United States, thereby building a comprehensive upstream and downstream supply system. This global layout not only provides customers with highly flexible and cost-effective supply chain options but also strengthens the delivery capabilities and competitive advantages of our integrated CDMO service platform.

(2) Important applications and production processes of major products

A. Important applications of the main products:

a. Cross-Seal™ – large bore vascular closure system (IVC-C01): A safe and effective vascular closure device for advanced interventional procedures with large-diameter arterial incisions (8F-18F).

b. Urocross® Expander system (URO-T01): Its main function is to relieve lower urinary tract symptoms caused by benign prostate hyperplasia.

c. Duett ™– Vascular Graft System for Aortic Dissection Repair (CVS-T01): A medical device used for thoracic aortic repair required for the treatment of thoracic aortic lesions.

d. PUMA™ – Trauma Internal Fixation Device (ORP-T01): Internal fixation device mainly used in surgeries for limb trauma, such as shoulder, elbow, wrist, ankle.

e. ClickClean™ – in-situ cleaning device for laparoscopic surgery (LAP-A01): When performing laparoscopic procedure, laparoscopic lens is protected by slidable biocompatible films, with which the surgeons can quickly remove debris in-situ and immediately restore the image to clarity.

f. AbClose™ – port site closure device (LAP-C01): A device that is easy to operate at the end of laparoscopic surgery, which can be used to quickly and effectively close minimally invasive incisions safely.

B. Production (development) process:

When evaluating new projects, the Company conducts a comprehensive assessment of clinical needs, current competition status, patent protection, and other factors. When introducing new projects, the Company focuses on future market demand and strives to select R&D projects with high market value to avoid red sea competition. During the development process, the Company constantly precaution of the development status of other products and actively responds to the instant market dynamics. During the research and development process, we have actively established close cooperation with medical leaders in Taiwan, the United States, and other countries to build up the reputation within the medical community; during the stage of bench and animal testing, we invited medical leaders to conduct product testing to incorporate the feedbacks of physicians, i.e., users,

into the functional design of the product. After preliminary verifying the safety and efficacy of the product in bench and animal studies, we will then work with medical leaders to plan and conduct preliminary first-in-man studies to prove its safety and efficacy in humans.

The Company's business activities are focused on the research and development and design of advanced medical products. As the products are at different stages of the development process, it is necessary to cooperate with experts, physicians, consultants, manufacturers and testing consultants in various fields in order to meet the requirements of the competent regulatory authorities in the target markets. Once a medical device project with investment value is selected for development, the team carefully selects the most appropriate cutting-edge technologies, including medical-grade alloy technology, medical-grade catheter technology, and mechanical component processing and manufacturing, and ensures that the standard process of design control is implemented.

At the same time, through education and training programs, we continue to cooperate with international experts to gradually build solid R&D capabilities, including rapid prototyping of products and key components, laboratory testing, planning of preclinical large animal studies for efficacy and safety verification, planning and execution of preliminary first-in-man studies (Feasibility Study), EU first-in-man studies approval (CE Study), US Investigational Device Exemption for clinical research (IDE), and GMP manufacturing compliance for pilot production.

(3) The supply of major raw materials:

The sources of raw materials for the Group are domestic and foreign manufacturers. In order to stabilize the source of raw materials, the Company maintains a strong collaboration relationship with other domestic manufacturers.

(4) Major import and export customers

A. Information on major suppliers that have accounted for more than 10% of total annual purchase in any of the last two years.

Unit: NT$ thousands

Item	2023				2024			
	Name	Amount	Percentage of net purchase for the year (%)	Relationship with the Issuer	Name	Amount	Percentage of net purchase for the year (%)	Relationship with the Issuer
1	Company M	2,672	21	None	Company J	4,047	14	None
2	Company J	2,335	19	None	Others	23,850	86	
3	Company Z	1,577	13	None				
4	Company V	1,487	12	None				
5	Others	4,305	35					
	Net purchase	12,376	100		Net purchase	27,897	100	

B.Information on customers who have accounted for more than 10% of total annual sales in any of the last two years.

Unit: NT$ thousands

Item	2023				2024			
	Name	Amount	Percentage of net sales for the year (%)	Relationship with the Issuer	Name	Amount	Percentage of net sales for the year (%)	Relationship with the Issuer
1	Company I	24,969	13	None	Company E	79,083	27	None
2	Company R	21,743	11	None	Others	213,725	73	
3	Others	149,551	76					
	Net sales	196,263	100		Net sales	292,808	100	

3. Human Resources during the two most recent fiscal years or during the current fiscal year up to the date of publication of the annual report

Year		2023	2024	As of March 31, 2025
Number of Employees	Personnel above the Level of Managers	40	41	43
	R&D Personnel	36	29	29
	Other Employees	73	76	71
	Total	149	146	143
Average Age		41.6	42.8	42.2
Average Years of Service		4.1	3.4	3.7
Education Distribution Percentage	Ph.D.	4.0%	3.4%	3.5%
	Masters	23.5%	22.6%	23.8%
	Bachelor's Degree	51.7%	52.1%	51.0%
	Senior High School	18.8%	20.5%	20.3%
	Below Senior High School	2.0%	1.4%	1.4%

4. Environmental Protection Expenditure

(1) Losses suffered due to environmental pollution in the most recent year and as of the date of the annual report (including compensation and environmental protection audit results for violations of environmental protection laws and regulations, the date of the penalty, the penalty number, the provisions of the law violated, the content of the law violated, and the content of the penalty should be listed), and the estimated amount of current and potential future losses and measures to address them: In the most recent two years and as of the date of the annual report, the Company had no environmental pollution. We will continue to uphold our philosophy to maintain the best environmental performance in the future.

(2) Future countermeasures (including improvement measures) and possible expenses (including the estimated amount of losses, penalties and compensation that may occur if countermeasures are not taken, and if the amount cannot be reasonably estimated, the fact that it cannot be reasonably estimated): None.

5. Labor Relations

(1) The Company's various employee welfare measures, training, training and retirement systems and the status of their implementation, as well as the agreements between employers and employees and measures to protect the rights and interests of employees.

A. Employee welfare measures

a. Labor insurance: In accordance with the Labor Insurance Act.

b. Universal Health Insurance: In accordance with the provisions of the Universal Health Insurance Law.

c. Group insurance: term life insurance, accidental injury insurance, injury medical, cancer insurance, pandemic insurance etc.

d. Annual vacations: Superior than the regulations stipulated in the Labor Standards Act.

e. Employee stock options: In order to attract professional staff and retain outstanding employees with future development potential to jointly create benefits for the Company and its shareholders, employee stock options are issued in accordance with the "Regulations for Issuance and Stock Purchase of Employee Stock Options" approved by the Board of Directors.

f. Subsidies and gifts: wedding and funeral subsidies, health check-up subsidies, birthday gifts.

g. Special Contractor.

h. Staff travel in the country and abroad.

B.Staff training and retraining

In accordance with the Company's training operations, each department sets up an annual budget and establishes an annual employee training plan to implement education and training, and to implement lifelong learning and improve professional knowledge and skills

to enhance work performance, and to encourage employees to participate in various required education and training courses.

C. Employee retirement system and its implementation status

In accordance with the Labor Pension Act, the pension benefits are paid in accordance with the "Monthly Contribution Schedule" and are deposited in a personal pension account at a rate of not less than 6% of monthly wages.

D.Agreements between labor and management and various measures to protect employees' rights and interests

The Company holds regular labor-management meetings, and so far there is no dispute between employers and employees that requires an agreement.

(2) Losses suffered from labor disputes in the most recent year and as of the date of printing of the annual report (including labor inspection results in violation of the Labor Standards Law, the date of the penalty, the word number of the penalty, the provisions of the law violated, the content of the law violated, and the content of the penalty should be listed), and disclose the estimated amount of current and possible future occurrence and measures to address the situation:

The Company has harmonious relations between employers and employees and has not suffered any losses due to labor disputes in the recent year and up to the date of printing of the annual report.

6. Information Security Management：

(1) Describe the risk management framework for information and communications security, information and communications security policies, specific management plans, and resources devoted to information and communications security management.

A. Information Security Risk Management Framework

The Information Security Committee was established in 2022 to coordinate the formulation, implementation, risk management and compliance checks of information security and protection-related policies. The top executive of the Management Department reports annually to the Board of Directors and the Audit Committee on the effectiveness of information security management and information security-related issues and directions.

The Information Security Committee is convened by the Executive deputy general manager of the Company, with one member from each of the information personnel, management unit, and legal affairs unit, and the top internal auditor as an observer, and meets annually to review and resolve information security and information protection policies and guidelines, and to implement the effectiveness of information security management measures.

B. Information security policy

In order to achieve the operational and management objectives of "sustaining the uninterrupted operation of the Company's information operations, maintaining the effectiveness of internal systems management, and improving the quality of information services," "ensuring the availability, integrity, and confidentiality of all information processed and utilized," and " Requirement of complying with the Personal Information Protection Act in business processes related to the collection, processing, and utilization

of personal information," the Company has established an "Information Security Policy" that applies to all of our employees, business partners, outsourced service providers, visitors and users of our information services, etc. The policy requirements are as follows:

a. Implement compliance with relevant laws and regulations, including the Intellectual Property Protection Law, the Personal Information Protection Law, and agreements and contracts signed with external parties.

b. The operation management unit is responsible for promoting the planning, implementation and communication and coordination of relevant management systems, and actively conducts education, training and promotion of information security and personal data protection to ensure that employees are familiar with the security responsibilities of business execution.

c. Information assets held by employees for the execution of business are classified and risk assessed according to their needs in order to achieve effective control; information operations are planned and managed continuously according to the actual needs of business execution to ensure the availability of information operations.

d. The physical office environment and important information equipment rooms are controlled to maintain the security of the environment.

e. To prevent computer viruses and malware from affecting operations, the use of unauthorized software other than legally authorized systems and applications is prohibited.

f. In order to ensure the effectiveness of the management system, any violation of the relevant procedures and regulations of the management system will be considered and punished in accordance with the relevant regulations.

C.Specific management solutions.

To prevent and mitigate the Company's information security risks, we continue to implement a more rigorous information security policy. We have established advanced virus detection mechanisms to eliminate the risk of infections on company computers and machines, and reinforced network firewalls and controls to prevent the spread of computer viruses. Our measures include anti-virus protocols, advanced malware interception solutions, and the adoption of new technologies to enhance data protection. We've improved our information security deployment to bolster data center security, developed phishing email detection strategies, and regularly conduct employee alertness tests. Additionally, we maintain an integrated information security operating platform and have enhanced the automation of incident detection and response. This continuous improvement ensures a robust defense against information security attacks. The key points of our annual information security exercises include:

(1) Business continuity exercises
(2) Setup of a backup mechanism and a redundancy plan
(3) Security testing and vulnerability patching
(4) An information security threat detection and management mechanism
(5) Cyber security protection and controls
(6) Physical security controls
(7) Cyber security auditing
(8) Email social engineering exercises
(9) Cyber security training
(10) Discussions on new information security products or technologies

D.Information Security Management：

Information security has become a critical issue in the Company's business operations. As for information security management issues and resource investment plans, the Company, in 2023, established an information security officer and one information security employee, completed initial information security examinations, performed vulnerability scans and patched the system vulnerabilities, joined the TWCERT/CC, a collaborative cyber defense information sharing platform, completed a VPN two-factor authentication mechanism, upgraded and updated a wireless network system, held information security seminars and email social engineering exercises, and regularly held system backup and recovery exercises. All the Company's employees and new employees have completed information security training and passed online tests. Irregular information security news sharing and information security awareness-raising events are held to strengthen employees' awareness of information security. All our information security personnel have completed professional information security training or functional training, to enhance their functional competencies. The Company reported the implementation to the Board of Directors on January 21, 2025

(2) Specify the losses suffered as a result of major information and communications security incidents, their possible impact and the measures taken in response, for the most recent year and up to the date of printing of the annual report, and if it is not reasonably estimable, state the fact that it is not reasonably estimable.

For the most recent year and up to March 31, 2025, the Company has not suffered any significant information security incidents and therefore has not suffered any significant losses due to their effects.

7. Important Contracts:

Nature of contract	Parties	Contract start date	Contract Date	Major content	Restrictive covenants
Patent transfer	Shendder Biodesign, Inc.	Nov. 6, 2015	-	The Company acquired intangible assets from Shendder Biodesign, Inc. for the following transaction price: ①The cost of acquiring the asset from Medeon Biosurgical, Inc. by Shinde Biomedical Co., Ltd. The above payment term is when the Company sells each R&D project to a third party in the future and receives the first installment of the price. ②If the price of future R&D projects sold to a third party is more than ①, then Shendder Biodesign, Inc. will further receive: 42.99% × (net revenue from project products - reasonable cost of subsequent development expense) -①	-
Asset Purchase Agreement along with the Master Service Agreement and Supply Agreement	Terumo Medical Corporation	Mar. 2, 2018 Supplemented the contract on August 6, 2020 Supplemented the contract on February 24, 2021 Supplemented the contract on December 24, 2021	-	The Company entered into the Asset Purchase Agreement along with the Master Service Agreement and Supply Agreement for XPro™ Suture-Mediated Vascular Closure Device system ("IVC-C01") with Terumo Medical Corporation ("Terumo"). The total transaction price of the aforementioned agreements is USD 50 million, consisting of the upfront cash payment of USD 20 million which is fully paid upon closing, and the additional milestone payment up to USD 30 million. The milestone payment will be paid upon achieving the following milestones: (a) completing next-generation product development verification and technical transfer before the end of December 2020 for USD 2.5 million (1A); and completing product design verification before the end of June 2022 for USD 1 million; (b) completing the preparation for the U.S. FDA cGMP audit before the end of June 2021 for USD 1 million (2A-1); completing the U.S. FDA cGMP on-site audit for USD 1 million (no due date specified) (2A-2); obtaining a PMA approvable letter conditioning PMA approval on an FDA site inspection before the end of December 2021 for USD 6.5 million (2B).	Each milestone payment must be made within a mutually agreed upon period of time to achieve the scheduled milestone.

Nature of contract	Parties	Contract start date	Contract Date	Major content	Restrictive covenants
				(c). submitting the PMA application for the nextgeneration product before December 2022 for USD 3 million (3A); obtaining FDA PMA approval for the next-generation product before the end of December 2023 for USD 7 million (3B). (d) launching the next-generation product before December 2023 for USD 4 million; reaching a sales target of 12,500 and 25,000 units within 3 years from product launch for USD 2 million respectively. Terumo is responsible for all product development costs (including regulatory and clinical related costs), except Terumo and the Company are responsible for its own respective design and development costs for the next-generation product. As agreed by both parties, if any design changes of the next-generation product lead to additional clinical studies requested by the U.S. FDA, the related costs shall be borne by the Company.	

V. Analysis and Risk Management on Financial Status and Financial Performance

I. Financial Status: The main reasons for the significant changes in assets, liabilities and shareholders' equity in the last two years and their effects, and if the effects are significant, the future response plans.

Unit: NT$ thousands

Item \ Year	2024	2023	Differences	
			Amount	%
Current assets	1,317,199	2,227,798	(910,599)	(41)
Property, Plant and Equipment	198,953	146,578	52,375	35
Right-of-use assets	156,521	175,244	(18,723)	(11)
Intangible assets	161,749	171,066	(9,317)	(5)
Prepayments for equipment	5,915	22,129	(16,214)	(73)
Deposits	4,457	4,331	126	3
Total assets	1,877,743	2,747,146	(869,403)	(32)
Current liabilities	215,642	221,755	(6,113)	(3)
Non-current liabilities	126,198	153,896	(27,698)	(18)
Total liabilities	341,840	375,651	(33,811)	(9)
Capital stock	922,449	922,449	-	-
Capital surplus	1,339,205	1,340,712	(1,507)	-
Unappropriated retained earnings	(1,012,609)	(188,425)	(824,184)	(437)
Other equity interest	56,725	36,184	20,541	57
Treasury stock	(5,249)	(10,603)	5,354	50
Non-controlling interest	15,711	51,507	(35,796)	(69)
Total equity	1,535,903	2,371,495	(835,592)	(35)

A. If the percentage of increase or decrease is 20% or more, and the amount of change reaches NT$10 million or more, please explain.

(1) Decrease in current assets, increase in property, plant, and equipment, decrease in total assets, and reduction in retained earnings:
This primarily reflects the ongoing investment in the development of advanced medical devices and the CDMO business during 2024.

(2) Decrease in prepayments for equipment:
This is attributable to the reclassification to property, plant, and equipment.

(3) Increase in other equity:
This is primarily due to fluctuations in the exchange rate of the U.S. dollar.

B. Future response measures: Not applicable.

2. Financial Performance

(1) The main reasons for the significant changes in operating income, net operating income and net income before income tax for the last two years, the expected sales volume and its basis, the possible impact on the Company's future financial operations, and the plan to respond.

(b) The possible impact on the Company's future financial operations and its plans for the future.

Unit: NT$ thousands

Item \ Year	2024	2023	Differences	
			mount	%
Net operating revenue	292,808	196,263	96,545	49
Operating cost	209,394	181,886	27,508	15
Gross profit	83,414	14,377	69,037	480
Operating expenses	969,027	853,944	115,083	13
Operating income (loss)	(885,613)	(839,567)	(46,046)	(5)
Non-operating income and expenses	26,970	(391,121)	418,091	107
Net income (loss)	(870,523)	(1,269,973)	399,450	31
Other comprehensive income (net income)	21,357	4,916	16,441	334
Total comprehensive income (loss)	(849,166)	(1,265,057)	415,891	33
Net income attributable to shareholders of the parent	(805,512)	(1,204,615)	399,103	33
Net income attributable to non-controlling interest	(65,011)	(65,358)	347	1
Comprehensive income attributable to Shareholders of the parent	(784,971)	(1,199,371)	414,400	35
Comprehensive income attributable to non-controlling interest	(64,195)	(65,686)	1,491	2

If the percentage of increase or decrease is 20% or more, and the amount of change reaches NT$10 million or more, please explain.

1. Changes in net operating revenue and gross profit:
   These changes are primarily attributed to the growth of the CDMO business segment in 2024.
2. Changes in non-operating income and expenses, net loss for the period, comprehensive loss for the period, net loss attributable to the shareholders of the parent company, and total comprehensive loss attributable to the shareholders of the parent company:
   This is mainly due to the recognition of the disposal investment loss from the full disposal of the equity in Delta Asia International Corporation in 2023.

(2) Expected sales volumes and their basis, the possible impact on the Company's future financial operations and the plan to respond to it.

The Company usually starts the conversation with top global medical device manufacturers for licensing deals as soon as the product development enters into a certain stage. Moving forward, we will strive to generate licensing revenue by licensing our projects to global medical device manufacturers. The licensing fees are estimated based on the market size, such as procedure volume, compound annual growth rate, usage of the product, end user price and market share, etc.

In relation to the Company’s CDMO business, Medeologix Corporation, along with its U.S. subsidiary, will accelerate the expansion of its manufacturing capabilities across a diverse range of components, sub-assemblies, and finished products. This strategic initiative aims not only to fortify the Company’s revenue base, but also to optimize synergies through close collaboration with strategic partners. By leveraging Taiwan’s exceptional advantages in manufacturing efficiency, product quality, and talent, the Company is well-positioned to deliver high-quality products to leading global medical device manufacturers. The implementation of this strategy is expected to stimulate the growth of complementary industry supply chains, enhance the Company’s R&D capabilities, and improve operational resilience and profitability, thereby providing a solid foundation for the Group’s sustained long-term development.

3. Cash Flow

(1) Cash Flow Analysis for the Current Year

Unit: NT$ thousands

Item \ Year	2024	2023	Increase (decrease)	
	Amount	Amount	Amount	%
Cash inflows (outflows) from operating activities	(832,665)	(755,075)	(77,590)	(10)
Cash inflows (outflows) from investing activities	135,208	1,595,621	(1,460,413)	(92)
Cash inflows (outflows) from fundraising activities	(46,680)	(90,571)	43,891	48

1. From operating activities:
   This is mainly due to the continuous investment in advanced medical device research and development and CDMO business in 2024, resulting in an increase in operating expenses and net cash outflow from consolidated operating activities in 2024 compared with 2023.
1. From investing activities:
   This is mainly due to the disposal of all the equity of Delta Asia International Corporation held by the Company in 2023, resulting in an increase in net cash inflow from investing activities in 2024 compared to 2023.
2. From financing activities:
   This was primarily due to the cash dividend distribution in 2023.

(2) Improvement plan for liquidity deficiency in the most recent year: Not applicable.

(3) Cash Flow Analysis for the Coming Year:

Unit: NT$ thousands

Cash and Cash Equivalents, Beginning of Year (1) (Note)	Net Cash Flow from Operating Activities (2)	Cash Outflow (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Deficit	
				Investment Plans	inancing Plans
513,374	957,628	1,169,543	301,459	—	—
A. Cash Flow Analysis for the Coming Year： No significant cash inflow and outflow variances are expected for the whole year. B. Remediation measures for projected cash shortage and flowability analysis: Not applicable. Note: Not including time deposits of more than 3 months NT$862,097.					

4. Significant capital expenditures in recent years and the impact on financial operations: Not applicable

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

(1) Reinvestment policy: The Company's reinvestment policy is implemented by the relevant departments in accordance with the internal control "Investment Cycle" and "Supervision and Management of Subsidiaries", and the aforementioned methods or procedures are approved by the Board of Directors.

(2) Profits or Losses:

Dec. 31, 2024

Unit: NT$ thousands

Name of the investment company	Place of Registration	Business items	2024(Loss) Income	Cause of loss and improvement plan
Medeon International, Inc.	Somoa	Investment and trading business	(110,438)	It is a holding company. This is due to the recognition of a loss on re-investment.
Aquedeon Medical, Inc.	USA	Manufacturing and R&D of medical devices	(113,587)	The product is still in the R&D stage. This is due to the manpower and material resources invested in product development.
Prodeon Medical Corporation	R.O.C.	Manufacturing and R&D of medical devices	(462,791)	The product is still in the R&D stage. This is due to the manpower and material resources invested in

				product development.
Prodeon Medical, Inc.	USA	Manufacturing and R&D of medical devices	5,561	Not applicable.
Yi Chuang Biodesign, Inc.	R.O.C.	Sales of medical devices	-	Not applicable.
Medeologix Coporation	R.O.C.	Manufacturing and sales of medical devices	(285,312)	Continue to advance core technologies in medical device development and manufacturing, while actively expanding the CDMO business. Efforts will also be focused on accelerating the strategic deployment of manufacturing capabilities across key components and finished medical devices.
Medeologix, Inc.	USA	Manufacturing and sales of medical devices	(112,324)	Continue to advance core technologies in medical device development and manufacturing, while actively expanding the CDMO business. Efforts will also be focused on accelerating the strategic deployment of manufacturing capabilities across key components and finished medical devices.
MedeonBio, Inc.	USA	Manufacturing and R&D of medical devices	(11,805)	Develop medical devices CDMO business, and accelerate the development of various components and manufacturing of finish goods.
Medeologix LLC	USA	Manufacturing and sales of medical devices	(31,701)	Continue to advance core technologies in medical device development and manufacturing, while actively expanding the CDMO business. Efforts will also be focused on accelerating the strategic deployment of manufacturing capabilities across key components and finished medical devices.

(3) Investment plan for the coming year: The investee company will actively conduct human clinical trials and develop the contract development and contract manufacturing (CDMO) business for advanced medical device manufacturing in the coming year.

6. Analysis of risk management in the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report：

(1) Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures:

A. Effects of Changes in Interest Rates on Corporate Finance, and Future Response Measures

The Company currently has no bank borrowings and interest income is not a major source of profit for the Company, therefore, overall changes in interest rates are not likely to have a significant impact on the Company. However, the Company still actively establishes and maintains good relationships with banks. If there is a need for bank financing in the future, the Company should be able to obtain favorable interest rate terms and raise the necessary funds in the most efficient manner.

B. Effects of Changes in Foreign Exchange Rates on Corporate Finance, and Future Response Measures

We pay attention to the trend of major currencies in the international exchange market and international changes in non-economic factors, so that we can grasp the trend of the exchange rate and respond to it in a timely manner. At the same time, when negotiating R&D contracts or receiving technical service fees from foreign vendors, we will consider the foreign currency on our books and try to pay in foreign currency to reduce the risk arising from changes in the exchange rate.

C. Effects of Inflation on Corporate Finance, and Future Response Measures:

According to the Office of the Comptroller of the Executive Yuan, the consumer price index increased at an annual rate of 2.18% in 2024. Inflation was minimal and had no significant impact on the Company's profit or loss.

(2) Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions:

A. The Company does not engage in high-risk or highly leveraged investments, and all investments are carefully evaluated and executed in accordance with the Company's rules and regulations.

The Company lends funds to its key subsidiary, Prodeon Medical Corporation, in which it holds an 89.3% ownership stake. The Company closely monitors operational strategy and financial performance of Prodeon Medical Corporation, and after a thorough evaluation, has determined that the subsidiary’s activities do not have a material impact on its own operations, financial condition, or shareholder equity. The Company does not provide guarantees for others, nor does it engage in derivative financial instruments.

B. If, in the future, the Company needs to enter into financial transactions, endorse guarantees for

others, or engage in derivative financial instruments for business purposes, it will follow the relevant procedures established by the Company and announce all information in a timely and accurate manner in accordance with the law.

(3) Future Research & Development Projects and Corresponding Budget:

The Company is currently developing medical device products, and has been conducting human clinical trials. As for the Urocross® Expander system (URO-T01), the Company will continue the patient monitoring and data collection for the pivotal IDE clinical trial, and to accelerate the regulatory approval process. As for Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01), the Company will continue to recruit patients for the IDE study in the United States to acquire clinical data and increase the product value. In addition, the Company continuously evaluates products with high market value and clinical demand and uses a careful evaluation process to ensure that its resources are properly allocated to new product development programs with a high return on investment. In addition, the company is actively entering the field of advanced medical device CDMO, and is working to establish upstream medical device manufacturing process technologies and downstream mass production capacity, and expects to spend approximately NT$700 million on R&D in 2025.

(4) Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales:

The Company operates in accordance with the relevant domestic and foreign laws and regulations, and the relevant personnel are always aware of the changes in laws and regulations for the management's reference. Therefore, the Company can immediately grasp and effectively respond to important domestic and foreign policies and legal changes. For the most recent year and up to the date of printing of the annual report, there was no material adverse effect on the Company's finance and business due to changes in domestic and foreign policies and laws.

(5) Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales:

Our R&D team is capable of product development and actively develops innovative technologies and applies for patent protection. Our R&D team regularly tracks industry R&D trends and regulatory policies, and takes immediate measures to address any trends that may affect the overall industry and our company. As a result, recent technological and industry changes will not have an immediate material impact on the Company's business.

(6) The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company’s Response Measures:

Since its founding, the company has always adhered to the principles of sustainability and integrity, focusing on the research and development of advanced medical devices and CDMO, hoping to provide patients with new medical options, while continuing to strengthen the company's internal management, actively moving into the international market and improving quality management capabilities. For the most recent year and as of the date of the annual report, the Company has not experienced any corporate crisis arising from the change in corporate image. In the future, the Company will continue to implement corporate governance requirements and consult with experts

in a timely manner to reduce the impact of such risk on the Company's operations.

(7) Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans:

The Company currently has no plans to engage in mergers and acquisitions.

(8) Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans:

In the business field of advanced medical device CDMO, the Company have continuously acquired and integrated key design and manufacturing technologies, as well as customer relationships with global medical device giants and emerging companies in the Silicon Valley, through our subsidiary, Medeologix, Inc. By integrating and allocating resources within the group, we provide localized services to customers from our U.S. sites, while Taiwan handles robust volume production demands, offering worldwide customers with one-stop-shopping service from development to high volume production. Medeologix, Inc. and its subsidiaries have established and expanded their plants in the Hsin-Tien “Pao Gao Intelligent Industrial Park” in New Taipei City and in the United States respectively, equipped with state-of-the-art equipment and multiple complete production lines to meet the soaring demand for CDMO from global medical devices companies and innovative businesses. The setup allows us to build a comprehensive supply chain and cost advantage with the strategy to provide high-quality medical devices to patients worldwide.

(9) Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration:

A. Excessive Concentration of Purchasing Sources:

Most of the Group's suppliers are long-term collaborative manufacturers with stable supply, and the goods are not exclusive or oligopolistic in the market with low purchase risk.

B. Excessive Customer Concentration:

The Group has established a long-term relationship with the customers, and has increased the customer dependence through swift product development and innovative services. It also actively develops customers to diversify the concentration risk.

(10) Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%:

In the latest year and up to the publication date of the annual report, there has not been any major quantity of shares belonging to a director, or shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, resulting in significant impact on the operation.

(11) Effects of, Risks Relating to and Response to the Changes in Management Rights:

In order to strengthen the structure of the Board of Directors, the Company re-elected of directors at the Annual General Meeting on June 12, 2024, resulting in a total of 7 board members, including 4 independent directors, with a view to strengthen the corporate governance, build the strength of the management team and comply with legal requirements. There was no change in the Company's management rights as of the publication date of the annual report.

(12) Litigation or Non-litigation Matters:

A.For the last two years and as of the printing date of the annual report, the Company should disclose the facts of the dispute, the amount of the subject matter, the date of commencement of

the litigation, the main parties involved in the litigation, and the current status of the litigation if the outcome of the litigation, non-litigation, or administrative dispute has been determined or is still in progress, and the outcome of the litigation may have a significant impact on shareholders' equity or the price of securities: None.

B. Directors, supervisors, general managers, persons in charge of the Company, substantial shareholders holding more than 10% of the shares, and affiliates of the Company, and litigation, non-litigation or administrative disputes that have been determined or are currently pending as of the date of the annual report, the outcome of which may have a significant impact on the Company's shareholders' equity or securities prices: None.

C. Directors, supervisors, managers, and major shareholders holding more than 10% of the shares of the Company, as of the last two years and as of the date of printing of the annual report, have been subject to the provisions of Article 157 of the Securities and Exchange Act and the Company's handling of such circumstances: None.

In the most recent year and as of the publication date of the annual report, the Company was not exposed to other known critical risks that might have a potentially significant impact on the Company's financial position.

(13) Other Major Risks and Countermeasures:

7. Other Important Matters: None.

VI. Special Disclosures

1. Information on Affiliates: Please refer to the Market Observation Post System (MOPS) > Single Company > Electronic Document Download > Related Party Three-Book Forms Section (https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

2.The recent fiscal year till the date of the printing of annual report, private equity securities management: None

3.Other necessary supplementary notes: None

VII. The recent fiscal year till the date of the printing of annual report, any events that had significant impacts on Shareholders' rights or security prices as stated in Item 3 Paragraph 2 of Article 36 of the Securities Exchange Act: None

Medeon Biodesign, Inc.

Chairman：Yue Teh Jang