Bora Pharmaceuticals

2024 Annual Report

Bora Pharmaceuticals Co., Ltd.

Stock Code：6472

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Bora Pharmaceuticals Co., Ltd.
2020 Annual Report is available at：
https://bora-corp.com

Printed on APR 25, 2025

I. Name, title, telephone number and email of spokesperson and acting spokesperson:

Spokesperson		Acting Spokesperson	
Name:	Chen Shih-Min	Name:	Alice Wang
Title:	Vice President	Title:	Vice President, Finance & Accounting Division
Telephone:	(02)2790-1555	Telephone:	(02)2790-1555
Email:	public01@bora-corp.com	Email:	public02@bora-corp.com

II. Company address:

Head Office	Address: 6F, No. 2, Alley 36, Lane 26, Ruiguang Road, Neihu District, Taipei City 114 Telephone: (02)2790-1555
Research and Development Center	Address: 4F, No. 41, Lane 221, Gangqian Road, Neihu District, Taipei City 114 Telephone: (02)2657-3350
Plant	Address: No.54, Gongye West Road, Gongtian District, Tainan City 720 Telephone: (06)698-5180 Address: No.1, Kedong 3rd Road, Zhunan Township, Miaoli County, 350 Telephone: (03)758-6268 Address:7333 MISSISSAUGA ROAD, MISSISSAUGA ON L5N 6L4 Canada Telephone: +1(416)800-2160 Address: No. 3-1, Ziqiang 4th Rd., Fuxing Village, Zhongli Dist., Taoyuan City 320 (Zhongli First Plant) Telephone: (03)433-6438 Address: No. 17, Dongyuan Rd., Zhongfu Village, Zhongli Dist., Taoyuan City 320 (Zhongli Second Plant) Telephone: (03)433-2596 Address: No. 80, Sec. 1, Chang'an Rd., Luzhu Dist., Taoyuan City 320 (SK Plant) Telephone: (03)321-5512 Address: 6F, No. 12, Shengyi Rd., Zhubei City, Hsinchu County, Hsinchu Science Park 302 Telephone: (03)658-3899 Address: No. 139, Xing'ai Rd., Neihu Dist., Taipei City 114 Telephone:(02)2792-9568 Address: 6701 Evenstad Drive, Maple Grove, MN 55369, USA Telephone: +1(763)315-2000 Address:1111 SOUTH PACA ST, BALTIMORE, MD 21230, USA Telephonenumber: +1(418)843-5000

III. Name, address, website and telephone of agency handling shares transfer:

Name: Stock-Affairs Agency Department, Taishin Securities Co., Ltd

Address: B1, No. 96, Jianguo North Road, Section 1, Zhongshan District, Taipei City 104

Website: http://www.tssco.com.tw Telephone: (02)2504-8125

IV. The name of the certified public accountant who duly audited the annual financial report for the most recent fiscal year, and the name, address and telephone: number of said person's accounting firm.

Name of certified public accountants: CPA Hu Tzu-Jen CPA Yao Shih-Chien

Name of the accounting firm: Ernst & Young, Taiwan

Address: 11F., No. 189, Sec. 1, Yongfu Rd., Tainan City

Website: http://www.ey.com/tw/ Telephone: (06)292-5888

V. The name of any exchanges where the Company's securities are traded offshore, and the method of accessing the information: N/A None.

VI. Company website: https://bora-corp.com/

Table of Contents

A. Letter to Shareholders

Bora Pharmaceuticals Co., Ltd.

2024 Business report

Dear Shareholders,

We are pleased to present Bora Group's 2024 Annual Consolidated Business Report to provide an overview of our progress and strategy.

2024 was a year marked by market uncertainty and challenges globally. And yet, Bora Group's profitability was protected and increased, pinned by milestones of all-time high market cap in the course of 2024 and nearly NT$20 billion in consolidated revenues. Notably, our monthly reported revenue surpassed NT$2 billion for the first time. Through efficiency brought forth by our "dual engine" strategy – CDMO and global commercial, we have been proven resilient in market turmoil and able to unlock above-industry average growth potential. The active execution of portfolio management despite severe competition for our flagship product DLS in the commercial space, and a sharp and adaptive focus on operational excellence across all manufacturing sites in the CDMO category have been pivotal. These efforts have collectively strengthened our position for sustained growth.

While 2024 presented challenges, it was also a year of significant achievements. We acquired Upsher-Smith, a century-old U.S. pharmaceutical company, gaining access to domestic drug sales and specialty pharmacy distribution channels. Additionally, the acquisition of Pyros brought us the patent-protected rare disease drug VIGAFYDE™, reinforcing our foothold in the specialty pharmacy sector. These acquisitions have accelerated our transition towards high-margin branded and patented products. Meanwhile, our CDMO business also made remarkable strides, with the acquisition of a sterile injectable facility in Baltimore, Maryland, expanding both our technological capabilities (Scope) and production capacity (Scale) to meet diverse industry demands. In response to the U.S. Biosecurity Act, we successfully executed a strategic merger between Bora Biologics and Tanvex, achieving a win-win synergy that strengthens our large-molecule development to mass production service capabilities. We also initiated CDMO business model harmonization within the group - our subsidiary, TWi Pharma, completed the spinoff of the Zhongli plant to our CDMO arm of the business, further laying a solid foundation for long-term growth.

Our unique competency to secure capital has been a key enabler of growth. In 2024, Bora became the first Taiwanese biotech company to raise funds through an internationally listed Euro Convertible Bond (ECB), setting a new benchmark for the industry. We also remain committed to ESG initiatives geared toward sustainable development, setting net-zero targets across multiple facilities and integrating Science-Based Targets Initiative (SBTi) methodologies to our CDMO operations. In addition, the Bora Wei-En Sheng Foundation continues to focus on making the world a healthier and better place. The foundation continues to support adolescent mental health and parenting. In a addition, Bora actively supports World Parkinson's Day, the TSC Alliance in the US, Red Nose Doctor Theater in Taiwan, and the group joined Hualien Earthquake relief efforts in the aftermath of the tragedy.

In a rapidly evolving global pharmaceutical landscape, Bora Group has successfully captured current and future customer demands and advanced through organic business expansion and targeted, accretive M&A, integrating our CDMO technology platforms and optimizing our global commercial portfolio. Our record-breaking financial results in 2024 demonstrate our operational strength, outstanding management capabilities, and unwavering dedication as a team. These accomplishments lay the foundation for sustainable growth as we continue striving towards our goal of becoming one of the world's top 10 CDMOs, creating long-term value for our shareholders.

I. Operational Highlights of 2024

(I) Progress Report

Bora Group continued its trajectory of steady growth across both its CDMO and commercial businesses. In fiscal year 2024, consolidated revenue reached NT$19.25 billion, representing a 36% increase from NT$14.2 billion in the previous year. Net income attributable to the parent company rose to NT$3.94 billion, marking a 30% year-over-year increase from NT$3.03 billion. This strong performance reflects the sustained expansion and profitability of our dual core pillars.

(II) Budget Execution

The company did not disclose financial forecasts for fiscal year 2024; therefore, there are no budget achievement comparisons available.

(III) Financial revenue and expenditure, and analysis on profitability

Unit: NT$ thousands

Item \ Year			2023	2024	Increase (decrease)%
Financial	Net operating revenues		10,494,470	14,200,068	35
	Gross profit		2,912,775	6,991,238	140
	Net profit after tax		1,391,916	3,030,142	118
Analysis on profitability	Return on asset		9.82%	13.25%	35
	Return on stockholder's equity		36.24%	44.52%	23
	As % of the paid-in capital	Operating profit to paid-in-capital	254%	517%	266
		Profit before tax to paid-in-capital	243%	400%	36
	Net profit rate (%)		13	21	62
	EPS		14.26	30.20	112

(IV) Research and Development

In 2024, Bora Group's CDMO business continued to make big strides, adding 40 new molecules and 16 new launches, and 7 new customers signed MSA. Our manufacturing sites remain integrated and aligned to support the commercialization of U.S. market-bound products within the group.

On the commercial business front, following the acquisition of Upsher-Smith and Pyros, we successfully integrated Upsher-Smith's specialty pharmacy distribution network and Pyros' patent-protected rare disease drug, VIGAFYDE™. This strategic realignment positions Bora to prioritize rare disease and branded specialty pharmaceuticals, optimizing our product mix and enhancing overall gross margins. Additionally, Bora's wholly owned subsidiary, TWi Pharmaceuticals, received U.S. FDA approval in 2024 for Potassium Chloride ER Tablets, a treatment for hypokalemia, and Deflazacort Tablets, a rare disease treatment for Duchenne muscular dystrophy, marketed through Upsher-Smith. As of year-end 2024, Bora has amassed a portfolio of 88 regulatory approvals through internal development and acquisitions, reinforcing our robust R&D capabilities. Moving forward, we will continue to leverage strategic resources, concentrate efforts on high-value R&D projects,

and strengthen our leadership in specialized pharmaceuticals.

(V) Corporate Social Responsibility and Industry Recognition

At Bora, we believe that it is our mission to contribute to better health all over the world. In the pursuit of combating diseases and alleviating suffering, we find deeper meaning in our business. We take great pride in the impact of our work and remain committed to delivering meaningful change in patients' lives through rigorous manufacturing standards, stringent quality control, and the highest ethical principles. Rooted in Taiwan and expanding globally, we embrace our corporate responsibility by aligning our core values with our competitive strengths. We are dedicated to sustainable, profitable growth, striving to make medicines made-by-Bora recognized worldwide.

In 2024, our commitment to innovation and operational excellence enabled us to overcome challenges and push the boundaries. Among over 250 contenders, Bora was honored with the 6th Presidential Innovation Award – Service Innovation Category, making us the first pharmaceutical company to receive this prestigious recognition. Additionally, we were named "HR Asia Best Companies to Work for in Asia – Taiwan 2024" for the second time, reaffirming our “People First” philosophy. Furthermore, Bora’s M&A strategy and global expansion were recognized with two of Taiwan’s most prestigious M&A awards—the "Most Representative M&A Award" and the "Best Cross-Border M&A Award". These accolades underscore our strategic excellence in acquisitions and global market positioning, further solidifying Bora’s leadership in the pharmaceutical industry.

II. 2025 Business Plan

(I) Business Strategy

Continuous Integration of portfolio, technology platform, geography offerings and organizations to accelerate growth in 2025

2024 marked a pivotal year for Bora as we expanded our presence in the U.S. market, achieving significant milestones. In addition to establishing a domestic manufacturing network and securing high-value specialty pharmacy distribution channels, we optimized and diversified our commercial portfolio toward branded and patent-protected rare disease drugs. This strategic shift is

expected to further enhance product margins and strengthen our market position. With the inauguration of President Trump in 2025, geopolitical and economic uncertainties have resurfaced, bringing renewed focus to U.S. manufacturing policies, trade tariffs, and supply chain resilience—all of which are critical considerations for pharmaceutical operations. As an early mover in this evolving landscape, Bora is committed to meticulous resource integration and strategic positioning, ensuring that we remain at the forefront of an industry where risks and opportunities coexist on the global stage.

(II) Expected Sales Volume and Its Basis

The company's sales plan is formulated based on contract agreements, historical sales records, and market dynamics. For fiscal year 2025, we anticipate steady growth in our revenue targets.

(III) Key Production and Sales Strategies

1、 International Contract Development and Manufacturing (CDMO) Services

Bora's CDMO business primarily focuses on contract manufacturing for leading global pharmaceutical companies. Our CDMO facilities are certified by regulatory authorities across the U.S., U.K., EU, and Japan, ensuring high-quality operations cross offerings. Our capabilities includes nasal sprays, oral solid dosage forms, liquid formulations, topical semi-solid preparations, and aseptic fill-finish products. Following the integration of our U.S. sterile injectable facility last year and the strategic alliance with Tanvex, Bora has expanded both its formulation capabilities (Scope) and large-scale manufacturing capacity (Scale). This enables us to efficiently serve and address the needs of customers in North America—the world's largest pharmaceutical market—by providing localized production and end-to-end CDMO solutions. We remain committed to strengthening our technological capabilities through strategic investments in equipment upgrades and cutting-edge innovations. Leveraging our established technology platform, Bora will continue to drive growth momentum and create long-term value for our customers.

2、 Strategic Partnerships (In-Licensing & Out-Licensing)

Bora Group is committed to long-term, mutually beneficial partnerships with international pharmaceutical companies through strategic collaborations. Our success is driven by our ability to identify and secure high-value in-licensing and out-licensing opportunities. In recent years, Bora has actively pursued the acquisition and in-licensing of established, commercially viable products as well as high-growth potential pipeline assets—both domestically and internationally. We expect to continue to expand our global footprint and market penetration.

3、 Globalized Pharmaceutical Commercialization Services

Bora's state-of-the-art laboratories ensures seamless analytical integration with global industry standards. Our R&D team brings deep expertise in development of

generics, new dosage forms, and regulatory compliance. With a comprehensive understanding of international pharmaceutical regulations and global market trends, Bora is a trusted partner for multinational pharmaceutical companies. We provide end-to-end support in cross-border drug development, regulatory submissions, and market entry strategies, maximizing the success of our partners in achieving swift and efficient commercialization.

III. Future Corporate Development Strategy

(I) Strengthening R&D Capabilities in the CDMO Sector to Enhance Profitability and Efficiency

The North American market is a critical industry hub, making it an essential territory for leading global pharmaceutical companies. In 2024, Bora achieved significant milestones in the U.S., with the number of overseas employees officially surpassing domestic staff. Our subsidiaries in charge of product development and commercialization have demonstrated strong expertise in high-barrier drug development, successfully commercializing specialty generics and 505(b)(2) reformulated drugs. With deep knowledge of U.S. regulatory frameworks, market dynamics, and competitive landscapes, Bora has established a strong foothold in the industry. Moving forward, we will continue to leveraging Upsher-Smith, Pyros, and our Baltimore sterile injectable teams to support drug development and manufacturing solutions for a broader customer base. By accelerating product development timelines and enhancing manufacturing capabilities, Bora aims to increase overall profitability and drive long-term economic growth.

(II) Establish a CDMO Platform with Comprehensive Technologies and Offerings to Cover Diverse Dosage Forms

Bora has strategically expanded its manufacturing footprint, incorporating multiple production facilities to support a broad spectrum of dosage forms. Following the integration of our Baltimore sterile injectable facility in 2024, alongside our existing Canadian site, which produces tablets, oral liquids, nasal sprays, and semi-solid formulations such as gels, creams, and ointments, we have strengthened our capacity to provide end-to-end CDMO services in North America. Additionally, in Taiwan, our Guan Tian and Zhunan sites offer a diverse range of formulation lines to meet the evolving needs of global clients. As one of Taiwan’s largest pharmaceutical manufacturers, Bora has established a fully integrated CDMO network that covers major international markets, enabling seamless, time-zone-aligned CDMO services. To further solidify our position as a leading global CDMO, Bora will continue vertical and horizontal

integrations, invest in cutting-edge technologies, and expand both formulation capabilities (Scope) and large-scale production capacity (Scale) to enhance our competitiveness in the international pharmaceutical market.

(III) Expanding Global Services with Taiwan as a Strategic Hub

The global pharmaceutical industry is on a steady growth trajectory, yet Taiwan's pharmaceutical sector faces structural challenges, including a oversaturated domestic market, rigid national health insurance pricing policies, and intense low-cost competition. Transitioning into a truly globalized pharmaceutical company remains a challenge for many Taiwan-based manufacturers. Bora is committed to overcoming these barriers by adopting a synergistic M&A strategy, ensuring that 1+1 is greater than 2 in every acquisition. With the successful establishment of our CDMO facility in the U.S. and high-value specialty drug distribution channels, we have strengthened our international competitiveness and established a foothold in U.S. local manufacturing policies and pharmaceutical supply chains. As global manufacturing policies and trade regulations continue to evolve, Bora will leverage its experience and competitive advantages to facilitate greater international expansion for Taiwan-based pharmaceutical companies. By connecting Taiwanese manufacturers with global markets, we aim to enhance Taiwan's presence in the international pharmaceutical industry and contribute to the sector's long-term global success.

IV. Impact of External Competitive, Regulatory, and Macroeconomic Factors

The global pharmaceutical industry is shaped by several key factors influencing supply, demand, and long-term market growth:

1. The Acceleration of Global Aging Trends

According to United Nations, the global population is expected to reach 9.15 billion by 2050, with 16% aged 65 and above. This demographic shift will drive increased demand for medications targeting age-related and chronic diseases, expanding the market for specialized treatments.

2. Continued Steady Growth in the Global Pharmaceutical Market

As reported by IQVIA, the global pharmaceutical market reached $1.48 trillion

in 2022, reflecting a 4.23% increase from $1.42 trillion in 2021. Following the COVID-19 pandemic (2020–2022), market expansion is expected to stabilize in 2024 and grow at a compound annual growth rate (CAGR) of 3%–6% from 2023 to 2027, with an average five-year CAGR of 4.5%. In the generics sector, governments worldwide continue to promote affordable, high-quality generics as a strategy to reduce healthcare costs and restore fiscal balance. The combination of rising aging populations, economic uncertainties in Western markets, and cost-containment policies has reinforced government initiatives to increase adoption of generics over high-cost branded medications. Mordor Intelligence reports that the global generic drug market was valued at $364.9 billion in 2021 and is projected to grow at a CAGR of 4.3% from 2021 to 2027.

To align with market changes and evolving demand, Bora group will pivot toward capitalizing on selective portfolio composed of high-performing products but at the same time diversifying end markets and sales footprint to ensure growth.

Bora continues to pursue accretive M&A opportunities, targeting high-growth sectors in and for the right market. With in-house, captive manufacturing facilities, a dedicated sales network, and extensive post-merger integration experience, we are well-positioned to transition acquired portfolio into in-house production, and hence to improve overall margin profile, time-to-market, and utilization rate and supply chain resilience. Furthermore, high-quality standards and ramp up capability of our CDMO business provide a solid foundation for our commercial operations, enabling seamless market expansion and broader distribution reach. We firmly believe that our dual-engine strategy—CDMO and commercial—generates abundant synergy, reinforcing Bora's competitive edge in M&A execution and long-term market leadership.

Person in charge:	Managerial Personnel:	Chief Accountant:
Sheng Pao-Shi	Sheng Pao-Shi	Ting Chen

B. Corporate Governance Report

I. Information on Directors, Independent Directors, President, Executive Vice Presidents, Senior Managers, Department and Branch Managers

(I) Directors and Indendent Directors' information:

March 25, 2025; Unit: shares; %

Title	Nationality or Place of Registration	Name	Gender Age	Election (Appointment) Date	Term of Office	Date of First Appointment	Number of Shares Held at Time of Appointment		Current Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in the Company and Other Companies	Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Notes
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
Chairperson	Republic of China	Sheng Pao-Hsi	Male 46-55	June 6, 2023	3years	August 26, 2014	4,123,996	5.31	5,063,792	4.88	—	—	21,322,741	20.56	Bachelor of Economics, University of California, Berkeley President, Ho An Pharmaceuticals Ltd.	President of the Company Chairperson, Union Chemical & Pharmaceutical Co., Ltd. Director, Well Pool Co., Ltd. Chairperson, Baolei Co., Ltd. Chairperson, Rui Bao Xin Investment Co. Ltd. Independent Director, Gamania Digital Technology Co., Ltd. Chairperson, Bora Health Inc. Chairperson, Bora	—	—	—	Note 1

Title	Nationality or Place of Registration	Name	Gender Age	Election (Appointment) Date	Term of Office	Date of First Appointment	Number of Shares Held at Time of Appointment		Current Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in the Company and Other Companies	Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Notes
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
																Pharmaceutical Laboratories Inc. Chairperson, Po En International Co., Ltd. Chairperson, Chia Hsi International Co., Ltd. Independent Director, Advanced Power Electronics Corp., Ltd Representative of Institutional Director, BIONET Therapeutics Corp. Director, Jesper Co., Ltd. Chairperson, Bora Management Consulting Co., Ltd. Chairperson, Jin Tei Pharmaceuticals, Inc. Chairperson, TWi Pharmaceuticals, Inc. Chairperson, Bora Pharmaceutical and Consumer Health				

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							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
																Inc. Chairperson, SunWay Biotech Co., Ltd. Chairperson, Tanvex BioPharma Inc. Person in Charge, Bora Pharmaceuticals USA Inc. Person in Charge, Bora Pharmaceutical Services Inc. Person in Charge, TWi Pharmaceuticals USA, Inc. Person in Charge, Bora Pharmaceutical Holdings, Inc. Person in Charge, UpShih Laboratories, LLC Person in Charge, Bora Pharmaceuticals, Inc. Person in Charge, Bora Pharmaceuticals Inc.				

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							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
																Person in Charge, UpSheng Holdings Inc. Person in Charge, UpSheng America LLC Person in Charge, Pyros Pharmaceuticals Inc.				
Directors	Republic of China	Ta Ya Venture Capital Co., Ltd.	–	June 6, 2023	3 years	August 26, 2014	3,158,515	4.07	4,041,318	3.90	–	–	–	–	–	Director, Ina Day's Co., Ltd. Supervisor, Ta Ya Green Energy Technology Co., Ltd. Director, Hengs Technology Co., Ltd. Supervisor, Chia Da Moo Co., Ltd. Supervisor, Vsense Co., Ltd. Director, Nownews Network Co., Ltd. Director, Super Media Co., Ltd. Director, Savitech Corp. Supervisor, United Electric Industry Co.,	–	–	–	–

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																Ltd. Director, TenArt Bio. Tech. Director, Istaging corp. Director, Nuazure Innovative Technology Co., Ltd.				
	Republic of China	Representative: Shen Shang-Hung (Note 2)	Male 66-75	June 6, 2023	3 years	August 26, 2014	—	—	—	—	857	0.00	—	—	Department of Electrical Engineering, National Taiwan University MBA, EMORY University, USA Manager, Department of Electronic Engineering, AT&T, USA	Note 2	—	—	—	—
Directors	Republic of China	Baolei Co. Ltd.	—	June 6, 2023	3 years	June 11, 2019	14,400,561	18.54	18,704,939	18.03	—	—	—	—	—	—	—	—	—	—
	Republic of China	Representative: Chen Kuan-Pai	Male 46-55	June 6, 2023	3 years	June 11, 2019	—	—	—	—	—	—	1,180,000	1.14	MBA, University of Souther California Chairperson, Hundred River	Chairperson, Hundred River International Investment Corp. Independent	—	—	—	—

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							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
															International Investment Corp.	Director, Gamania Digital Technology Co., Ltd. Independent Director, Mercuries Data Systems Ltd. Supervisor,Bai Yi Feng Capital Co., Ltd. Representative of Institutional Director, Joe's Pizza Taiwan Co., Ltd. Representative of Institutional Director, New Future Capital Co., Ltd.				
Directors	Republic of China	Chen Shin-Min	Male 46-55	June 6, 2023	3 years	August 26, 2014	943,971	1.22	1,084,716	1.05	—	—	—	—	Ph.D., Department of Pharmacy, Taipei Medical University Manager, Business Development Department, Ho An	Vice President of the Company Representative of Institutional Director, Bora Pharmaceutical Laboratories Inc. Vice Chairperson, Bora Health Inc.	—	—	—	—

Title	Nationality or Place of Registration	Name	Gender Age	Election (Appointment) Date	Term of Office	Date of First Appointment	Number of Shares Held at Time of Appointment		Current Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in the Company and Other Companies	Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Notes
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
															Pharmaceuticals Ltd. Deputy Manager, Technology Department, United Biomedical, Inc. Section Manager, R&D Department, Jin Tei Pharmaceuticals, Inc. Researcher, Medical and Pharmaceutical Industry Technology and Development Center	Supervisor, Jin Tei Pharmaceuticals, Inc. Supervisor, TWi Pharmaceuticals, Inc. Vice Chairperson, SunWay Biotech Co., Ltd. Director, Bora Shen En Foundation				
Independent Director	Republic of China	Lin Jui-I	Male 46-55	June 6, 2023	3 years	April 9, 2015	–	–	–	–	–	–	–	–	MBA, George Washington University President, Shung Ye Trading Co., Ltd.	Chairperson, Tartrii Co., Ltd. Independent Director, Gamania Digital Technology Co., Ltd. Director, Shung Ye Investment Co., Ltd.	–	–	–	–

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							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
																Director, Shung Ye Trading Co., Ltd. Director, Yue Ye Motors Corporation Director, Jin Yi Investment Co., Ltd. Director, Golden Stout Industry Co., Ltd. Representative of Institutional Director, Shung Ye Property Insurance Agency Director, Lien Chen Automotive Co., Ltd. Director, An De Shun Enterprise Co., Ltd. Director, Zhao An Investment Co., Ltd. Director, Bai Yi Feng Capital Co., Ltd. Representative of				

Title	Nationality or Place of Registration	Name	Gender Age	Election (Appointment) Date	Term of Office	Date of First Appointment	Number of Shares Held at Time of Appointment		Current Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in the Company and Other Companies	Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Notes
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
																Institutional Supervisor, Joe's Pizza Taiwan Co., Ltd.				
Independent Director	Republic of China	Lai Ming-Jung	Male 56-65	June 6, 2023	3 years	June 20, 2017	—	—	—	—	—	—	—	—	High-End Finance Class, MBA, National Chengchi University Executive Director, Management and Consulting Department, Ernst & Young Global Limited Executive Director, Audit Department, Ernst & Young Global Limited Independent Director, China Life Insurance Co., Ltd. (now known as KGI Life Insurance Co., Ltd.)	Regular Part-time Lecturer, Taiwan Insurance Institute Independent Director, Tanvex BioPharma Inc.	—	—	—	—
Independ	Republ	Li Yi-Chin	Male	June 6,	3	June 20,	—	—	—	—	23,009	0.02	—	—	PhD, Graduate	Partner, FCC	—	—	—	—

Title	Nationality or Place of Registration	Name	Gender Age	Election (Appointment) Date	Term of Office	Date of First Appointment	Number of Shares Held at Time of Appointment		Current Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in the Company and Other Companies	Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Notes
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dent Director	ic of China		56-65	2023	years	2017									Institute of Resource Planning and Management, Department of Civil Engineering, Stanford University, USA Senior Consultant, McKinsey & Co. Senior Consultant, Booz Allen Hamilton, USA Director and CEO, Giga Media, Singapore	Partners Inc. Independent Director, Allied Industrial Corp., Ltd. Supervisor, Pacific Electric Wire and Cable Co., Ltd. Supervisor, Athena Capital Management Supervisor, Athena Capital				
Independent Director	Republic of China	Lin Hsin-I	Female 36-45	June 6, 2023	3 years	June 6, 2023	—	—	—	—	—	—	—	—	Master of Law, Columbia University, USA	Partner Attorney-at Law, LexPro Attorneys-at Law	—	—	—	—

Note 1: The Chairperson and the President of the Company are the same person. This arrangement is primarily due to the Company's active business expansion involving mergers, acquisitions, and integration of internal and external resources. To facilitate business operations and enable timely and effective communication with the Board of Directors, the Chairperson also serves as the President. This allows for seizing opportunities promptly and facilitating resource coordination, which is both reasonable and necessary. Currently, the Company has eight directors, including four independent directors, and more than half of the directors do not serve as employees or managers, which should comply with corporate governance regulations. In the future, the Company will make appropriate adjustments based on operational conditions and regulatory changes.

Bora Pharmaceuticals officially took over the operational management of Upsher-Smith Laboratories, LLC on April 1, 2024, and the Chairperson of the Company serves as the responsible person for Upsher-Smith and other US companies.

Note 2: Chief Executive Officer of Ta Ya Electric Wire & Cable Co., Ltd., Chairperson of Cuprime Material Co., Ltd., Chairperson of United Electric Industry Co., Ltd., Chairperson of Ta Ya Venture Capital, Chairperson of Ta Ya Innovation Investment Co., Ltd., Director of TA YA (CHINA) HOLDING LTD., Director of TA YA VENTURE HOLDINGS LTD., Chairperson of Heng Ya Electric Ltd., Director of Heng Ya (Kunshan) Electric Ltd., Director of Heng Ya Electric Ltd. (Dongguan), Director of Ta Ya (Zhangzhou) Electric Wire & Cable Co., Ltd., Director of TA YA

(VIETNAM) INVESTMENT HOLDING LTD., Director of TA YA (VIETNAM) Electric Wire & Cable, Supervisor of TA HO ENGINEERING, CO., LTD., Chairperson of CUGREEN METAL TECH. CO., LTD., Director of TA YI PLASTIC (H.K.) LTD., Director of PLASTIC TECHNOLOGY INVESTMENT HOLDING LTD., Chairperson of CUPRIME ELECTRIC WIRE & CABLE (H.K.) CO., LTD., Director of TA YA VIETNAM (Cayman) HOLDINGS LTD., Director of CUPRIME MATERIAL PTE. LTD., Director of CUPRIME VENTURE HOLDING CO., LTD., Director of CUPRIME INVESTMENT HOLDING COMPANY LIMITED, Director of LUCKY MAX CAPITAL INVESTMENT LIMITED, Chairperson of Ta Ya Green Energy Technology Co., Ltd., Chairperson of BOSI SOLAR ENERGY CO., LTD., Chairperson of Touch Solar Power Co., Ltd., Chairperson of BRAVO SOLAR POWER CO., LTD., Chairperson of Sin Jhong Electric Co., Ltd., Chairperson of BO YAO POWER CO., LTD., Chairperson of JHIH-GUANG ENERGY CO., LTD., Chairperson of BO-JIN ENERGY CO., LTD., Chairperson of TA YA ENERGY STORAGE TECHNOLOGY CO., LTD., Chairperson of BO FENG ENERGY STORAGE CO., LTD., Chairperson of BO SHENG ENERGY STORAGE CO., LTD., Chairperson of INFINITY ENERGY STORAGE TECHNOLOGY CO., LTD., Chairperson of Union Storage Energy System LTD., Chairperson of TA YA GENESIS CAPITAL CO., LTD., Chairperson of JIASHAN INVESTMENT HOLDING CO., LTD., Chairperson of JIA HSI INVESTMENT HOLDING CO., LTD., Director of JUNG SHING WIRE CO., LTD., Director of Theia Medical Technology Co., Ltd., Director of Iridium Medical Technology Co., Ltd., Director of BIGBEST SOLUTIONS, INC., Independent Director of Mercuries Data Systems Ltd., Independent Director of Asia Polymer Corporation, Independent Director of Partner Tech. Corp., Director of AcroCyte Therapeutics, Director of DARJIUN VENTURE CORPORATION, Director of T-E Pharma Holding, Director of ABLE MAX CAPITAL INVESTMENT LIMITED, Chairperson of TA YA GEOTHERMAL TECHNOLOGY CO., LTD., Chairperson of Da Shih Energy Co., Ltd., Director of United Aluminum Technology Co., Ltd., Supervisor of Taiwan Consulting Group

Major Shareholders of Corporate Shareholders' Representatives:

March 25, 2025

Institutional Shareholder Name	Major Shareholders of the Institutional Shareholder	Shareholding Percentage %
Ta Ya Venture Capital Co., Ltd.	Ta Ya Electric Wire and Cable Co., Ltd.	96.87%
	CUPRIME MATERIAL PTE. LTD.	3.13%

March 25, 2025

Institutional Shareholder Name	Major Shareholders of the Institutional Shareholder	Shareholding Percentage %
Baolei Co., Ltd.	Sheng Pao-Hsi	95.00%

Major Shareholders of Institutional Shareholders That Are Legal Entities:

March 25, 2025

Legal Entity Name	Major Shareholders of the Legal Entity	
	Shareholders	Shareholding Percentage
Ta Ya Electric Wire and Cable Co., Ltd.	Shen Shang-I	2.40%
	JIA HSI INVESTMENT HOLDING CO., LTD.	1.77%
	Shen Shang-Hwei	1.59%
	Wang Wen-Hua	1.55%
	Shen Shang-Ban	1.29%
	JP Morgan Chase Bank Custodian STAR FTSE Advanced All-Country World Index	1.25%
	JPMorgan Chase Bank Taipei Branch Custodian Vanguard Stock Index Account	1.18%
	JIASHAN INVESTMENT HOLDING CO., LTD.	0.87%
	Shen Shang-Hung	0.84%
	Hung Yao-Kun	0.77%

Legal Entity Name	Major Shareholders of the Legal Entity	
	Shareholder	Shareholding Percentage
CUPRIME MATERIAL PTE. LTD.	Ta Ya Electric Wire and Cable Co., Ltd.	54.01%
	Shen Chia-Jung	3.12%
	Shen Shang-Hwei	3.02%
	Wang Wen-Hua	3.01%
	Shen Shang-I	2.99%
	Shen Shang-Ban	2.15%
	Shen Shang-Hung	1.54%
	Tsai I-Chiu	1.47%
	Representative of Chia Mao Investment Co., Ltd.: Lu Chia Hui	1.34%
	Sheng, Su-Hsiang	1.21%

Professional qualification and independence of the directors and independent directors:

Criteria / Name	Professional qualifications and working experience	Compliance of independence	Number of companies the person concurrently serves as an independent director
Sheng Pao-Shi	For director's professional qualifications and working Experience, please refer to "C. Corporate Governance Report, II. Information regarding Directors, Supervisors, General Manager, Vice Presidents, Division Directors, and Heads of Departments and Subsidiaries (page 14-24)". None of the circumstances in the subparagraph of Article 30 of the Company Act applies. (Note 1)	The directors do not have a spouse or second-degree relative relationship between seats.	3
TA YA Venture Capital Co., Ltd. Representative: Shen Shang-Hung			2
Bao Lei Co., Ltd. Representative: Chen Kuan-Pai			2
Chen Shih-Min			0
Lin Jui-Yi		All independent director complies with the following: 1. Comply with the Article 14-2 of the Security Exchange Act issued by Financial Supervisory Commision and Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies (Note 2) 2. The person (including using others' names), his/her spouse, minor children, does not have more than 1% of the total number of outstanding shares. 3. Did not provide commercial, legal, financial, accounting or related services to the company or any affiliate of the company provider in the past 2 years and receive any interest.	1
Lai Ming-Jung			0
Lee Yi-Chin			1
Lin Hsin-Yi			0

Note 1: (1) Having committed an offence as specified in the Statute for Prevention of Organizational Crimes and subsequently convicted of a crime, and has not started serving the sentence, has not completed serving the sentence, or five years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;

(2) Having committed the offence in terms of fraud, breach of trust or misappropriation and subsequently convicted with imprisonment for a term of more than one year, and has not started serving the sentence, has not completed serving the sentence, or two years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;

(3) Having committed the offense as specified in the Anti-corruption Act and subsequently convicted of a crime, and has not started serving the sentence, has not completed serving the sentence, or two years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;

(4) Having been adjudicated bankrupt or adjudicated of the commencement of liquidation process by a court, and having not been reinstated to his rights and privileges;

(5) Having been dishonored for unlawful use of credit instruments, and the term of such sanction has not expired yet; or

(6) Having no or only limited disposing capacity.

(7) Having been adjudicated of the commencement of assistantship and such assistantship having not been revoked yet.

Note 2: (1) Not a government agency, a juristic person, or a representatives mentioned in Article 27 of the Company Act.

(2) Number of companies the person concurrently serves as an independent director does not exceed 3.

(3) No following condition exist for any director or supervisor two fiscal years before being elected to the office or during the term of office.

(a) Not employed by the Company or any of its affiliates.

(b) Not serving as a director or supervisor of any of the Company's affiliated companies (this restriction does not apply to independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(c) Not a natural-person shareholder whose shareholding, together with those of his/her spouse, minor children, and shares held under others' names, exceed 1% of the total number of outstanding shares of the Company, or ranks the person in the top ten shareholders of the Company.

(d) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the persons in the preceding three subparagraphs.

(e) Not a director, supervisor or employee of a corporate shareholder who directly holds more than 5% of the total number of issued shares of the Company or is ranked top five in terms of the number of shares held or is designated as a Director or Supervisor of the Company pursuant to Paragraph 1 or 2, Article 27 of the Company Act (this restriction does not apply to independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country)

(f) Not a director, supervisor, or employee of a company with a majority of the company's director seats or voting shares and those of any other company are controlled by the same person (this restriction does not apply to independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(g) Not a director, supervisor, or employee of a company or institution with the same chairman, president, or equivalent position, or a spouse thereof (this restriction does not apply to independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(h) Not a director, supervisor, manager, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the company (this restriction does not apply to specific companies or institutions if they hold more than 20% but less than 50% of the outstanding shares of the Company or independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(i) Not a professional individual, or an owner, partner, director, supervisor, or manager 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 Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

The Diversity and Independence of the Board of Director

The Company has 8 directors, including 4 independent directors. The terms of office is 3 year. Board of directors are selected based on their professionalism and diverse background, the selected criteria includes business management, business operation, finance and accounting, industrial knowledge, crisis management and leadership skill. Nomination and election of the members of the Company’s board of directors adopts the candidate nomination system in accordance with the Articles of Incorporation, and is in compliance with the "Procedures for Election of Directors" and "Corporate Governance Best Practice Principles" to ensure the diversity and independence of the members of the board.

(1) Diversification of the Board of Directors

In accordance with the Company’s Corporate Governance Best Practice Principles, each board member has the necessary knowledge, skill, and experience. To achieve the ideal goal of corporate governance, the board of directors possesses the following abilities:

A. The ability to make judgments about operations.
B. Accounting and financial analysis ability.
C. Business management ability.
D. Crisis management ability.
E. Knowledge of the industry.
F. An international market perspective.
G. Leadership ability.
H. Decision-making ability.

In accordance with the spirit of diversity mentioned above, the eight members of the Company’s 11th Board of Directors consist of industry elites and experts from various fields, including four independent directors (50%), whose consecutive terms shall not exceed three terms in principle. One

independent director's term of office is less than 3 years (accounting for 25% of all independent directors), two independent directors' terms of office are 3 to 9 years (accounting for 50% of all independent directors), and one independent director's term of office is more than 9 years (accounting for 25% of all independent directors). Six members of the Board of Directors (75%) do not serve as directors, supervisors, or employees of the Company, its subsidiaries, or affiliated enterprises. The age distribution of directors: one person (13%) aged 35–45 years old, four persons (50%) aged 46–55 years old, two persons (25%) aged 56–65 years old, and one person (13%) aged 65–76 years old. The Company's Board of Directors have strong ability to lead, make operational judgments, manage business operations, conduct mergers and acquisitions, conduct transnational investment, manage crisis, and possess industrial knowledge and international market perspective include Sheng Pao-Shi, Shen Shang-Hung, Chen Kuan-Pai and Lin Jui-Yi, and among them, Director Shen Shang-Hung has professional competence in electrical engineering. Director Lee Yi-Chin used to work in an internationally renowned management consulting company and has professional knowledge in global industries and investment analysis. Director Lai Ming-Jong possesses the qualifications and experience of a certified public accountant, and has years of experience as a lecturer in the insurance industry, and expertise in financial accounting, securities insurance and corporate governance. Director Lin Hsin-yi is qualified to practice law in both the United States and Taiwan. She specializes in legal cases related to patents, trade secrets, corporate labor disputes, and corporate, securities, and M&A matters. Director Chen Shih-Min has served the Company for years, and his professional knowledge in biotechnology and pharmaceutical and international market perspective are greatly beneficial to the Company's business operations.

The Company's Board Member's diversity for implementation and achievement are as follows:

Diversity Core Items / Name/Title/Gender	Age				Industry Experience					Professional Ability					Independent Director Term of Office		
	35–45 years old	46-55 years old	56-65 years old	66-75 years old	Securities Investments	Media Technology	International Trade	Banking Insurance	Asset Management	Accounting Economics	Electrical Engineering	Business Administration	Biotechnology and Medical	Law	3 years	3 to 9 years	More than 9 years
Chairperson Sheng Pao-Hsi (Male)		✓			✓	✓	✓		✓	✓		✓	✓				
Director Shen Shang-Hung (Male)				✓	✓		✓		✓		✓	✓					
Director Chen Shin-Min (Male)		✓											✓				
Director Chen Kuan-Pai (Male)		✓			✓							✓					
Independent Director Lai Ming-Jung (Male)			✓		✓			✓	✓	✓						✓	
Independent Director Li Yi-Chin (Male)			✓		✓	✓					✓	✓				✓	
Independent Director Lin Jui-I (Male)		✓				✓	✓	✓	✓			✓					✓
Independent Director Lin Hsin-I (Female)	✓													✓	✓		
Total percentage (%)	**13**	**50**	**25**	**13**	**75**	**38**	**38**	**38**	**63**	**25**	**25**	**63**	**25**	**13**	**25**	**50**	**25**

Considering the demostic pharmaceutical companies are facing competition from domestic and internationally, the Company plan to rely on directors' international investment management, digital technology and other industry's experience. With the comprehensive discussion, sharing and exchanging ideas among the directors, the Company's operating performance and stockholder's return will increase.

- Goal: Board member who serves as the Company's employee concurrently should be less than 30% of the Board member
- Status of achievement: Two Board member serve as the Company's employee concurrently, around 25% of the Baord member, and does not exceed 30%. Achieved.
- Goal: The composition of Board member should be diversified with different industry experience and professional expertise. To implement the diversification, the overlap of each industry experience and professional experience should not be 100%.
- Status of achievement: The Company's Board of Director consist of eight member, including 4 independent directorsand 4 directros. Directors are coming from different background and with differernt expertise. The industry experience and professional experience are for the Company's operational needs and the overlap does not reach 100%, which meet the Company's Board of Director diversification policy.
- Goal: The Company values the gender equality of the composition of the Board of Directors, and aims to increase the number of female directors to more than one-third of the total number of directors.
- Status of achievement:: One female independent director has been added to the Company's Board of Directors in 2023, increasing female directors to 12.5% of the total number of directors. In the future, the Company will strive to increase female directors in the next board meeting.

(2) Independence of the Board of Directors

The current Board of Directors of the company consists of a total of 8 members, including 4 independent directors (estimated proportion of all board members is 50.00%). The number of independent director seats exceeds one-third, with no spousal or second-degree relative relationships between independent directors or between independent directors and other directors. As of the printing date of the annual report, the independent directors all comply with the regulations of the Financial Supervisory Commission Securities and Futures Bureau regarding independent directors, and there are no circumstances as stipulated in Article 26-3, Paragraphs 3 and 4 of the Securities Exchange Act between directors and independent directors.

Succession plan for Board member and management

1. Board member succession plan

The company's bylaw states the Company's director number is between 7 to 9 directors, and with candidate nomination system. The Company's also establish audit, renumberation and sustainability development committee to provide professional opinion and to assist Board to formulate the best decision. The Company's audit and renumeration committee member are composed by independent directors with different industry background. The Company's sustainability development committee member are composed by Sheng Pao-Shi, Chen Shih-Min and Lee Yi-Chin and Lin Rui Yi. The Company's Board member who concurrently serve as the Company's employee does not exceed one third, which comply with the Company's diversity policy.

For the Company's Board member succession plan, the Company's will arrange managers to report their business to the Board quarterly. Managers not only can understand the Board function but also exchange ideas with Board members to facilitate the growth of managers' decision making, leadership, and internationalization.

The Company's Board member learn continuously every year and attend the training session hosted by the Company to maintain and enhance the professional knowledge. The Company conduct regular internal and external evaluation and review in accordance to the Company's "Board Performance

Evaluation Procedure". The above information is used as the reference when distributing director's renumeration and nominating the Board member.

To cultivate and foster the growth of Board talent, the Company will arrange rotate managers to subsidiary to become board, supervisor, or managers, to understand the Board function and each unit's business. With different view point and increase in work scale, manager's leadship skill and industry knowledge will enhance and gradually become the Company's talent pool.

2. Manager succession plan

The Company's managers are hired in accordance to local regulation. Performance review and promotion are conduct regularly in accordance to internal procedure. The above procedures are reviewed and approved by the renumeration committee and the Board to ensure the suitability of managers.

For talent development, the Company arrange manager's strategic workshop to discuss future strategic planning, topic include strategic thinking and planning, strategic map, change management, talent development, leadership, etc. In 2022, the Company introduce international evaluation tool. With the quantitative analysis and qualitative interview, the individual's evaluation on overall leadersip analysis report is complete to analyze the success factor, profession, and key behavior system.

For individuals, individual evaluation result and individual development plan is established jointly with supervisor. The Company also provide work expansion to train manager's vision and as multinational talent. Promotion is evaluated based on individual performance, potential, and organizational structure to set up the succession plan for the Company's managers.

(II) Information on President, Executive Vice Presidents, Senior Managers, Department and Branch Managers

March 25, 2025; Unit: shares; %

Title	Nationality	Name	Gender	Election (Appointment) Date	Number of Shares Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in Other Companies	Spouses or Relatives within the Second Degree of Kinship			Notes
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
President	Republic of China	Sheng Pao-Hsi	Male	October 21, 2020	5,063,792	4.88	—	—	21,322,741	20.56	Bachelor of Economics, University of California, Berkeley President, Ho An Pharmaceuticals Ltd.	Chairperson of the Company Chairperson, Union Chemical & Pharmaceutical Co., Ltd. Director, Well Pool Co., Ltd. Chairperson, Baolei Co., Ltd. Chairperson, Rui Bao Xin Investment Co. Ltd. Independent Director, Gamania Digital Technology Co., Ltd. Chairperson, Bora Health Inc. Chairperson, Bora Pharmaceutical Laboratories Inc. Chairperson, Po En International Co., Ltd. Chairperson, Chia Hsi International Co., Ltd. Independent Director, Advanced Power Electronics Corp., Ltd Representative of Institutional Director, BIONET Therapeutics Corp. Director, Jesper Co., Ltd. Chairperson, Bora Management Consulting Co., Ltd. Chairperson, Jin Tei Pharmaceuticals, Inc.	—	—	—	Note 1

Title	Nationality	Name	Gender	Election (Appointment) Date	Number of Shares Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in Other Companies	Spouses or Relatives within the Second Degree of Kinship			Notes
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
												Chairperson, TWi Pharmaceuticals, Inc. Chairperson, Bora Pharmaceutical and Consumer Health Inc. Chairperson, SunWay Biotech Co., Ltd. Tanvex BioPharma Inc. Person in Charge, Bora Pharmaceuticals USA Inc. Person in Charge, Bora Pharmaceutical Services Inc. Person in Charge, TWi Pharmaceuticals USA, Inc. Person in Charge, Bora Pharmaceutical Holdings, Inc. Person in Charge, UpShih Laboratories, LLC Person in Charge, Bora Pharmaceuticals, Inc. Person in Charge, Bora Pharmaceuticals Inc. Person in Charge, UpSheng Holdings Inc. Person in Charge, UpSheng America LLC Person in Charge, Pyros Pharmaceuticals Inc.				

Title	Nationality	Name	Gender	Election (Appointment) Date	Number of Shares Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in Other Companies	Spouses or Relatives within the Second Degree of Kinship			Notes
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
Vice President	Republic of China	Chen Shin-Min	Male	April 1, 2013	1,084,716	1.05	—	—	—	—	Ph.D., Department of Pharmacy, Taipei Medical University Manager, Business Development Department, Ho An Pharmaceuticals Ltd. Deputy Manager, Technology Department, United Biomedical, Inc. Section Manager, R&D Department, Jin Tei Pharmaceuticals, Inc. Researcher, Medical and Pharmaceutical Industry Technology and Development Center	Director of the Company Representative of Institutional Director, Bora Pharmaceutical Laboratories Inc. Vice Chairperson, Bora Health Inc. Supervisor, Jin Tei Pharmaceuticals, Inc. Supervisor, TWi Pharmaceutical Vice Chairperson, SunWay Biotech Co., Ltd. Director, Bora Shen En Foundation	—	—	—	—
Senior Vice President	Republic of China	Chang Chen-Tang	Male	August 5, 2019	100,905	0.10	—	—	—	—	Department of Industrial Engineering, Chung Yuan Christian University President, Bora Pharmaceutical Laboratories Inc.	Representative of Institutional Director and President, Bora Pharmaceutical Laboratories Inc. President Representative of Institutional Director, TWi Pharmaceuticals, Inc. Director and President, Jin Tei	—	—	—	—

Title	Nationality	Name	Gender	Election (Appointment) Date	Number of Shares Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in Other Companies	Spouses or Relatives within the Second Degree of Kinship			Notes
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
Vice President	Republic of China	Chang Hsiu-Jung	Female	June 1, 2023	16,187	0.02	—	—	—	—	Department of Pharmacy, Taipei Medical University Bora Pharmaceuticals, Inc. Vice President, Quality Department Bora Pharmaceutical Laboratories Inc. Supervising Pharmacist and Quality Senior Manager Quality Assurance Manager, Johnson & Johnson Corporation	—	—	—	—	—
Vice President, Finance, Accounting, and Management Department	Republic of China	Wang Chin-Chu	Female	May 1, 2013	186,596	0.18	—	—	—	—	EMBA, AALTO University Department of Accounting, Feng Chia University Senior Manager of Finance, Thecus Technology Corp. Deputy Manager of Finance, ABIT Computer Corporation Accounting Manager, ALi Corporation Senior Accountant, Deloitte & Touche Internal Auditor	Representative of Institutional Supervisor, Bora Pharmaceutical Laboratories Inc. President Representative of Institutional Director, Bora Health Inc. Representative of Institutional Director, TWi Pharmaceuticals, Inc. Director, Bora Shen En Foundation	—	—	—	—

Title	Nationality	Name	Gender	Election (Appointment) Date	Number of Shares Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in Other Companies	Spouses or Relatives within the Second Degree of Kinship			Notes
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
Vice President, Information Management Department, The Group	Republic of China	Chen Chia-Chu	Male	November 14, 2022	3,168	0.00	—	—	—	—	Master, Tippie Business School, University of Iowa, USA Senior Manager, Digital Construction Department, TOP VICTORY ELECTRONICS (TAIWAN) CO., LTD. Head of IT, ASML Asia Pacific IT Manager, Taiwan Branch, Broadcom Asia Pacific	Representative of Institutional Director, TWi Pharmaceuticals, Inc.	—	—	—	—
President of important subsidiary	Republic of China	Liu Nien-Hua	Male	November 13, 2024	12,500	0.01	—	—	—	—	MBA, University of Washington Manager, JPMorgan Asset Management Taiwan Supervisor, Twi Biotechology, Inc. Chairperson, Jin Tei Pharmaceuticals, Inc.	Director and President, TWi Pharmaceuticals, Inc.	—	—	—	—
Senior Manager, Information Management Departmen	Republic of China	Li Chih-Chieh	Male	June 25, 2018	87,950	0.08	—	—	—	—	MBA, University of Southampton, UK Director, Information Department, Synmosa Corp. Project Manager, Collective Elite Manager, Information	—	—	—	—	—

Title	Nationality	Name	Gender	Election (Appointment) Date	Number of Shares Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in Other Companies	Spouses or Relatives within the Second Degree of Kinship			Notes
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
t											Department, Amkor System Analyst, ASE Production Planner, TDK					
Senior Manager, Human Resource Department	Republic of China	Chen Chia-Ling	Female	April 1, 2022	17,394	0.02	—	—	—	—	Master of Psychology Consulting, Xavier University, USA Senior Manager, Human Resource and Administration Department, Hitron Techonologies Inc. Senior Director, Human Resource Department, MOTECH Industries Inc. Senior Manager of Organization Development, Eaton Asia Pacific	—	—	—	—	—
Vice Senior Manager of Finance, Accounting and Management	Republic of China	Chen Hsiao-Ting	Female	March 9, 2022	3,000	0.00	—	—	—	—	Master's, Pace University, USA Deputy Project Manager, Finance Department, Poindus Systems Corp. Deputy Manager, KPMG CPA, New York State, USA Passed the Level II examination of the Chartered Financial Analyst	—	—	—	—	—

Note 1: The Company's Chairman is also the General Manager in order to actively expanding business and executing merger and acquisition to integrate internal and external resource. The main reason being the Company is in its early stage of development and is actively negotiating acquisitions and mergers matters, hence in order to facilitate business operations and prompt and effective communication with the board of directors, the Chairman serving as the General Manager will facilitate the Company in seizing opportunities and conducting projects. Therefore, there is reasonableness and necessity in doing so. Also, the Company has 8 directors on the board and 4 independent directors at present, and more than half directors are not employees or managerial personnel concurrently, which is in compliance with the regulations of corporate governance. In the future, the Company will also make appropriate adjustments based on the business operations and changes in the laws and regulations.

The Company officially acquired the operation of Upsher-Smith Laboratories on April 1, 2024, and the Company's chairman serves as the director of the US subsidiary.

II. Remuneration paid during the most recent fiscal year to Directors, Independent Directors, the General Manager, and Vice President

(I) Remuneration paid to Directors, Independent Directors, the General Manager, and Vice President

1. Remuneration paid to Directors and Independent Directors

2023; Unit: NTD thousands; %

Title	Name	Directors' Remuneration								Total of items A, B, C and D and percentage of net income after tax		Remuneration received by concurrent employees								Total of items A, B, C, D, E, F and G and percentage of net income after tax %		Remuneration received from investee companies other than subsidiaries or the parent company
		Remuneration (A)		Severance Pay (B)		Directors' Remuneration (C)		Business Execution Expenses (D)				Salary, Bonuses and Special Allowances (E)		Severance Pay (F)		Employees' Remuneration (G)						
																The Company		All companies included in the financial statements				
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	Cash Amount	Stock Amount	Cash Amount	Stock Amount	The Company	All companies included in the financial statements	
Chairperson	Sheng Pao-Hsi	—	—	—	—	40,289	40,289	240	282	40,529 1.03	40,571 1.03	22,380	22,380	108	108	24,369	—	35,289	—	87,386 2.22	98,348 2.50	None
Directors	Baolei Co., Ltd.																					
Representative of Institutional Director	Chen Kuan-Pai																					
Directors	Ta Ya Venture Capital Co., Ltd.																					

Title	Name	Directors' Remuneration								Total of items A, B, C and D and percentage of net income after tax		Remuneration received by concurrent employees								Total of items A, B, C, D, E, F and G and percentage of net income after tax %		Remuneration received from investee companies other than subsidiaries or the parent company
		Remuneration (A)		Severance Pay (B)		Directors' Remuneration (C)		Business Execution Expenses (D)				Salary, Bonuses and Special Allowances (E)		Severance Pay (F)		Employees' Remuneration (G)						
																The Company		All companies included in the financial statements				
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	Cash Amount	Stock Amount	Cash Amount	Stock Amount	The Company	All companies included in the financial statements	
Representative of Institutional Director	Shen Shang-Hung																					
Directors	Chen Shin-Min																					
Independent Director	Lin Jui-I	3,840	3,840	—	—	—	—	260	260	4,100 0.10	4,100 0.10	—	—	—	—	—	—	—	—	4,100 0.10	4,100 0.10	None
	Li Yi-Chin																					
	Lai Ming-Jung																					
	Lin Hsin-I																					

1. Please describe the remuneration policy, system, standards, and structure for independent directors, and explain the correlation between their responsibilities, risks, time commitment, and the amount of remuneration paid: The Company's remuneration policy, system, standards, and structure for independent directors are established with reference to industry standards and are based on their responsibilities, risks, and time commitment. The Company reviews these annually in light of its operational status and industry standards, and submits the review results to the responsible unit for evaluation. If adjustments are needed, the results will be presented to the Board of Directors for resolution to safeguard the rights and interests of independent directors.
2. The remuneration of the Company's directors for all companies in the financial reports for providing services (such as serving as non-employee consultants)

Title	Name	Directors' Remuneration								Total of items A, B, C and D and percentage of net income after tax		Remuneration received by concurrent employees								Total of items A, B, C, D, E, F and G and percentage of net income after tax %		Remuneration received from investee companies other than subsidiaries or the parent company
		Remuneration (A)		Severance Pay (B)		Directors' Remuneration (C)		Business Execution Expenses (D)				Salary, Bonuses and Special Allowances (E)		Severance Pay (F)		Employees' Remuneration (G)						
																The Company		All companies included in the financial statements				
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	Cash Amount	Stock Amount	Cash Amount	Stock Amount	The Company	All companies included in the financial statements	
in the most recent fiscal year: None.																						

Remuneration Range Table

Range of Remuneration Paid to Each Director of the Company	Director's Name			
	Total of First Four Items of Remuneration (A+B+C+D)		Total of First Seven Items of Remuneration (A+B+C+D+E+F+G)	
	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements
Less than NT$1,000,000	Chen Kuan-Pai, Representative of Baolei Co., Ltd., Shen Shang-Hung, Representative of Ta Ya Venture Capital Co., Ltd.	Chen Kuan-Pai, Representative of Baolei Co., Ltd., Shen Shang-Hung, Representative of Ta Ya Venture Capital Co., Ltd.	Chen Kuan-Pai, Representative of Baolei Co., Ltd., Shen Shang-Hung, Representative of Ta Ya Venture Capital Co., Ltd.	Chen Kuan-Pai, Representative of Baolei Co., Ltd., Shen Shang-Hung, Representative of Ta Ya Venture Capital Co., Ltd.
NT$1,000,000 (inclusive) – NT$2,000,000 (exclusive)	Lin Jui-I, Li Yi-Chin, Lai Ming-Jung, Lin Hsin-I	Lin Jui-I, Li Yi-Chin, Lai Ming-Jung, Lin Hsin-I	Lin Jui-I, Li Yi-Chin, Lai Ming-Jung, Lin Hsin-I	Lin Jui-I, Li Yi-Chin, Lai Ming-Jung, Lin Hsin-I
NT$2,000,000 (inclusive) – NT$3,500,000 (exclusive)	—	—	—	—
NT$3,5000,000 (inclusive) – NT$5,000,000 (exclusive)	—	—	—	—
NT$5,000,000 (inclusive) – NT$10,000,000 (exclusive)	Chen Shin-Min, Baolei Co., Ltd., Ta Ya Venture Capital Co., Ltd.	Chen Shin-Min, Baolei Co., Ltd., Ta Ya Venture Capital Co., Ltd.	Baolei Co., Ltd., Ta Ya Venture Capital Co., Ltd.	Baolei Co., Ltd., Ta Ya Venture Capital Co., Ltd.
NT$10,000,000 (inclusive) – NT$15,000,000 (exclusive)	—	—	Chen Shin-Min	Chen Shin-Min
NT$15,000,000 (inclusive) – NT$30,000,000 (exclusive)	Sheng Pao-Hsi	Sheng Pao-Hsi	—	—
NT$30,000,000 (inclusive) – NT$50,000,000 (exclusive)	—	—	—	—
NT$50,000,000 (inclusive) – NT$100,000,000 (exclusive)	—	—	Sheng Pao-Hsi	Sheng Pao-Hsi
More than NT$100,000,000	—	—	—	—
Total	10 people	10 people	10 people	10 people

2. Supervisors' Remuneration: Not applicable as the Company has established an Audit Committee which is formed by all independent directors.

3. General Manager and Vice President Remunerations

4. 2024; Unit: NTD thousands; %

Title	Name	Salary (A)		Severance pay and pension (B)		Bonuses and allowances, etc. (C)		Employee remuneration (D)				Total remuneration (A+B+C+D) and as a percentage of net income after tax		Remuneration received from investees other than subsidiaries or the parent company
								The Company		All companies in the financial report				
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	Cash Amount	Stocks Amount	Cash Amount	Stocks Amount	The Company	All companies in the financial report	
General Manager	Sheng Pao-Shi	27,792	27,942	540	540	23,639	23,639	33,382	—	47,488	—	85,353 2.17	99,609 2.53	None
Vice President	Chen Shih-Min													
Vice President	Alice Wang													
Vice President	Frank Chen													
Senior Vice President	Tom Chang													
Vice President of Quality Operations	Hsiu-Jung Chang													

Range of remuneration chart

Range of remuneration paid to each President and Vice President of the Company	Names of the President and Vice Presidents	
	The Company	All companies included in the financial
Less than NT$1,000,000	—	—
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	—	—
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	—	—
NT$3,5000,000 (inclusive) - NT$5,000,000 (exclusive)	Chen Shin-Min	—
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	Wang Chin-Chu, Chen Chia-Chu, Chang	Chen Shin-Min, Chen Chia-Chu, Chang
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	Chang Chen-Tang	Wang Chin-Chu
NT$15,000,000 (inclusive) - NT$30,000,000 (exclusive)	—	Chang Chen-Tang
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	Sheng Pao-Hsi	—
NT$50,000,000 (inclusive) - NT$100,000,000 (exclusive)	—	Sheng Pao-Hsi
More than NT$100,000,000	—	—
Total	6 people	6 people

(II) Names of managerial personnel provided with employee's compensation and state of distribution:

2024; Unit: NTD thousands; %

Title	Name	Stock Amount	Cash Amount	Total	Total as percentage of net income after tax
President	Sheng Pao-Hsi	—	37,705	37,705	0.96%
Vice President	Chen Shin-Min				
Vice President	Wang Chin-Chu				
Vice President	Chen Chia-Chu				
Senior Vice President	Chang Chen-Tang				
Vice President	Chang Hsiu-Jung				
President of important subsidiary	Liu Nien-Hua				
Senior Manager	Li Chih-Chieh				
Senior Manager	Chen Chia-Ling				
Head of Accounting	Chen Hsiao-Ting				

(III) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by the Company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, general managers, and vice presidents, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

1. Analysis of total remuneration paid to directors, supervisors, general managers, and vice presidents over the past two years by the Company and all companies listed in the consolidated report as a percentage of net profit after tax of parent or individual financial report

Unit: NTD thousands; %

Year / Item	2023		2024	
	The Company	Consolidated Report	The Company	Consolidated Report
Total directors' remuneration	30,644	30,644	40,289	40,289
Directors' remuneration as a percentage of net income after tax	1.01%	1.01%	1.02%	1.02%
Total supervisors' remuneration	—	—	—	—
Supervisors' remuneration as a percentage of net income after tax	—	—	—	—
Total General Manager and Vice Presidents remuneration	67,745	89,260	85,353	99,609
General Manager and Vice Presidents remuneration as a percentage of net income after tax	2.24%	2.95%	2.17%	2.53%
Income after tax	3,030,142	3,030,142	3,939,009	3,939,009

The total remuneration of the Company's directors in 2024 increased compared to 2023, due to the rise in net income after tax in 2024. The proportion of total directors' remuneration to net income after tax in 2024, compared to 2023, shows no significant difference. The total remuneration of the President and Vice Presidents in 2024 increased compared to 2023 due to the rise in net income after tax in 2024. However, the proportion of the President and Vice Presidents' remuneration to net income after tax in 2024 decreased compared to 2023.

Remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

(1) Remuneration policies, standards, and packages:

The Company's directors remuneration is paid in accordance to the Company's Article 16 of the Articles of Incorporation, and taking into consideration the individual's participation in the operation of the Company, the value of contribution, and normal industry standard. According to the Company's Article 20 of the Article of Incorporation, it shall set aside no higher than 5% of the profit as directors' remuneration and no lower than 1% as employee renumeration.

The Company's Renumeration Committee establishs and reviews the Board member and managers' performance, renumeration policy, system, standard and structure in accordance to Article 2 of the "Renumeration Policy Organizational Structure". Board member and managers' renumeration are reviewed periodically based on the future development of the Company, industry standard and individual performance, Company's operation performance, and reasonableness of future risk. To prevent Board member and managers pursue renumeration and take excessive risk, the Company will consider industry characteristic and the Company's operation to adjust the short term performance bonus and payment time for flexible renumeration.

The Company has establishs "Board Member Renumeration Distribution Policy" and "Manager's Renumberation Distribution Policy" for the Company's Board member and managers. The above procedures have been reviewed by the audit committee and submit to Board of Director for approval. The composition of renumeration for the Company's Board member and managers are as follows"

A. Board renumeration: All Board member who participate the Company's daily operation and independent director will receive salary, bonus and severance payment. Board renumeration including renumeration, traveling allowance, and surplus distribution. Travelling allowance is not related to operating performance, it is the traveling expense for Board member attending the Board meeting.

B. Manager renumberation: The remuneration is determined by the Company's future development, human resource market, homogeneity of industrial category and the Company's salary and benefit policy, including fixed salary, floating salary,and remuneration highly linked to the operating performance (revenue/profit) and core value, and the rewards (such as employee stock option certificate, treasury stock and new restricted employee shares)and benefits.

The Remuneration Committee of the Company proposes to amend the remuneration system of senior managers from time to time as required by its duties. In response to the ESG development trend, in order to strengthen the commitment of

senior managers to the sustainable development of the Company, ensure the implementation of various sustainable measures, the Remuneration Committee reviewed and approved the connection of ESG achievement performance and senior managers (compliance with the Deputy General Manager and above senior executives disclosed in the annual report) in November 2024. The annual KPI of the remuneration system of senior managers will include financial strategy indicators (90%) and ESG performance indicators (10%). The annual KPI achievement status is used to calculate the variable remuneration (bonus) for the year. The remuneration indicators for senior managers are as follows:

Remuneration to senior managers	Item
Financial strategy performance goals (90%)	1. Annual revenue target 2. Annual profit target (EPS)
ESG performance target (10%)	1. Improvement of corporate governance evaluation results (better than the score in 2023 or better than the score in 2022) 2. The third-party reporting platform (Conduct Watch) was completed in 2024. 3. The 2024 carbon reduction target and carbon reduction path were completed.

(2)Linkage to operating performance and future risk exposure:

The Company's remuneration policy for directors and managers stipulates that, apart from the independent director remuneration, director transportation allowance, and managers' fixed monthly salary, which are fixed in nature, the distribution of directors' remuneration follows the "Regulations for Directors' Remuneration and Compensation Distribution." This allocation is based on each director's level of participation and value contribution to the Company's operations, with different weightings assigned according to their roles and responsibilities (for example: serving as a joint guarantor for the Company's financing). The remuneration distribution results are reviewed by the Remuneration Committee before being submitted to the Board of Directors for resolution and reported to the General Meeting of Shareholders. For managers' variable remuneration components such as performance bonuses, employee bonuses, and project bonuses, the Company considers its annual profit, managers' annual target achievement, and performance evaluations to calculate their contributions. These are submitted to the Remuneration Committee which, in accordance with Article 2 of the "Remuneration Committee Committee," reviews the remuneration distribution with consideration of operating performance and avoidance of pursuing short-term performance that exceeds the Company's risk appetite. The Company's profit in 2024 increased by 29.99% compared to 2023, demonstrating a high correlation between operating performance and the remuneration received by

directors and managers.

III. The State of Implementation of Corporate Governance

(I) The state of operations of the board of directors

In 2024 and 2025 as of the printing date of the annual report, the Board of Directors has convened 14 meetings [A], with the following directors' attendance:

Title	Name	Actual Attendance (Number) [B]	Number of Attendance by Proxy	Actual Attendance Rate (%) [B/A]	Notes
Chairperson	Sheng Pao-Hsi	13	1	92.86%	None
Directors	Baolei Co., Ltd. Representative: Chen Kuan-Pai	13	1	92.86%	None
Directors	Ta Ya Venture Capital Co., Ltd. Representative: Shen Shang-Hung	5	9	35.71%	None
Directors	Chen Shin-Min	14	—	100%	None
Independent Director	Lin Jui-I	12	2	85.71%	None
Independent Director	Li Yi-Chin	14	—	100%	None
Independent Director	Lai Ming-Jung	13	1	92.86%	None
Independent Director	Lin Hsin-I	14	—	100%	None

Other matters that should be recorded:

I. The date of the board meeting, the term, contents of the proposals, opinions of all independent directors, and the Company's handling of opinions of independent directors shall be recorded under the following circumstances in the operations of the board of directors meeting:

(I) Items specified in Article 14-3 of the Securities and Exchange Act: Article 14-3 of the Securities and Exchange Act is not applicable as the Company has set up an Audit Committee, and the relevant information can be found in the State of operations of the Audit Committee in the Annual Report.

(II) Other board resolutions apart from the aforementioned matters with respect to objections or qualified opinions expressed by independent directors on record or in writing: None.

II. For recusal of directors due to conflict of interests, the name of the directors, the content of the proposals, reasons for recusal, and participation in voting shall be stated:

Proposal Content	Director's Name	Reason for Recusal	Participation in Voting
The proposal for the distribution of the 2023 directors' remuneration	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min, Chen Kuan-Pai	Related to the director's personal interest	No

The proposal for the distribution of the 2023 employee remuneration to managers	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min	Directors who serve as managers	No
The proposal for the distribution of the 2023 employee remuneration from the subsidiary TWi Pharmaceutical to the Company’s managers	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min	Directors who serve as managers	No
The Company’s 2024 annual managers’ promotion and salary adjustment proposal	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min	Directors who serve as managers	No
The Company proposes conducting a share exchange with its subsidiary, Bora Biologics Co., Ltd., using the issuance of new shares as consideration.	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min, Shen Shang-Hung	Related to the director's personal interest	No
Proposal for cash capital increase and issuance of new shares by subsidiary Bora Biologics Co., Ltd. (hereinafter referred to as “Bora Biologics”) to managers	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min	Related to the director's personal interest	No
The Company proposes to enter into a merger case with Tanvex BioPharma Inc. with the value of its shareholding in the subsidiary Bora Biologics as consideration.	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min	Related to the director's personal interest	No
The Company’s managers participate in the employee stock ownership trust scheme.	Individual directors recused themselves from relevant proposals: Chen Shin-Min	Directors who serve as managers	No
Details of the Company’s managers’ project bonuses.	Individual directors recused themselves from relevant proposals: Chen Shin-Min	Directors who serve as managers	No
The case of the Company’s managers’ year-end performance bonuses for 2024.	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min	Directors who serve as managers	No
Proposal for releasing directors from non-competition restrictions	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi	Related to the director's personal interest	No
The proposal for the distribution of the 2024 directors’ remuneration	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min, Chen Kuan-Pai	Related to the director's personal interest	No
The proposal for the distribution of the 2024 manager performance results and employee remuneration	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min	Directors who serve as managers	No
The proposal for the distribution of the 2024 employee remuneration from the subsidiary TWi	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min	Directors who serve as managers	No

Pharmaceuticals, Inc. to the Company's managers			
The Company's 2025 annual managers' salary adjustment proposal	Individual directors recused themselves from relevant proposals: Sheng Pao-Hsi, Chen Shin-Min	Directors who serve as managers	No

III. (I) The Company's board of director approved the resolution to amend the "Regulations Governing Board Performance Evaluation" on 2019.11.13. The Company should conduct evaluation of the board of directors on a yearly basis, and submitted the evaluation results to the board of directors. The board of director should be evaluated externally every 3 years.

(II) Information regarding the performance evaluation and results of the Board of Directors for 2024 is as follows:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Once a year	January 1, 2024 to December 31, 2024	Board of Directors, Individual Board Members, Audit Committee, Remuneration Committee, and Sustainability Committee	Board of Directors and Directors' Self-Evaluation	(I) The performance evaluation of the Board of Directors encompasses the following aspects: 1. Level of participation in the Company's operations. 2. Quality of the Board of Directors' decision-making. 3. Composition and structure of the Board of Directors. 4. Election of directors and continuing education. 5. Internal control. 6. Participation in sustainable operations (ESG), etc. (II) Performance evaluation of individual board members encompasses the following aspects: 1. Understanding of the Company's goals and missions. 2. Awareness of directors' responsibilities. 3. Level of participation in the Company's operations. 4. Management of internal relationships and communication. 5. Directors' expertise and continuing education. 6. Internal control, etc. (III) The performance evaluation of the Audit Committee encompasses the following aspects: 1. Level of participation in the Company's operations. 2. Awareness of functional committee responsibilities. 3. Quality of functional committee decision-making. 4. Functional committee

				composition and member selection. 5. Internal control, etc. (IV) The performance evaluation of the Remuneration Committee encompasses the following aspects: 1. Level of participation in the Company's operations. 2. Awareness of functional committee responsibilities. 3. Quality of functional committee decision-making. 4. Functional committee composition and member selection. 5. Internal control, etc. (V) The performance evaluation of the Sustainability Committee encompasses the following aspects: 1. Level of participation in the Company's operations. 2. Awareness of Sustainability Committee responsibilities. 3. Increase in Quality of Sustainability Committee decision-making. 4. Sustainability Committee composition and member selection.

The Company's 2024 Board of Directors' performance self-evaluation results were submitted to the Board of Directors on March 5, 2025, as a basis for review and improvement. The Board of Directors' performance self-evaluation overall average score for 2024 was 4.95 (out of 5), an improvement from 2023 (4.93), indicating excellent overall operations. The Audit Committee's 2024 self-evaluation overall average score was 4.95 (out of 5), comparable to 2023 (4.93), demonstrating sound overall operations. The self-evaluation results for individual directors and the Remuneration Committee operations for both 2024 and 2023 showed 100% satisfaction with all measurement items. The Sustainability Remuneration Committee's 2024 self-evaluation overall average score was 4.32 (out of 5), a decrease from 2023 (5 points). In the future, we will continue to communicate with committee members regarding the Company's sustainability policies and planning, and establish sustainability internal control systems and performance evaluations to enhance the committee's operational effectiveness.

(III) 2022 external evaluation and result for the Company's board and functional committee (audit committee and renumeration committee) are as follows:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Contents
Ever three year	2022/01/01 to 2022/12/31	Board, audit committee and renumeration committee	Appoint external organization (TIRI) and the organization assign three individual for the evaluation	(I) Board of director evaluation includes the following aspect: 1. Board composition and professional development. 2. Board decision quality. 3. Board operating effectiveness. 4. Internal control and risk management. 5. Board participation on corporate social responsibility.

				(II) Audit committee evaluation includes the following aspect: 1. Participation on the Company's operation. 2. Awareness on the functional committee responsibility. 3. Increase the decision quality for the functional committee. 4. Composition of the functional committee and member's selection. 5. Internal control. (III) Renumeration committee evaluation includes the following aspect: 1. Participation on the Company's operation. 2. Awareness on the functional committee responsibility. 3. Increase the decision quality for the functional committee. 4. Composition of the functional committee and member's selection. 5. Internal control.

1. On May 2022, the Company appoints Taiwan Investor Relations Institute (TIRI) to perform 2022 external board evaluation (period: 2022.01.01 – 2022.12.31). TIRI assigns three expert who is not related to the Company and issue independent letter to the Company. TIRI evaluates the operating effectiveness of the Company's board and functional committee (audit committee and renumeration committee) through questionnaires and on site visits.
2. TIRI issues the Company's board evaluation report on 2023.01.17. The Company has submits the recommendation item and actions plan to take to the Board. Evaluation item, recommendation item and item to take are summarized below:

(1) Summary of TIRI report

The evaluated company's board of director has extensive professional experience and meets the operational needs of the evaluated company. Number of independent directors exceed one third of the board, and all independent directors' term do not exceed three term. The board execute recusal in accordance to the local regulation. Th board structure is sound and the independent directors' attendance rate exceed 85%. The communication between the internal audit manager and certified public accountant are disclosed on the evaluated Company's website. The interim financial report is reviewed by the audit committee and subit to the board for discussion. For sustainability development, the evaluated company complete the green house gas disclosure and verification on 2021 and obtain the assurance report from the third party organization. The evaluated company also issues sustainability report on 2021 and obtain the assurance report from the certified public accountant. This shows the evaluated company values about information technology and social responsibility to implement sustainable plan

(2) TIRI recommendation item and implementation to take

Item	TIRI Recommendation Item	Implementation to Take
1	Recommend the Company to add one female director or independent director to enhance the board member diversity	The Company will take into consideration on the nomination for next term's director and independent director
2	Recommend the Company to addone independent director to enhance the corporate governance function	The Company will amend and adjust in accordance to the operation and local regulation.
3	Recommend the Company to	The Company will consider the

	establish "Risk Management Policy and Procedure" and submit it to the board for approval to manage the risk	recommendation, evaluated based on the actual operation, and submit to the board in accordance to the procedure.
4	Recommend the Company to establish the succession plan for the board member and manager	The Company has establish the relevant procedure in accordance to the recommendation.
5	Recommend the Company to use Audit Quality Indicator to evaluate the external accountant's independence and competency, and the audit quality for the accounting firm and its engagement team	The Company will use Audit Quality Indicator to evaluate the external accountant's independence and competency

IV. Goals for enhancing the functions of the board of directors for the current and most recent fiscal period as well as assessments of the actions implemented: The Company has 8 directors, including 4 independent directors. The election and re-election of directors take into consideration the diversity and expertise of the board members, and regular evaluations are conducted in accordance with the Regulations Governing Board Performance Evaluation to improve the operation efficiency of the board. For details, please refer to "The State of Implementation of Corporate Governance" of the Annual Report. To improve corporate governance, the Company has also set up an Audit Committee and Compensation Committee. In accordance with the Securities and Exchange Act, the Company set up an Audit Committee in 2017, which is composed of the entire number of independent directors, to assist the board of directors in fulfilling its duties in supervising the Company in implementing the procedures for accounting, audit and financial reporting, and ensuring the quality and loyalty in financial control, so as to improve the operation efficiency of the board. In accordance with Article 6 of the Company's Audit Committee Charter, the main powers of the Audit Committee are:

(I) The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
(II) Evaluate the effectiveness of the internal control system.
(III) Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
(IV) Matters in which a director is an interested party.
(V) Asset transactions or derivatives trading of a material nature.
(VI) Loans of funds, endorsements, or provision of guarantees of a material nature.
(VII) The offering, issuance, or private placement of equity-type securities.
(VIII) The hiring or dismissal of a certified public accountant, or their compensation.
(IX) The appointment or discharge of a financial, accounting, or internal audit officer.
(X) Annual and Quarter Financial Report signed and sealed by the Chairman, managerial personnel and chief accountant, and Q2 Financial Report to be audited by the certified public accountant.
(XI) Proposals on Business Operation Report and Earnings Distribution or Deficit Compensation.
(XII) Other material matters as may be required by the Company or by the competent authority.

In addition to the above, the Audit Committee will conduct evaluation of the independence and performance of the certified public accounts once every year. Starting in 2023, the Company used Audit Quality Indicator to evaluate the external accountant's independence and competency with article 29 of the "Corporate Governance Best Practice Principle". The evaluation result will review bu the audit committee and submit to the Board for approval. The audit committee will communicate the Company's important issues with the accountant and chief auditor at least once per quarter, and disclose the mode of communication, issues and results in the Company's website.

For details of the establishment and operation of the Compensation Committee, please refer to "(IV) If the Company has a compensation committee in place, the composition, responsibilities and operation of the compensation committee shall be disclosed" under "The State of Implementation of Corporate Governance" of the of the Annual Report.

(II) Audit Committee Operations

Audit Committee Operations: During 2024 and as of the printing date of the annual report in 2025, the Audit Committee held a total of 16 meetings (A), with committee member attendance as follows:

Title	Name	Actual Attendance Number of Times (B)	Number of Attendance by Proxy	Actual Attendance Rate (%) (B/A)	Notes
Independent Director	Lai Ming-Jung	15	1	93.75%	None
Independent Director	Lin Jui-I	14	2	87.50%	None
Independent Director	Li Yi-Chin	16	—	100%	None
Independent Director	Lin Hsin-I	16	—	100%	None

Other Matters to be Recorded:

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

Meeting Date	Matters Listed in Article 14-5 of the Securities and Exchange Act	Resolution Results	Audit Committee's Opinions or Objections/Reservations	The Company's Handling Operations
January 16, 2024 2024 (3rd Term) 10th Meeting Audit Committee	Proposal 1: Proposal to approve the acquisition of 100% equity interest in Upsher-Smith Laboratories, LLC. and two other companies through the 100% indirectly owned US subsidiary Bora Pharmaceutical Holdings	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: Proposal to establish the record date for capital increase for the Company's 2023 issuance of new shares for the exercise of 2020 employee stock options and domestic third unsecured convertible corporate bonds	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
March 7, 2024 2024 (3rd Term) 11Th Meeting Audit Committee	Proposal 1: The Company's 2023 "Statement of Internal Control System"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: The Company's change of	Unanimously	None	Not applicable

	CPA(s) due to internal reorganization of the accounting firm	approved by all attending Audit Committee members without objection		
	Proposal 3: Review of the independence and eligibility assessment of the Company's CPA(s)	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 4: 2023 Business Report and Financial Statements	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 5: Distribution of earnings and cash dividends for 2023	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 6: Formulation of general principles for the Company's pre-approval policy for non-assurance services	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 7: Amendments to the "Procedures for Loaning Funds to Others" and "Procedures for Acquisition or Disposal of Assets"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 8: Amendment of "Internal Control System" and "Approval Authority Table"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 9: Proposal for releasing directors from non-competition restrictions	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 10: Proposed cash capital injection of US$100,000 thousand into Bora Pharmaceuticals USA Inc., a 100% owned subsidiary of the Company	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 11: Proposed guarantee of a loan facility of US$120 million for Bora Pharmaceutical Holdings, Inc., a 100% indirectly owned	Unanimously approved by all attending Audit Committee members without	None	Not applicable

	subsidiary of the Company	objection		
	Proposal 12: Proposal for providing a loan to the 100% indirectly owned subsidiary, Bora Pharmaceutical Holdings, Inc.	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 13: The Company's Shares Buyback	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 14: 2023 first employee stock option certificate allocation to non-managers	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
March 22, 2024 2024 (3rd Term) 12th Meeting Audit Committee	Proposal 1: Review of independent expert qualifications	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
April 12, 2024 2024 (3rd Term) 13th Meeting Audit Committee	Proposal 1: The Company proposes conducting a share exchange with its subsidiary, Bora Biologics Co., Ltd., using the issuance of new shares as consideration.	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: Proposal for providing guarantee of loan facility of US$70 million to Upsher-Smith Laboratories, LLC, a 100% indirectly owned subsidiary of the Company	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
May 14, 2024 2024 (3rd Term) 14th Meeting Audit Committee	Proposal 1: Consolidated financial report for the first quarter of 2024 of the Company	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: Proposal for establishing the record date for capital increase for the issuance of new shares from the exercise of 2020 employee stock option certificates in 2024	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 3: Proposal to authorize the Chairperson to represent the Company in the bidding for the CDMO operational assets in Maryland, USA	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 4: Proposed cash capital injection of US$57,000 thousand into Bora	Unanimously approved by all attending Audit	None	Not applicable

	Pharmaceuticals USA Inc., a 100% owned subsidiary of the Company	Committee members without objection		
	Proposal 5: 2023 first employee stock option certificate allocation to non-managers	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
May 27, 2024 2024 (3rd Term) 15th Meeting Audit Committee	Proposal 1: Proposal for the issuance of first overseas unsecured convertible corporate bonds	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: Proposed guarantee of a loan facility of US$82 million for Bora Pharmaceutical Holdings, Inc., a 100% indirectly owned subsidiary of the Company	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
June 20, 2024 2024 (3rd Term) 16th Meeting Audit Committee	Proposal 1: Proposal to acquire Biopharmaceutical CDMO operational assets in Maryland, USA, through the newly established 100% indirectly owned subsidiary, Bora Pharmaceuticals Injectables Inc.	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
August 12, 2024 2024 (3rd Term) 17th Meeting Audit Committee	Proposal 1: The Company's change of CPA(s) due to internal reorganization of the accounting firm	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: Consolidated financial report for the second quarter of 2024 of the Company	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 3: Proposal to establish the record date for capital increase for the Company’s 2024 issuance of new shares for the exercise of 2020 and 2022 employee stock options and domestic third unsecured convertible corporate bonds	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 4: Proposal to cancel the Company’s 7th share repurchase program and set the capital reduction record date in accordance with the law	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 5: Intent to participate in cash capital increase and new share issuance of subsidiary Bora	Unanimously approved by all attending Audit	None	Not applicable

	Biologics Co., Ltd.	Committee members without objection		
	Proposal 6: Proposed cash capital injection of US$200,000 thousand into Bora Pharmaceuticals USA Inc., a 100% owned subsidiary of the Company	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 7: Proposal for continuously providing guarantee of loan facility of US$70 million to Upsher-Smith Laboratories, LLC, a 100% indirectly owned subsidiary of the Company	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 8: Addition of "Whistleblowing and Complaint System Management Regulations"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 9: Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 10: Proposal for cash capital increase and issuance of new shares by Bora Biologics Co., Ltd. (hereinafter referred to as "Bora Biologics") to managers	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
August 21, 2024 2024 (3rd Term) 18th Meeting Audit Committee	Proposal 1: Review of independent expert qualifications	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
August 27, 2024 2024 (3rd Term) 19th Meeting Audit Committee	Proposal 1: Proposal to review the merger between subsidiary Bora Biologics Co., Ltd. and Tanvex BioPharma Inc.	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
October 18, 2024 2024 (3rd Term) 20th Meeting Audit Committee	Proposal 1: The Company's earnings distribution for the first half of 2024	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: Amendment to the "2021 First Employee Stock Option Issuance and Subscription Plan"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable

	Proposal 3: Proposal for issuance of employee stock options	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 4: Proposal for establishing the record date for capital increase for the issuance of new shares from the exercise of 2020 and 2022 employee stock option certificates in 2024	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 5: Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
October 25, 2024 2024 (3rd Term) 21st Meeting Audit Committee	Proposal 1: Proposed acquisition of 100% equity in Pyros Pharmaceuticals Inc. through 100% indirectly owned US subsidiary Bora Pharmaceutical Holding, Inc.	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: Proposed cash capital injection of US$27,250 thousand into Bora Pharmaceuticals USA Inc., a 100% owned subsidiary of the Company	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
November 13, 2024 2024 (3rd Term) 22nd Meeting Audit Committee	Proposal 1: Consolidated financial report for the third quarter of 2024 of the Company	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: 2023 first employee stock option certificate allocation to non-managers	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
December 13, 2024 2024 (3rd Term) 23rd Meeting Audit Committee	Proposal 1: Proposal for appointment of Head of Internal Audit	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: The Company’s 2025 internal audit plan proposal	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 3: Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for	Unanimously approved by all attending Audit Committee	None	Not applicable

	Transfer of Repurchased Shares to Employees”	members without objection		
March 5, 2025 2025 (3rd Term) 24th Meeting	Proposal 1: The Company’s 2024 “Statement of Internal Control System”	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: The Company's 2024 "Statement of Internal Control System"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 3: 2024 Business Report and Financial Statements	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 4: Distribution of earnings and cash dividends for 2024	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 5: Proposal for stock dividend distribution through capitalization of earnings	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 6: Proposal for the issuance of restricted employee shares	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 7: Formulation of general principles for the Company's pre-approval policy for non-assurance services	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 8: Proposal for Amendment to the “Self-Assessment Procedures for Internal Control System”	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 9: Proposal for releasing directors from non-competition restrictions	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 10: Proposal to establish the record date for capital increase	Unanimously approved by all	None	Not applicable

	for the Company's issuance of new shares for the exercise of 2020 employee stock options and domestic third unsecured convertible corporate bonds	attending Audit Committee members without objection		
	Proposal 11: 2024 first employee stock option certificate allocation to non-managers	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 12: Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
April 8, 2025 2025 (3rd Term) 25th Meeting	Proposal 1: guidelines Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"	Unanimously approved by all attending Audit Committee members without objection Approved by all employees unanimously	None	Not applicable
	Proposal 2: The Company's Shares Buyback	Unanimously approved by all attending Audit Committee members without objection Approved by all employees unanimously	None	Not applicable

(II) For matters not approved by the Audit Committee but passed by more than two-thirds of all directors: None.

II. Implementation of recusal by independent directors for proposals with conflicts of interest: None.

III. Communication between independent directors and the internal audit supervisor and CPA:

(I) The Company's internal audit supervisor sends audit reports to independent directors monthly via email and holds discussions with them from time to time regarding audits, internal control, and other related issues. There has been sufficient communication regarding the execution and effectiveness of audit operations.

(II) The Company's CPAs periodically meet with independent directors after each quarterly Audit Committee meeting to report on and communicate the audit results of financial statements (including consolidated financial statements), key audit matters, important issues, and other relevant regulatory requirements.

(III) The important communications mentioned in (I) and (II) above have been disclosed on the Company's official website.

(III) The State of Implementation of Corporate Governance and deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
I. Does the company establish and disclose its corporate governance principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	V		The Company has established various corporate governance regulations in accordance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies." Please refer to the Company's website/Resource Center/Important Internal Regulations (https://bora-corp.com/)	No material deviation
II. Company stock equity structure and shareholder equity				
(I) Does the company establish internal procedures for addressing shareholder suggestions, doubts, disputes, and litigation matters and implement the procedures accordingly?	V		(I) The Company has established a spokesperson system and has appointed a spokesperson and a deputy spokesperson, and their contact numbers are disclosed in the Market Observation Post System, to facilitate handling of shareholder recommendations, doubts, disputes, and litigations to safeguard the shareholders' rights.	No material deviation
(II) Did the company maintain a register of major shareholders with controlling power as well as a register of persons exercising ultimate control over those major shareholders?	V		(II) The Company's daily shareholders affairs are handled by a professional shareholder services agent, and dedicated personnel is in charge of handling the relevant matters, and maintaining a register of major shareholders with controlling power and persons exercising ultimate control.	No material deviation
(III) Did the company establish and enforce risk control and firewall systems with its affiliates?	V		(III) The Company has business interactions with its affiliates, and the price terms and payment methods of such interactions are set based on the principles of fairness and reasonableness. In addition, the Company has established the "Rules Governing Financial and Business Matters Between the Company and its Affiliated Enterprises" in accordance to Article 17 of "Corporate Governance	No material deviation

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
(IV) Did the company establish internal regulations stipulating that employees shall not use undisclosed information to engage in the transaction of marketable securities?	V		Best Practice Principle" and approved by the Board on March 16, 2023 to ensure the risk management. (IV) In accordance with Corporate Governance Best-Practice Principles and legal amendments, the Company discussed and approved the revision of the "Internal Handling of Material Information and Prevention of Insider Trading Management Procedures" during the board meeting on March 16, 2023. The revised procedure explicitly prohibits insiders from trading company stocks for a certain period (15 days before quarterly reports/30 days before annual financial reports) after obtaining financial or performance information. The updated procedure has been incorporated into the insider trading awareness video and handbook provided by the stock exchange and made available on our company's internal website for all employees to access. The relevant parties have been reminded of this new provision via email, and the implementation status has been disclosed on the Company's official website. To enhance the promotion of ethical business operations and the importance of insider trading legal concepts. Bora Pharmaceuticals conducted "Insider Trading Prevention Promotion" and "Securities and Exchange Act Article 157-1 Insider Trading and Material Information Assessment" related courses for internal employees from December 9 to 27, 2024. The scope included employees from Bora, Excelsior, PharmaCore, PharmaEssence, KingTek, Bora United, and Morning Glory companies. This training program had 1,019 participants, with employees investing	No material deviation

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			approximately 169 hours in total, achieving a 100% assessment pass rate. The implementation status of insider trading prevention in 2024 was reported to the Board of Directors on November 13, 2024.	
III. Board compositions and responsibilities (I) Has the board of directors developed and implemented a diversified policy for the composition of its members?	V		(I) For the board's diversity policy and implementation, please refer to "II.I.(A). The Diversity and Independence of the Board of Director and "The Succession Plan for the Board Member and Managers" (page 27-30)	No material deviation
(II) In addition to remuneration committee and audit committee established according to law, has the company voluntarily established other functional committees?	V		(II) The Company has stipulated in its Articles of Incorporation that the Board of Directors may establish other functional committees as needed for business operations, and shall formulate relevant organizational regulations for each committee, which shall be approved by resolution of the Board of Directors. In addition to the Remuneration Committee and Audit Committee, to promote ESG development and implementation, the Company established the Sustainability Committee by resolution of the Board of Directors on March 9, 2022, appointing three committee members with Chairperson Sheng Pao-Hsi serving as the Chairperson of the first committee. In line with the re-election of all directors upon expiration of their terms, on June 27, 2023, the Board of Directors discussed and resolved to approve the reappointment of Chairperson Sheng Pao-Hsi, independent director Li Yi-Chin, and director Chen Shin-Min as the three directors to continue serving on the second Sustainability Committee. The Company resolved at	No material deviation

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			the Board of Directors meeting on October 18, 2024 to add one independent director to the Sustainability Committee, resulting in half of the committee members being independent directors, strengthening the Board of Directors' review and supervision of the Group's sustainable development.	
(III) Did the company stipulate regulations for performance evaluation of the board, and its evaluation method, and conduct performance evaluation on a yearly basis, and submit the performance evaluation results to the board of directors and use them as reference in determining compensation for individual directors, their nomination and additional office term.	V		(III) The Company has established the Board of Directors Performance Evaluation Regulations and its evaluation methods as required, which have been formally implemented since 2020, and the evaluation results serve as references for determining individual directors' remuneration and nomination for reappointment. The evaluation results of Board members, the Board of Directors, Audit Committee, Remuneration Committee, and Sustainability Development Committee for 2024 were reported to the Board of Directors on March 5, 2025, to help the Board understand its operational performance and continuously track improvements. For detailed evaluation information, please refer to "Corporate Governance Operation" section "(1) Board of Directors Operations" (pages 48–53) in this annual report.	No material deviation
(IV) Did the company regularly implement assessments on the independence of the certified public accountants?	V		(IV) The Company has established criteria for evaluating the independence of CPAs based on the requirements of the Republic of China CPA Professional Ethics Bulletin No. 10 "Integrity, Fairness, Objectivity, and Independence" regarding independence, and regularly evaluates the independence of the certifying CPAs every year. The Company has obtained the independence declaration issued by the	No material deviation

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			certifying CPAs for 2024 and conducted an evaluation according to the aforementioned independence evaluation criteria. Based on the evaluation results, CPAs Hu Tzu-Jen and Yao Shih-Chien of Ernst & Young both meet the Company's independence evaluation criteria and are qualified to serve as the Company's certifying CPAs. The CPA independence evaluation criteria are detailed in Note 1. In line with the Financial Supervisory Commission's promotion of "Corporate Governance 3.0-Sustainable Development Blueprint" to enhance the transparency of audit quality, the Company has, since 2023, implemented an annual evaluation by the Audit Committee of the independence and competency of its certifying CPAs. In addition to requiring the certifying CPAs to provide a "Statement of Independence" and "Audit Quality Indicators (AQIs)," the evaluation is conducted based on AQI indicators. After confirming that Ernst & Young's certifying CPAs Hu Tzu-Jen and Yao Shih-Chien have no financial interests or business relationships with the Company other than certification and tax case fees, and that the CPAs' family members do not violate independence requirements, as well as referencing the AQI indicator information, a comprehensive assessment of competency was conducted. The key assessment items and explanations are listed as follows: Confirming that the CPA firm's audit personnel training hours and professional support exceed industry average standards (Aspect 1:	

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			Professionalism), complemented by the firm's implementation of digital audit tools which effectively improve audit efficiency and quality. Although the overall audit hours invested are lower than the industry average, considering that the Company primarily focuses on export with substantial overseas manufacturing and sales locations, the utilization of cross-border/multi-disciplinary professional support, focused CPA auditing, and digital audit tools will help the Company gradually release financial reports earlier to comply with "Corporate Governance 3.0" and international trends. In summary, the annual assessment result was discussed and approved by the Audit Committee on March 5, 2025, and subsequently reported to and approved by the Board of Directors on March 5, 2025 regarding the independence and competence assessment of the CPAs.	
IV. Does the TWSE/TPEx listed company have an adequate number of corporate governance personnel with appropriate qualifications, and appoint a chief corporate governance officer to be in charge of corporate governance affairs (include but not limited to furnishing information required for business execution by directors and supervisors, assisting directors and supervisors with legal compliance, handling matters relating to board meetings and shareholders meetings according to laws, producing minutes of board meetings and shareholders meetings, etc.)?	V		(I) Appointment of chief corporate governance officer The Company continues to promote and implement corporate governance to enhance the functions of the board of directors and safeguard the rights and interests of the shareholders. The Company has, before the mandatory requirements, passed a board resolution on March 30, 2021 to appoint Director Alice Wang as the Company's chief corporate governance officer, the highest ranking officer in charge of corporate governance related matters. Director Wang has more than 3 years experience heading the law, finance, stock affairs or corporate governance related matters units in public companies,	No material deviation

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<tr><th rowspan="2">Evaluation items</th><th colspan="3">Implementation status</th><th rowspan="2">Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
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and hence meets the qualifications of a chief corporate governance officer.

(II) Scope of duties and powers

Main duties include supervising and executing the establishment and operation of corporate governance related rules and regulations, including handling of matters relating to board of directors meetings and shareholders meetings in compliance with law, reviewing and preparation of minutes of board of directors meetings and shareholders meetings, assisting in onboarding and continuing education of the directors, providing information required for performance of duties by the directors, assisting directors in complying with the laws and regulations, and report to the Board on the qualification of the independent director during nomination, election, and tenure..

(III) Continue education

The total continuing education hours for 2024 were 12 hours, with the following courses:

Item No.	Training Date	Course Name	Hours	Notes
1.	September 30, 2024	Taiwan Capital Market Growth Summit	3	Note 1
2.	October 7, 2024	2024 Taishin Net-Zero Summit Forum	3	Note 2
3.	October 8, 2024	Internal Auditors' "Corporate Governance" Competency and Financial Report	6	Note 3

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			<table><tr><td></td><td></td><td>Risk Assessment Practices</td><td></td><td></td></tr></table> Note 1: Taiwan Stock Exchange Note 2: Chinese National Association of Industry and Commerce Note 3: Accounting Research and Development Foundation	
V. Has the company set up channels of communication for stakeholders (including but not limited to shareholders, employees, customers and suppliers), dedicated a section of the company's website for stakeholder affairs and adequately responded to stakeholders' inquiries on significant corporate social responsibility issues?	V		The Company has a spokesperson and deputy spokesperson as channels of communication for stakeholders. The Company values the interest of the stakeholder and works to develop a open, transparent, effective communication channel to move toward a sustainable future. (I) Identification on the stakeholder The Company adhere to the resposonsbility and mission of sustainable corporate governance. On the official website, the Company set up the stakeholder communication email and identified operating related stakeholder, including investor, employee, supplier, government, and research institution. The Company communicates to stakeholder with different topic which stakeholder concern. Starting in 2022, the implementation of ESG project focuses on effective communication with stakeholder, strengthen the communication, and ensure to reply different group of stakeholder's concern. The stakeholder communication report will submit to the board of director annually. (II) For main stakeholder communication, please refer to below note 2. (III) Stakeholder communication platform: Besides main stakeholder, the Company maintains good communication with stakeholder and has set up the external communication email on the Company's	No material deviation

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			website for diverse communication channel. (IV) The status of stakeholder communication for the year 2025 was reported to the Board of Directors on November 13, 2024.	
VI. Did the company engage a professional shareholder services agent to handle shareholders meeting matters?	V		The Company has engaged the Stock-Affairs Agency Department, Taishin Securities Co., Ltd. to handle matters relating to shareholders meeting.	No material deviation
VII. Information disclosure				
(I) Has the company set up a website to disclose information regarding the company's financial operations and corporate governance?	V		(I) The Company has set up an Investors corner in the website to disclose information relating to financial operations and corporate governance. Website: https://bora-corp.com/	No material deviation
(II) Did the company adopt other information disclosure methods (such as establishing English websites, assign dedicated personnel to collect and disclose company data, implement the spokesperson system, upload the investor conference processes to the company's website, etc.)?	V		(II) In accordance with the competent authority and relevant laws and regulations, The Company makes public announcements and declarations of the various information, has set up Chinese and English websites, assigned dedicated personnel to collect and disclose Company data and implements the spokesperson system, and uploads the investor conference processes to the Company's website, to enable shareholders to obtain material information and events information from the Market Observation Post System and the Company's website.	No material deviation
(III) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?		V	(III) The Company currently reports and publishes its annual financial report within the deadline stipulated in the Securities and Exchange Act, and has not published and reported the financial report within two months after the end of a fiscal year. In the future, it will adjust its reporting date based on the closing of the accounts.	Evaluating
VIII. Is there any other important information to	V		1. Employees' rights and employee care: The Company	No material deviation

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
facilitate a better understanding of the state of implementation of corporate governance (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			always values labor-management relations, treats its employees with integrity, and safeguards the legitimate rights and interests of its employees in accordance with the Labor Standards Act; and through the employee welfare system and a good education and training system, it allows the employees to contribute through their jobs. 2. Investor relations: The Company's biggest goal is to protect the rights and interests of the shareholders, and treat all shareholders equitably. Besides publishing the Company's material information such as finances, operations and changes in insider shareholdings through the Market Observation Post System in a timely manner in accordance with the law, an Investors corner is also set up in the Company's website to provide timely disclosure of the Company's finances, operations, and corporate governance. The minutes of the Company's annual general shareholders' meeting are recorded in accordance with the Company Act and relevant laws and regulations, and published in the Company's website and retained for the duration of the existence of the Company. 3. Supplier relationship: The Company establishes close long-term relationship with suppliers based on win-win principle, in the aim to achieve mutual trust and mutual benefit, and together pursue sustainable growth. 4. Rights and interests of stakeholders: The Company value stakeholders' right and has set up communication channel with stakeholder to ensure stakeholder may communicate and make recommendations to the Company to safeguard their legal rights. 5. Status of directors' continuing education: The	

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Company's directors possess relevant professional knowledge, and in accordance with the relevant laws and regulations, attend courses related to securities regulations. Has disclosed under Corporate Governance of the Market Observation Post System (http://mops.twse.com.tw/mops/web/t100sb07).

6. State of implementation of risk management policy and risk assessment standards: The Company has established an internal control system to prevent any possible risks, and the audit unit conducts regular and occasional checks on the execution and improvement of the internal control system. The Company has also purchased various business related insurances, such as fire insurance, theft insurance, product liability insurance and employees' group insurance, etc. to reduce various types of risks.
7. Status of implementation of customer policies: The Company maintains stable and good relationship with customers, and upholds the policy of putting customer first, to generate profit for the Company.

8.Status of purchase of liability insurance for directors and supervisors: The Company has since June 27, 2014, purchased liability insurance for its directors and independent directors so as to strengthen the protection of shareholders' rights and interests. The status of purchase of liability insurance for all directors in 2023 are as follows:

Insurance Subject	Insurance Company	Insurance Period (From/To)	Insurance Amount (NT$)
All Directors	Taiwan Branch, Chubb	From: July 27, 2024 To:	US$8,000,000 (NT$262,960 thousand, at

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			Insurance | July 27, 2025 | the exchange rate of 32.87)	

IX. Please describe the improvement status and provide the items and measures that shall be prioritized for improvement with regard to the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange in the most recent year.

(not required as the Company is not an assessed company):

1. The Company has established "Bora Pharmaceuticals Co., Ltd. Corporate Governance Best Practice Principles", which has been passed in a resolution of the board, by referencing "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies", to uphold the spirit of corporate governance, thereby maximizes the rights and interest for the shareholders and pursues the Company's sustainable operation. There are no significant differences between Company's state of implementation of corporate governance and "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies".
2. The Company ranked within the top 6–20% of listed companies in the 11th Corporate Governance Evaluation. The 11th evaluation consisted of 75 indicators in total, of which the Company scored on 66 items and received points for 8 bonus indicators. The priority improvement strategies for items where the Company did not score points are as follows:

   The main indicators where the Company did not score points in this evaluation were mainly the individual remuneration of directors and managers, the verification of the energy management system, and the funding of cultural development. The Company will improve the items not scoring any points in order, such as the introduction of the energy management system by a dedicated unit for evaluation, and the completion of the certification will be reported to the Sustainability Development Committee and the evaluation will be continued.

Note 1: Most recent year's independence evaluation standard for certified public accountants:

Evaluation items		Evaluation results	Compliance of independence
1.	Does the accountant have a direct or material indirect financial interest in the Company?	No	Yes
2.	Have the accountant received a loan or guarantee from the Company or the Company's directors?	No	Yes
3.	Does the accountant have a close business relationship and potential employer-employee relationship with the Company?	No	Yes
4.	Is the accountant or audit committee member currently holding or has in the past two years held, a position in the Company as director or managerial personnel, or a position that has a significant impact on the audit work?	No	Yes
5.	Has the accountant provided the Company with non-audit related services that may directly impact the audit work?	No	Yes
6.	Has the accountant acted as an agent of shares or other securities issued by the Company?	No	Yes
7.	Has the accountant acted as a defender of the Company or represented the Company in mitigating a dispute with a third party?	No	Yes
8.	Is the accountant a relative of the Company's director, managerial personnel, or personnel whose position has a significant influence on the audit?	No	Yes

Note 2: Communication to main stakeholders:

Stakeholder	Communication Channel, Respond, and Frequency of Communication	Annual Communication	Annual Communication
Employee	-Department communication and working meeting (daily) -Site meeting (weekly) -Internal newsletter (monthly) -Townhall meeting (quarterly) -Labor and management meeting (quarterly) -Labor dafety committee (quarterly) -Performance review (yearly) -Safety and health training (yearly) -Employee welfare committee (yearly) -Renumeration committee (yearly) -Employee training (irregularly) -Employee opinion and complain email box (immediately) -Internal website (irregularly)	・ 223 people participated in the 5 mid-to-high-level management leadership courses (high-performance team/Accountability/System thinking and decision-making/ Thunderbird/Project management). The total number of training hours was 2,317.5 hours. ・ Four employee meetings (May 22, September 2, September 30, and December 24) were held. The Chairperson announced the Company's major policies and information. The Q&A effectively communicated with	-To enhance employee training and provide internal rotating opportunity. -The chairman announced the Company's main policy and message, and make Q&A with employee to align everyone's goal during the quarterly town hall meeting. -To enhance the relationship with the employee, total 4 labor and managehemt meeting are hosted. (Conducted quarterly in each region) -Set the goal in the beginning

Stakeholder	Communication Channel, Respond, and Frequency of Communication	Annual Communication	Annual Communication
		employees to move towards the common goals. ・ 4 labor-management meetings were held (March 20, June 14, September 27, and December 20). ・ The percentage of employees participating in the annual performance appraisal reached 100%. ・ 1,502 employees and their dependents participated in the family day (9/21). ・ 7/5 Won the Best Corporate employer Award and Best employer Care Award in Asia 2024 by HR Asia. 10/17 Launched third-party grievance and reporting platform Conduct Watch	of the year and evaluate the result at the end of year. 100% of the employee receive the performance review. -Provide reimbursement for employee travel and activity. -Bora Family Day -Enocurage employee to participate charitable activity, Christmas gifts are sent to disadvantaged children.
Investor	-Stockholder meeting (yearly) -Earnings call (Quarterly) -Investor conference (irregularly) -Announce financial report (quarterly) -Announce operating performance (monthly) -Disclose the Company's main financial and business information on MOPS (irregularly) -Established spokesman, deputy spokesman and news contact window (immediately) -Established investor relationship email and contact window (immediately)	-Host 1 shareholder meeting -Host 9 institutional investor conferences -Host 91 investor conferences - Announce 136 material information on MOPS	-Host 1 shareholder meeting -Host 11 earning call -Host 16 investor conference -Announce 101 material information on MOPS -Interviewed by domestic and international institution, news and report for 50 times.
Customer	-Customer service email (immediately) -Website and social platform for professional information (irregularly) -Newsletter (irregularly)	・ The website of the company has received at least 28 customer contacts, and all of them were replied within one work day.	-0 customer complaints and positive customer satisfaction -The official website adds white paper and professional industry information. The

Stakeholder	Communication Channel, Respond, and Frequency of Communication	Annual Communication	Annual Communication
		・ Since 2024, the Company has received six customer complaints on products, and all of which were handled and no adverse impact was caused. ・ Since 2024, the Bureau of Drug, Hospital, and Medical Care, the Research Institute, the Patient Care Association, and the Medical Association have held more than 30 product conferences, 12 seminars, 1 patient meeting, and 5 medical conferences. Regularly update product and health-related knowledge and information on the official website.	followers for professional network platform Linkedin increase rapidly to 10,086 people.
Supplier	-MRO item will purchase and inquire the purchase flow (irregularly) -Purchase raw material with qualified supplier (irregularly) -According to PIC/S regulation, suppliers shall be audited to understand the suppliers' compliance. The audit frequency shall be evaluated based on the audit result and risk evaluation.	・ The supplier assessment report has been completed and submitted for the 2023 supplier assessment. The evaluation of the operating performance is used as the basis for future cooperation. ・ The Company has discussed with related departments the formulation and implementation of the code of conduct for suppliers. The above-mentioned clauses and their spirit are incorporated into the order terms, supplier information form and SOP. Currently, the corresponding modifications and implementation are in progress.	Finish the 2024 supplier evaluation form.

Stakeholder	Communication Channel, Respond, and Frequency of Communication	Annual Communication	Annual Communication
Community	・Community service activities (at least once per plant per year) ・Charity events (at least one in each market each year) ・Company website (at once) ・Social media platform (at once)	・The Company supported the Friends of the Golden Lion Association in Taiwan and donated NTD 200,000 to 100 patients with Golden Lion disease. ・150 visiting professors from four universities were invited to visit the factory to exchange knowledge. ・Sponsored the Red Noodles Care for Kids Association, invested NTD 170,000 to serve 59 children, and accumulated 173 people. ・Assisting the neighboring school in the factory area to help 240 disadvantaged children to realize their Christmas desire. ・Donation of NTD 900,000 to the Mennonite Christian Hospital in Taiwan to support the reconstruction after the earthquake. ・The Company organized the "Practical Series of Injury Treatment" in cooperation with the Changshou Foundation, and attracted 60 people to participate. ・The Company has cooperated with Liu Hau-Pod to launch the Youth Health Series, and 136,000 people have received the relevant knowledge. ・The subsidiary of Pucka Industrial Co., Ltd., USL,	Supporting the local organization to foster the community.

Stakeholder	Communication Channel, Respond, and Frequency of Communication	Annual Communication	Annual Communication
		continues to sponsor the U.S. Endowment for the American Society of the U.S. and is listed as a Class II sponsor.	
Government	・ Regulatory compliance meetings (upon request) ・ Policy briefing (upon request) ・ Official correspondence(upon request) ・ Official visits and audits (According to government arrangements) ・ MOPS (at once)	・ The Company participates in meetings organized by relevant government agencies to understand the changes in policies and adjusts the Company's strategy in a timely manner to meet the requirements of the laws and regulations. ・ Officially respond to the government's inquiries or requirements through official documents to ensure the accuracy and integrity of information. ・ The Company shall provide the required information in accordance with the government's inspection and audit, and shall take necessary improvement measures after the inspection. ・ The Company discloses material information on the MOPS in a timely manner to ensure information transparency.	Coordinate with the government. Understand the policy trend and align with the Company’s strategy.

(IV) If the company has set up a compensation committee, its composition, responsibilities and operations shall be disclosed:

1. Compensation Committee member profiles

Position	Criteria / Name	Professional qualifications and working experience	Independence status	Number of other public companies in which the member also serves as a member of their remuneration committee
Independent director	Lee Yi-Chin Independent Director (Convener of the 5th Committee)	For the professional qualifications and experience of directors, please refer to "II, 1, (A) Information of Directors" (pages 14–24) of this annual report.	All renumeration committee member comply with the following 1.Comply with the renumeration committee guideline for public and listed company issued by Financial Supervisory Commision, please refer to note for the guideline. 2.The person(or using another person's name), my spouse, and minor children do not collectively hold more than 1% of the total issued shares of the company. 3. Did not provide commercial, legal, financial, accounting or related services to the company or any affiliate of the company provider in the past 2 years and receive any interest.	1
Independent director	Lin Jui-Yi Independent Director (Committee member)			1
Independent director	Lai Ming-Jung Independent Director (Committee member)			0

Note: There is no such things in the past 2 years before the appointment and during the appointment.

(1) Not employed by the Company or any of its affiliates.

(2) Not serving as a director or supervisor of any of the Company's affiliated companies (this restriction does not apply to independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(3) Not a natural-person shareholder whose shareholding, together with those of his/her spouse, minor children, and shares held under others' names, exceed 1% of the total number of outstanding shares of the Company, or ranks the person in the top ten shareholders of the Company.

(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the persons in the preceding three subparagraphs.

(5) Not a director, supervisor or employee of a corporate shareholder who directly holds more than 5% of the total number of issued shares of the Company or is ranked top five in terms of the number of shares held or is designated as a Director or Supervisor of the Company pursuant to Paragraph 1 or 2, Article 27 of the Company Act (this restriction does not apply

to independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(6) Not a director, supervisor, or employee of a company with a majority of the company's director seats or voting shares and those of any other company are controlled by the same person (this restriction does not apply to independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(7) Not a director, supervisor, or employee of a company or institution with the same chairman, president, or equivalent position, or a spouse thereof (this restriction does not apply to independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(8) Not a director, supervisor, manager, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the company (this restriction does not apply to specific companies or institutions if they hold more than 20% but less than 50% of the outstanding shares of the Company or independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(9) Not a professional individual, or an owner, partner, director, supervisor, or manager 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; However, 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 Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

2. Operations of the Compensation Committee

(1)The Company's Compensation Committee consists of 3 members.

(2)The term of the current (5th) Remuneration Committee: June 6, 2023 to June 5, 2026. In 2024 and up to the printing date of the annual report in 2025, the Remuneration Committee has held 6 meetings (A):

Title	Name	Attendance in person (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener of the 5th Committee	Lee Yi-Chin	6	—	100%	Member of the 3rd to 5th Committee; re-elected on June 6, 2023 during the board of directors re-election.
Committee Member	Lin Jui-Yi	6	—	100%	Member of the 3rd to 5th Committee; re-elected on June 6, 2023 during the board of

					directors re-election.
Committee Member	Lai Ming-Jung	6	—	100%	Member of the 1st to 5th Committee; re-elected on June 6, 2023 during the board of directors re-election.

Other matters that should be recorded:

I. If the board meeting does not adopt or revise the compensation committee's proposals, the board meeting's date, period, motion contents, and resolution decisions as well as the method in which the company handles the compensation committee's opinions shall be disclosed in detail (e.g. if the salary rate adopted by the board committee is superior to that proposed by the compensation committee, the differences and reasons shall be explained):

(I) Discussions and resolutions of the compensation committee:

Meeting Date	Discussion Item	Resolution Results
1st Remuneration Committee Meeting of 2024	Proposal 1: Amendment to the "Regulations for Managers' Remuneration Payment."	Unanimously approved by all attending members without objection
	Proposal 2: The proposal for the distribution of the 2023 employees' and directors' remuneration.	Unanimously approved by all attending members without objection
	Proposal 3: The proposal for the distribution details of the 2023 directors' remuneration.	Unanimously approved by all attending members without objection
	Proposal 4: The proposal for the distribution of the 2023 employee remuneration to managers.	Unanimously approved by all attending members without objection
	Proposal 5: The proposal for the distribution of the 2023 employee remuneration from the subsidiary TWi Pharmaceutical to the Company's managers.	Unanimously approved by all attending members without objection
	Proposal 6: The Company's 2024 annual managers' promotion and salary adjustment proposal.	Unanimously approved by all attending members without objection
May 14, 2024 2nd Remuneration Committee Meeting of 2024	Proposal 1: 2023 first employee stock option certificate allocation to managers.	Unanimously approved by all attending members without objection
August 12, 2024 3rd Remuneration Committee Meeting of 2024	Proposal1: Proposal for cash capital increase and issuance of new shares by subsidiary Bora Biologics Co., Ltd. (hereinafter referred to as "Bora Biologics") to managers.	Unanimously approved by all attending members without objection
November 13, 2024 4th Remuneration	Proposal 1: The appointment of Mr. Liu Nien-Hua as the Company's manager, who currently serves as the President of TWi Pharmaceuticals, Inc., an important subsidiary of the Company.	Unanimously approved by all attending members without objection

Committee Meeting of 2024	Proposal 2: ESG performance-linked remuneration indicators for the Company's managers.	Unanimously approved by all attending members without objection
	Proposal 3: The Company's managers participate in the employee stock ownership trust scheme.	Unanimously approved by all attending members without objection
	Proposal 4: Details of the Company's managers' project bonuses.	Unanimously approved by all attending members without objection
December 13, 2024 5th Remuneration Committee Meeting of 2024	Proposal 1: The case of the Company's managers' year-end performance bonuses for 2024.	Unanimously approved by all attending members without objection
March 5, 2025 1st Remuneration Committee Meeting of 2025	Proposal 1: The proposal for the distribution of the 2024 employees' and directors' remuneration.	Unanimously approved by all attending members without objection
	Proposal 2: The proposal for the distribution of the 2024 directors' remuneration.	Unanimously approved by all attending members without objection
	Proposal 3: The proposal for the distribution of the 2024 manager performance results and employee remuneration.	Unanimously approved by all attending members without objection
	Proposal 4: The proposal for the distribution of the 2024 employee remuneration from the subsidiary TWi Pharmaceuticals, Inc. to the Company's managers.	Unanimously approved by all attending members without objection
	Proposal 5: The Company's 2025 annual managers' salary adjustment proposal.	Unanimously approved by all attending members without objection

(II) In the most recent year, the Company's board of directors did not decline to adopt nor modify the recommendations of the Compensation Committee.

II. If there are objections or reservations by the members that have been recorded in writing during the Compensation Committee resolution, the Compensation Committee meeting's date, period, motion content, the opinions of all members, and treatment of the member's opinions must be disclosed in detail: In the most recent year, there were no objections or reservations on record or stated in a written statement from members of the compensation committee.

(V) Fulfillment of sustainable development and the deviations from Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons

Evaluation items	Implementation status			Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Summary	
I. Has the company established corporate governance for sustainable development and promote sustainable development unit which is authorized from the board of director to managerial personnel, and monitor by the board of director?	✓		The Company formally established the "Sustainability Committee" through a Board of Directors resolution on March 9, 2022. This will enable the Company to focus more clearly on sustainability issues. The Company's sustainability vision plan will align with its core spirit of "Contributing to Better Health All Over the World," focusing on five key strategies: "Accountable Integrity," "Talent Development and Happy Workplace," "Healthy Society and Charitable Participation," "Responsible Manufacturing and Research & Development Innovation," and "Ecological Sustainability." These strategies will implement various sustainability goals, promote economic growth, social development, and environmental protection, with the aim of enhancing corporate competitiveness and exerting a positive influence on the pharmaceutical industry. The Company's "Sustainability Committee," as resolved by the Board of Directors in October 2024, added one independent director, bringing the total to four committee members, half of whom are independent directors. The committee is chaired by Chairperson Sheng Pao-Hsi as the chief commissioner, serving as the highest-level sustainability decision-making center within the Company. He leads senior executives from various departments to review the Company's current operations. At the Sustainability Committee meeting held on November 13, 2024, ESG short-, medium-, and long-term goals were approved. Through monthly ESG meetings and senior management participation, ESG progress is continuously tracked to ensure the implementation of sustainability initiatives.	No material deviation

Evaluation items	Implementation status			Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Summary	
			The Executive Office of the "Sustainability Committee" serves as a cross-departmental communication platform that integrates vertical and horizontal connections. Five task forces have been established according to different issues: Corporate Governance, Sustainable Drug Supply, Community Development, Employee Welfare, and Environmental Sustainability. These task forces identify sustainability issues relevant to the Company's operations and stakeholder concerns, formulate corresponding strategies and work guidelines, allocate sustainability-related planning for each organization, implement annual programs, and track execution effectiveness to ensure sustainability development strategies are fully implemented in the Company's daily operations. The "Sustainability Committee" reports to the Board of Directors regularly or irregularly based on work progress regarding sustainability development implementation results and future work plans. Its main responsibilities include: (1) Establishing sustainability development goals, strategies, and directions, and formulating management policies and specific implementation plans. (2) Collection of data on annual goals and implementation status for various aspects of sustainability development. (3) Tracking, reviewing, and revising the implementation status and effectiveness of sustainability development. (4) Other sustainability-related matters resolved by the Board of Directors.	

Evaluation items	Implementation status			Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Summary	
II. Did the company evaluate the risk related to the environment, social and corporate governance for the Company's operation and formulate related risk control policy and strategy?	✓		The Company has issued the 2023 Sustainability Report, covering Bora Pharmaceuticals and its subsidiaries, as well as its overseas Canadian subsidiary factory. The 2024 Sustainability Report is currently being prepared, and its scope will also include subsidiaries newly incorporated for more than six months in 2024. The Company has designed a multi-faceted stakeholder questionnaire with reference to domestic and international industry reports and literature by senior executives and colleagues. By analyzing the results, we understand the issues of concern to stakeholders and evaluate them according to the principle of materiality as the core focus of the Company. We have also incorporated the opinions of internal managers and integrated them into the assessment results of the Company's sustainability risk status. Based on this, we have formulated the Company's sustainability issue management approach, established supervision and control risk management policies, and adopted specific action plans to reduce the impact of related risks. In preparing the 2024 Sustainability Report, the Company not only evaluated materiality based on the disclosure framework for sustainability development reports issued by the Global Reporting Initiative (GRI), but also referred to the "double materiality" sustainability concept of the European Sustainability Reporting Standards (ESRS). When assessing material topics, the Company simultaneously considered both "impact materiality" and "financial materiality," and will establish relevant management policies based on the related risks identified after the risk assessment. Please refer to the 2024 Sustainability Report for	No material deviation

Evaluation items	Implementation status			Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Summary	
			details. As of the printing date of this annual report, the Company has not yet completed the preparation of the Sustainability Report for the year 2024. After the formal Sustainability Report is completed, the Company will make announcements and disclosures on the Company's website as required by regulations.	
III. Environmental Issues (I) Has the company established an appropriate environmental management system based on the characteristics of the industry to which it belongs?	✓		(I) The Company is a PIC/S GMP certified pharmaceutical manufacturer that has passed U.S. FDA and UK MHRA inspections. The Company has established relevant management systems for the production process. All waste generated during production is handled strictly in accordance with standard operating procedures and is cleared with the assistance of professional external waste disposal companies. In addition, the Company has obtained a water pollution prevention permit as required by law and has designated personnel to handle related matters. In 2023, the Company completed the greenhouse gas inventory and assurance for Taipei headquarters, Zhunan plant, Tainan plant, Zhubei plant, Zhongli plants 1 and 2, Jingde plant, and the Canadian plant. The Company also established short, medium, and long-term targets for reducing greenhouse gas emissions. These targets were reviewed by the Sustainable Development Committee and reported to the Board of Directors on November 13, 2024, to implement the environmental management cycle mechanism.	No material deviation

Evaluation items	Implementation status			Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Summary	
(II) Is the company committed to improving the efficiency of the various resources and using recycled materials which have a low impact on the environment?	✓		(II) The Company is committed to improving the efficiency of various resources. The Company is mainly engaged in the research and development and sales of Western medicines and health products, the manufacturing and contract manufacturing of medicines, as well as the self-development and commissioned development of new drugs. It is not a high energy-consuming and high-polluting industry, and regulations strictly limit the production and use of renewable materials that impact environmental load. The Company continues to promote and implement energy reduction measures. In the future, when certain equipment approaches the end of its useful life, the Company will evaluate replacing it with high energy-efficient equipment to enhance energy use efficiency and optimize energy utilization.	No material deviation
(III) Does the Company assess the potential risks and opportunities of climate change for its current and future operations and undertake response measures with respect to climate change?	✓		(III) The Company's management team periodically assesses the potential risks and opportunities of climate change for the company's present and future, and follows the Task Force on Climate-related Financial Disclosures (TCFD) framework to report relevant risks to the Sustainability Development Committee. The Committee formulates appropriate response measures for relevant issues and develops business continuity plans following the Business Continuity Management (BCM) system mechanism to respond to related risks. Detailed explanation of climate change risk analysis and management mechanisms are set forth in the Company's 2023 Sustainability	No material deviation

Evaluation items	Implementation status			Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Summary	
			Report. Furthermore, to comprehensively understand the impact of climate change-related risks and opportunities on the Company, the Company promotes the management of climate change-related risks and opportunities and periodically reports risks and opportunities to the Board of Directors to implement company-wide tracking and supervision mechanisms. Detailed descriptions of climate change risk analysis and management mechanisms mentioned above will be included in the 2024 Sustainability Report. However, as of the printing date of this annual report, the Company has not completed the 2024 Sustainability Report. After the formal Sustainability Report is prepared, the Company will make announcements and filings in accordance with regulations.	
(IV) Does the company calculate the amount of greenhouse gas emission, water consumption, and waste production in the past two years and implement policies to cut down energy and water consumption, carbon and greenhouse gas emission, and waste production?	✓		(IV) The Company and its subsidiaries (Zhunan Factory, Tainan Factory, Zhubei Factory, Zhongli Factory 1, Zhongli Factory 2, Jingde Factory, and Canada Factory), as well as the Taipei headquarters, have commissioned a third-party institution to conduct ISO 14064 (Scope 1 to 3) inventory and verification for 2023. Additionally, according to the “Sustainability Development Roadmap for Listed Companies” issued by the Financial Supervisory Commission in March 2022, the Company is currently classified as a Category C company (i.e. a non-steel, non-cement industry with paid-in capital below NT$5 billion). However, in accordance with Taipei Exchange Letter No. 1110200505, the Company is required to complete its greenhouse gas inventory by 2026 and greenhouse gas verification by 2028. The Company	No material deviation

Evaluation items	Implementation status			Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Summary	
			has already completed the greenhouse gas inventory for the Group (i.e. Taipei headquarters, Zhunan Factory, Tainan Factory, Zhubei Factory, Zhongli Factory 1, Zhongli Factory 2, Jingde Factory, and Canada Factory) for 2023 on July 29, 2024, ahead of schedule. The verification report was issued by Crowe (TW) CPAs on July 29, 2024, and has been submitted to the Board of Directors for acknowledgment in accordance with the requirements of the competent authority. The greenhouse gas emissions, water consumption, and total waste weight for the past two years, as well as related policies on greenhouse gas reduction, water conservation, and other waste management, are detailed in the Company's 2023 Sustainability Report. In 2024, the Group continues to conduct greenhouse gas inventory and verification, with updated content in the 2024 Sustainability Report. However, as of the printing date of this annual report, the Company has not yet completed the 2024 Sustainability Report. After the formal Sustainability Report is prepared, the Company will announce and report it in accordance with regulations.	
IV. Social Issues (I) Has the company referred to relevant laws and international human rights instruments to stipulate relevant management policies and procedures?	✓		(I) The Company complies with the relevant regulations of the labor law, and has established working rules and complete personnel management regulations, and respect internationally recognized human rights of labor, including freedom of association, collective bargaining rights, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment	No material deviation

Evaluation items	Implementation status			Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Summary	
			discrimination, etc., to safeguard the rights and interests of the employees. The basic salary, working hours, leave, pension, payment of labor and health insurance, compensation for occupational accidents, etc., of the staffs employed by the Company comply with the relevant regulations of Labor Standards Act. Related information please refer to the Company's website.	
(II) Has the company established and offered proper employee benefits (including compensation, leave, and other benefits) and reflected the business performance or results in employee compensation appropriately?	✓		(II) The Company has established relevant welfare measures for the welfare and rights and interests of the employees, and upon discussion with the management, reflect the Company's yearly operating performance or results in the employee compensation appropriately. Related information please refer to the Company's website.	No material deviation
(III) Has the company provided a safe and healthy working environment and provided employees with regular safety and health training?	✓		(III) The Company provides the employees with comfortable, safe and healthy working environment, include implementing necessary access control measures, conducting regular occupational safety and health education and training, banning smoking indoors and setting up staff canteen in the facility, etc. The Company pays high attention to the safety of the employees, where half-yearly fire and evacuation drills are conducted in the plants, and all employees receive fire-fighting training every year. There were no major occupational accidents or casualties in the past three years. Pertaining to the employees' health, besides providing annual medical checkup for the employees, the Company also allows employees to purchase the Company's health products at a discounted price. The Company convenes labor-management meetings and sets up a staff welfare committee in accordance with the law. Through	No material deviation

Evaluation items	Implementation status			Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Summary	
			meetings with the employees, it establishes a channel for regular communication with employees, allowing employees to obtain information and have the right to express opinions on the Company's operation and management activities and decisions, thereby promote a harmonious labor-management relationship and create a mutual benefit and win-win situation.	No material deviation
(IV) Has the company set up effective career development and training programs for its employees?	✓		(IV) The Company provides an excellent career building environment and establishes effective career and competence development and training program for the employees, in the aim to increase the competitive advantage of the employees and Company.	
(V) Does the company comply with relevant regulations and international standards regarding customer health and safety, right to privacy, advertising and labeling of its products and services and set up relevant consumer protection policies and complaint procedures?	✓		(V) To safeguard the rights and interest of the consumers, various services and information are provided, including toll-free customer service hotline, 0800-369-008, and a complete complaints handling process served by dedicated personnel. A responsible unit establishes the handling method and timeliness of commitments, tracks the implementation effectiveness, and strengthens the service process.	No material deviation
(VI) Has the company formulated supplier management policies that require suppliers to comply with relevant regulations on environmental protection, occupational safety and health, and labor rights and request their reporting on the implementation of such regulations?	✓		(VI) The marketing and labeling of the Company's products and services comply with the relevant laws and regulations in the industry, the plants have passed US FDA and UK MHRA site inspections, and the product development and production comply with international pharmaceutical regulations. The contracts between the Company and its suppliers do not specially stipulate the terms where the Company may terminate or rescind the contract at any time if the supplier violates the Company's corporate social	No material deviation

Evaluation items	Implementation status			Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Summary	
			responsibilities policy, The supplier will be evualted periodically. When the supplier violates environment and environement, health, and safety, and human right related regulation, the Company will find substitute supplier to replace suppliers who does not implement corporate social responsibility. The Company will continue to discuss and work on ESG with suppliers. In the future, we will continue to develop specific collaborative measures with various suppliers on sustainability-related issues, gradually promoting the overall supply chain toward higher standards of sustainable practices.	
V. Has the company, following internationally recognized guidelines, prepared reports such as its Corporate Social Responsibility Report to disclose non-financial information of the company? Has the company received assurance or certification of the aforementioned reports from a third-party accreditation institution?	✓		Our company has completed the 2023 Sustainability Report in accordance with frameworks such as the Global Reporting Initiative (GRI) Standards issued by the Global Reporting Initiative and the Sustainability Accounting Standards Board (SASB). The report has undergone limited assurance by Crowe (TW) CPAs based on Assurance Standard No. 1 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the Accounting Research and Development Foundation, which has issued an “Independent Assurance Report.” The report has been filed in compliance with Article 5 of the “Regulations Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies.” For 2024, the Company is also following the aforementioned standards in preparing its Sustainability Report and has engaged Crowe (TW) CPAs to provide limited assurance.	No material deviation

Evaluation items	Implementation status			Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Summary	
			However, as of the printing date of this annual report, the Company has not yet completed its 2024 Sustainability Report. After the formal Sustainability Report is prepared, the Company will make the required public announcement and filing.	
VI. If the company has established the corporate social responsibility principles based on "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies", please describe any discrepancy between the principles and their implementation: Starting in 2021, the Company prepares the sustainability report, implement ISO14064 carbon check and review and engage 3rd party organization for audit. To implement the sustaibability plan, the Company's board of director approved to establish the sustainability committee on March 9, 2022. The sustainability committee will sustainability related matter and continue to revise the Company's guideline in accordance to "Sustainable Development Best Practice Principles for TWSE/TPEx List Companies". There is no material deviation.				
VII. Other key information useful for explaining status of corporate social responsibility practices: The Company aims to become a professional pharmaceutical and healthcare marketing company, provide better and higher quality professional services. With the marketing and promotion of a strong team, it hopes to correctly convey to medical personnel and consumers the most complete medical and health information and product knowledge. For better control of disease, better care of health, and better industrial development, health is no longer a physiological need, but an ultimate portray of the quality of life. Besides putting effort in the core business, the Company believes in giving back to the society and hopes to play a part in promoting social welfare. In addition, for 2024, the Company has donated a total of NT$18,795 thousand to non-profit organization or institutions.				

(VI) Implementation of corporate management and deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons

Evaluation items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons
	Yes	No	Summary	
I. Establishment of ethical management policies and solutions				
(I) Has the company established the ethical corporate management policies approved by the board of directors and specified in its rules and external documents, the ethical corporate management policies and practices as well as the commitment of its board of directors and senior management to implementing the management policies?	✓		(I) To establish an ethical corporate culture and strengthens corporate governance and risk control to build a sound operating environment, the Company has established "Ethical Corporate Management Best Practice Principles" and "Codes of Ethical Conduct", stipulating that the Company's directors, managerial personnel and employees shall comply with the laws and regulations and prevent unethical behavior when conducting business activities.	No material deviation
(II) Has the company established a risk assessment mechanism against unethical conduct, analyze and assess operating activities with higher risk of unethical conducts on a regular basis, and establish prevention programs accordingly, which shall at least include the preventive measures specified in Article 7, Paragraph 2 of the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies?	✓		(II) The Company's internal regulations stipulate that employees when engaging in commercial activities shall not directly or indirectly accept any improper benefits. Staff trainings are also conducted from time to time to strengthen the promotion of the importance of integrity.	No material deviation
(III) Has the company established policies to prevent unethical conduct with relevant procedures, guidelines of conduct, punishment for violation, rules of appeal clearly stated in the policies, implemented the policies, and review the policies on a regular basis?	✓		(III) The Company implements the relevant regulations of corporate governance by establishing regulatory compliance, internal control system and audit system, strengthening the function of the board of directors, fulfilling the function of supervisors, and increasing information transparency.	
II. Implementation of ethical corporate management				
(I) Has the company evaluated the integrity records of parties it does business with and stipulated ethical conduct clauses in business contracts?	✓		(I) The Company evaluates its trading counterparty by conducting credit investigation on customers and evaluation on suppliers to prevent unethical	No material deviation

Evaluation items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons
	Yes	No	Summary	
(II) Has the company set up a dedicated unit under the board of directors to promote ethical corporate management and regularly (at least once every year) report to the board of directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct?	✓		business activities, and gradually specifies in the contracts with the trading counterparty, the terms on ethical conduct. (II) To implement ethical management policy, the Company has established "Ethical Corporate Management Best Practice Principles","Procedure for Ethical Management and Guidelines for Conduct", "Codes of Ethical Conduct" and "Operating Procedures for Handling Internal Material Information and Preventing Insider Trading". Dedicated units report the state of implement to the board of directors at least once per year, and the relevant regulations are continuously modified and promoted according to the regulatory updates. The dedicated units have reported the implementation status to the board of directors on November 13, 2024. 1. Set up dedicated unit in promoting ethical management: To fully integrate the planning and promotion of the various activities of corporate governance, the Company passed a board resolution on March 30, 2021, to appoint the Director of Finance & Accounting Division, Alice Wang, as the chief corporate governance officer, responsible for coordinating the various corporate governance activities. The dedicated unit for ethical management is incorporated into the scope of duties of the corporate governance unit, where the chief corporate governance officer will lead the dedicated personnel from the various departments responsible for ethical management promotion.	No material deviation

Evaluation items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons
	Yes	No	Summary	
			2. Scope of duties and powers (1) Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. (2) Analyzing and assessing the risks of unethical conduct within the business scope on a regular basis and accordingly adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business. (3) Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct. (4) Promoting and coordinating awareness and educational activities with respect to ethics policy. (5) Developing a whistle-blowing system and ensuring its operating effectiveness. (6) Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of	

Evaluation items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons
	Yes	No	Summary	
			compliance with ethical management in operating procedures. (7) Report to the Board of Directors on the examination results of the qualifications of independent directors during the nomination, appointment, and tenure periods to ensure compliance with relevant laws and regulations, and handle matters related to changes in the board of directors accordingly.	
(III) Has the company established policies to prevent conflict of interests, provided appropriate channels for filing related complaints and implemented the policies accordingly?	✓		(III) The recusal system for directors is specified in the Company's "Rules of Procedure for Board of Directors Meetings". The directors shall uphold a high level of self-discipline and when a proposal at a board meeting concerns the personal interest of, or the interest of the juristic person represented by any of the directors, and is likely to prejudice the interest of the Company, the director may state his or her opinion and answer queries, may not participate in discussion of or voting on the proposal, shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director.	No material deviation
(IV) Has the company established effective accounting systems and internal control systems to implement ethical corporate management and designated its internal audit unit, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or commissioned a certified public accountant to conduct the audit?	✓		(IV) The Company has established and implemented an internal control system. The internal auditors regularly review its state of compliance, and prepare an audit report to be submitted to the board of directors. In addition, to ensure the system design and execution continue to be effective, the Company conducts annual review and modification to establish a good corporate governance and risk control system, which is used as basis for assessing	No material deviation

Evaluation items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons
	Yes	No	Summary	
			the effectiveness of the overall internal control system and preparation of the internal control system statement.	
(V) Has the company held internal and external educational trainings on operational integrity regularly?	✓		(V) The Company promotes the concept of ethical business operations through new employee education and training, as well as periodic compliance awareness campaigns. It has established the "Code of Conduct" for the Puri Group in both Chinese and English versions, which is available on the company's intranet for all employees to reference. As of 2023, a total of 782 integrity statements have been signed, and an additional 214 statements were signed by new employees in 2024, resulting in a signing rate of 100% for the group. In order to uphold the core values of integrity and honesty, the prevention of insider trading and confidentiality agreements have been incorporated into the "Code of Conduct." These regulations and guidelines were approved by the board of directors on March 16, 2023, and reported at the shareholders' meeting on June 6, 2023. The revised procedures have been made available on both internal and external websites for all employees and stakeholders to access. In 2023, in addition to updating the intranet "Integrity and Insider Trading Awareness Materials," efforts were made to enhance awareness of ethical business practices and the importance of insider trading compliance. To strengthen the promotion of ethical management and the importance of legal concepts regarding insider trading, current employees have	No material deviation

Evaluation items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons
	Yes	No	Summary	
			been notified to take tests in a systematic question format. New employees will read the materials and submit their responses directly through the system to achieve continuous promotional effects. In 2024, a total of 169 hours of training on ethical behavior and integrity management were conducted for all employed colleagues of the Group.	
III. Implementation status of the Company's whistle-blowing system				
(I) Has the company established a specific whistleblowing and reward system, set up convenient whistleblowing channels and designated appropriate personnel to handle investigations against wrongdoers?	✓		(I), (II), and (III): The company has established the "Code of Conduct," "Code of Ethics," "Employee Rewards and Punishments Regulations," and various personnel management regulations. After the completion of investigations, appropriate follow-up measures are taken. Moreover, an employee suggestion box is set up to allow employees to communicate messages through a rigorous reporting mechanism in a safe and confidential manner. The Group's Code of Conduct and Ethical Corporate Management procedures include whistleblowing and anonymous protection operations for violations of ethical corporate management. The Company has appointed an independent third-party platform Conduct Watch as the whistle-blowing and complaint platformto ensure the confidentiality and safety of the whistle-blowing process. The dedicated unit will coordinate the follow-up investigation and response. The whistle-blowing platform has been linked to the Company's official website.During 2024 and as of the printing date of the annual report, the whistle-blowing platform received one reported incident. After internal	No material deviation
(II) Has the company established standard operating procedures for investigating reported issues, follow-up measures to be adopted after the investigation, as well as relevant confidential mechanisms?	✓			No material deviation
(III) Has the Company set up protection for whistleblowers to prevent them from being subjected to inappropriate measures as a result of reporting such incidents?	✓			No material deviation

Evaluation items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons
	Yes	No	Summary	
			investigation, although there was no clear evidence, appropriate measures were still taken to ensure sound management. Besides this case, no other complaints regarding dishonesty, unethical behavior, or reports of suspected insider trading violations have been received.	
IV. Enhance information disclosure (I) Did the company disclose the content and effectiveness of its ethical management management principles on the company's website and the Market Observation Post System?	✓		The Company has put up the “Ethical Corporate Management Best Practice Principles”, “Procedures for Ethicals Management and Guidelines for Conduct” and “Codes of Ethical Conduct” in the Company’s website, under Investors/Corporate Governance/Important Company Regulations.	No material deviation
V. If the Company has established Ethical Corporate Management Principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies", describe any discrepancy between the principles and their implementation: The Company has established “Ethical Corporate Management Best Practice Principles”, and there is no significant difference between the operation and the principles. In the future, it will gradually incorporate Ethical Corporate Management Best Practice Principles into the various operational aspects.				
VI. Other key information useful for explaining the Company's implementation of ethical corporate management: The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage directors, managers, and employees to make suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better effectiveness of ethical management.				

(VII) Other important information to facilitate better understanding of the state of implementation of corporate governance:

Please refer to "(III) The State of Implementation of Corporate Governance and its deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons – VIII"

(VIII) Status of implementation of internal control system

1. Internal Control System Statement: Please refer to page 102-103.
2. If the internal control system review is conducted by commissioned accountants, the said accountant's review report shall be disclosed: Please refer to page 102-103.

Bora Pharmaceuticals Co., Ltd.
Internal Control System Statement

Date: March 05, 2025

The Company’s 2024 Statement of Internal Control System, based on self-assessment results, is as follows:

I. The Company recognizes that the establishment, execution, and maintenance of its internal control policies are the responsibilities of the Company's board of directors and managerial personnel; such policies have been implemented throughout the Company. The objective is to provide reasonable assurances that the goals of operational effectiveness and efficiency (including profitability, performance, asset security, etc.), financial report reliability, timeliness, transparency, and regulatory compliance will be achieved.

II. There are inherent limitations to even the most well-designed internal control system. As such, an effective internal control system can only reasonably ensure the achievement of the three aforementioned goals. The efficacy of the internal control system will also change with the changing environment or circumstances. However, self-supervision measures were implemented within the Company's internal control policies to facilitate immediate rectification once procedural flaws have been identified.

III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the items in "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Governing Regulations") that are related to the effectiveness of internal control systems. The criteria introduced by the "Governing Regulations" cover the process of management control and consist of five major elements, each representing a different stage of internal control: 1. Control environment, 2. Risk assessment, 3. Control operations, 4. Information and communication, and 5. Monitoring operations. Each component also comprised several items. Please refer to "Governing Regulations" for details.

IV. The Company has adopted the items for determining internal control systems in order to evaluate the effectiveness of its internal control system design and implementation.

V. Based on the aforementioned evaluation results, the Company believes that the design and execution of its December 31, 2023 internal control system (including those adopted for supervision and management of subsidiary branches) are effective in terms of understanding of operational effectiveness, level of efficiency fulfillment, financial reporting reliability, timeliness, transparency, and regulatory compliance-related internal control system items; and that the Company can reasonably achieve the aforementioned goals.

VI. This statement of declaration shall be the primary content of annual report and prospectus, and shall be made available to the public. Should any of the aforementioned disclosure contents be fictitious or concealed in an illegal manner, the company shall bear legal responsibilities

pursuant to Articles 20, 32, 171, and 174 of the Securities Exchange Act.

VII. This Statement was approved by the board on March 7, 2023 where none of the 8 attending directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

Bora Pharmaceuticals Co., Ltd.

Chairman: Sheng Pao-Shi

General Manager: Sheng Pao-Shi

(IX) Any penalties imposed upon the Company or internal personnel by laws, or punishment imposed by the Company on internal personnel for violation of the Company's internal control system regulations, major defects and corrective action thereof in the most recent fiscal year and as of the date of this annual report:

1. Important resolutions of board meetings

Date	Summary of Important Motions	Implementation Status
May 27, ,2024 (General Meeting of Shareholders)	1. 2023 Business Report and Financial Statements.	The motion was approved by vote and the resolution is being implemented.
	2. 2023 Earnings Distribution Proposal.	The motion was approved by vote. August 18, 2024 has been set as the ex-dividend date, and cash dividends will be distributed on August 30, 2024.
	3. Amendment to the "Articles of Incorporation."	The motion was approved by vote. The registration was approved by the Ministry of Economic Affairs on July 1, 2024 and has been posted on the Company website.
	4. Amendment to the "Operational Procedures for Loaning Funds to Others."	The motion was approved by vote. The procedures have been announced on the Market Observation Post System and the Company website, and are being implemented according to the amended procedures.
	5. Amendments to the "Procedures for Acquisition or Disposal of Assets."	The motion was approved by vote. The procedures have been announced on the Market Observation Post System and the Company website, and are being implemented according to the amended procedures.
	6. Proposal for releasing directors from non-competition restrictions.	The motion was approved by vote and the resolution is being implemented.

2. Important resolutions of board meetings

Date	Meeting	Significant Resolutions
January 16, 2024	Board of Directors	1. Proposal to approve the acquisition of 100% equity interest in Upsher-Smith Laboratories, LLC. and two other companies through the 100% indirectly-owned US subsidiary Bora Pharmaceutical Holdings 2. Proposal to sign credit facility contracts with financial institutions 3. Proposal to establish the record date for capital increase for the Company's 2023 issuance of new shares for the exercise of 2020 employee stock options and domestic third unsecured convertible corporate bonds
March 7, 2024	Board of Directors	1. The Company's 2023 "Statement of Internal Control System" 2. The Company's change of CPA(s) due to internal reorganization of the accounting firm 3. Review of the independence and eligibility assessment of the Company's CPA(s) 4. 2023 Business Report and Financial Statements

Date	Meeting	Significant Resolutions
		5. Distribution of earnings and cash dividends for 2023 6. Status of the Company's third domestic unsecured convertible bonds 7. Amendment to the "Articles of Incorporation" 8. Amendments to the "Procedures for Loaning Funds to Others" and "Procedures for Acquisition or Disposal of Assets" 9. Amendment of "Internal Control System" and "Approval Authority Table" 10. Amendment to the "Rules of Procedure for Board of Directors Meetings" and "Audit Committee Charter" 11. Proposal for releasing directors from non-competition restrictions 12. Convening the 2024 General Meeting of Shareholders 13. Proposal to sign credit facility contracts and financial transaction contracts with financial institutions 14. Proposal for the Company to sign short-term Bridge Loan and credit facility contracts with financial institutions 15. Proposed cash capital injection of US$100,000 thousand into Bora Pharmaceuticals USA Inc., a 100% owned subsidiary of the Company 16. Proposed guarantee of a loan facility of US$120 million for Bora Pharmaceutical Holdings, Inc., a 100% indirectly owned subsidiary of the Company 17. Proposal for providing a loan to the 100% indirectly owned subsidiary, Bora Pharmaceutical Holdings, Inc. 18. The Company's Shares Buyback 19. Amendment to the "Regulations for Managers' Remuneration Payment." 20. The proposal for the distribution of the 2023 employees' and directors' remuneration 21. The proposal for the distribution of the 2023 directors' remuneration 22. The proposal for the distribution of the 2023 employee remuneration to managers 23. The proposal for the distribution of the 2023 employee remuneration from the subsidiary TWi Pharmaceutical to the Company's managers 24. The Company's 2024 annual managers' promotion and salary adjustment proposal 25. 2023 first employee stock option certificate allocation to non-managers
April 12, 2024	Board of Directors	1. The Company proposes conducting a share exchange with its subsidiary, Bora Biologics Co., Ltd., using the issuance of new shares as consideration.. 2. Proposal to sign credit facility contracts with financial institutions. 3. Proposal for providing guarantee of loan facility of US$70 million to Upsher-Smith Laboratories, LLC, a 100% indirectly owned subsidiary of the Company
May 14, 2024	Board of Directors	1. Consolidated financial report for the first quarter of 2024 of the Company 2. Proposal for establishing the record date for capital increase for the issuance of new shares from the exercise of 2020 employee stock option certificates in 2024 3. Proposal to authorize the chairperson to represent the Company in the

Date	Meeting	Significant Resolutions
		bidding for the CDMO operational assets in Maryland, USA 4. Proposed cash capital injection of US$57,000 thousand into Bora Pharmaceuticals USA Inc., a 100% owned subsidiary of the Company 5. 2023 first employee stock option certificate allocation to managers 2023 first employee stock option certificate allocation to non-managers
May 27, 2024	Board of Directors	1. Proposal for the issuance of first overseas unsecured convertible corporate bonds 2. Proposed guarantee of a loan facility of US$82 million for Bora Pharmaceutical Holdings, Inc., a 100% indirectly owned subsidiary of the Company 3. Proposal to sign credit facility contracts with financial institutions
June 20, 2024	Board of Directors	1. Proposal to acquire Biopharmaceutical CDMO operational assets in Maryland, USA, through the newly established 100% indirectly owned subsidiary, Bora Pharmaceuticals Injectables Inc.
August 13, 2024	Board of Directors	1. The Company's change of CPA(s) due to internal reorganization of the accounting firm 2. Consolidated financial report for the second quarter of 2024 of the Company 3. Proposal to establish the record date for capital increase for the Company's 2024 issuance of new shares for the exercise of 2020 and 2022 employee stock options and domestic third unsecured convertible corporate bonds 4. Proposal to cancel the Company's 7th share repurchase program and set the capital reduction record date in accordance with the law 5. Proposal to sign credit facility contracts with financial institutions 6. Intent to participate in cash capital increase and new share issuance of subsidiary Bora Biologics Co., Ltd. 7. Proposed cash capital injection of US$200,000 thousand into Bora Pharmaceuticals USA Inc., a 100% owned subsidiary of the Company 8. Proposal for continuously providing guarantee of loan facility of US$70 million to Upsher-Smith Laboratories, LLC, a 100% indirectly owned subsidiary of the Company 9. Addition of "Whistleblowing and Complaint System Management Regulations" 10. The Company's ESG material topics and management approach and Sustainability Report for 2023 11. Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees" 12. Proposal for cash capital increase and issuance of new shares by subsidiary Bora Biologics Co., Ltd. (hereinafter referred to as "Bora Biologics") to managers 13.Proposal for cash capital increase and issuance of new shares by subsidiary Bora Biologics Co., Ltd. (hereinafter referred to as "Bora Biologics") to managers
August 27, 2024	Board of Directors	1. The Company proposes to enter into a merger case with Tanvex BioPharma Inc. with the value of its shareholding in the subsidiary Bora Biologics as consideration.
October 18, 2024	Board of Directors	1. The Company's earnings distribution for the first half of 2024 2. Amendment to the "2021 First Employee Stock Option Issuance and

Date	Meeting	Significant Resolutions
		Subscription Plan” 3. Proposal for issuance of employee stock options 4. Proposal for establishing the record date for capital increase for the issuance of new shares from the exercise of 2020 and 2022 employee stock option certificates in 2024 5. Proposal to sign credit facility contracts with financial institutions 6. Amendment to the “Sustainable Development Committee Charter” 7. Proposal to Appoint Lin Jui-I as Independent Director to Serve on the Second Sustainable Development Committee 8. Transfer of treasury stock to non-managerial employees as stipulated in the Company’s “2022 Regulations for Transfer of Repurchased Shares to Employees”
October 25, 2024	Board of Directors	1. Proposed acquisition of 100% equity in Pyros Pharmaceuticals Inc. through 100% indirectly owned US subsidiary Bora Pharmaceutical Holdings, Inc. 2. Proposed cash capital injection of US$27,250 thousand into Bora Pharmaceuticals USA Inc., a 100% owned subsidiary of the Company
November 13, 2024	Board of Directors	1. Consolidated financial report for the third quarter of 2024 of the Company 2. 2025 ESG short-, medium-, and long-term strategic goal setting 3. Formulation of the Company’s sustainability development related operating guidelines 4. Proposal to engage Crowe (TW) CPAs to provide assurance for the 2024 Sustainability Report and greenhouse gas inventory 5. The appointment of Mr. Liu Nien-Hua as the Company’s manager, who currently serves as the President of TWi Pharmaceuticals, Inc., an important subsidiary of the Company 6. ESG performance-linked remuneration indicators for the Company’s managers. 7. The Company's managers participate in the employee stock ownership trust scheme. 8. Details of the Company's managers' project bonuses. 9. 2023 first employee stock option certificate allocation to non-managers
December 13, 2024	Board of Directors	1. The Company’s 2025 operation plan proposal 2. The Company’s 2025 budget plan proposal 3. Proposal for appointment of Head of Internal Audit 4. The Company's 2025 internal audit plan proposal 5. Proposal to sign credit facility contracts with financial institutions 6. Application for account opening and signing of credit and financial transaction agreements with financial institutions 7. The case of the Company's managers' year-end performance bonuses for 2024. 8. Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees”
March 5, 2025	Board of Directors	1. The Company's 2024 "Statement of Internal Control System" 2. Review of the independence and eligibility assessment of the Company's CPA(s) 3. 2024 Business Report and Financial Statements

Date	Meeting	Significant Resolutions
		4. Distribution of earnings and cash dividends for 2024 5. Proposal for stock dividend distribution through capitalization of earnings 6. Proposal for the issuance of restricted employee shares 7. Implementation status of the Company’s treasury stock 8. Status of the Company’s domestic and overseas unsecured convertible bonds 9. Amendment to the "Articles of Incorporation" 10. Proposal for Amendment to the "Self-Assessment Procedures for Internal Control System" 11. Revision of “Corporate Governance Best-Practice Principles” and “Personal Data Protection Policy” 12. Proposal for releasing directors from non-competition restrictions 13. Convening the 2025 General Meeting of Shareholders 14. Proposal to renew credit facility agreements with financial institutions 15. Proposal to establish the record date for capital increase for the Company's issuance of new shares for the exercise of 2020 employee stock options and domestic third unsecured convertible corporate bonds 16. The proposal for the distribution of the 2024 employees’ and directors’ remuneration 17. The proposal for the distribution of the 2024 directors' remuneration 18. The proposal for the distribution of the 2024 manager performance results and employee remuneration 19. The proposal for the distribution of the 2024 employee remuneration from the subsidiary TWi Pharmaceuticals, Inc. to the Company's managers 20. The Company's 2025 annual managers' salary adjustment proposal 21. 2024 first employee stock option certificate allocation to non-managers 22. Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees”
April 8, 2025	Board of Directors	1. Formulate the company's "2025 Share Buyback and Transfer to Employees Policy" 2. The Company’s Shares Buyback

(X) Important resolutions of shareholders meeting and board meeting in the most recent year and up to the date of publication of the annual report: None.

IV. Information on fees to certified public accountants:

(I) Information of certified public accountants

Name of CPA Firm	Name of CPAs		Audit Period	Notes
Ernst & Young Global Limited	Hung Kuo-Sen	Chen Ming-Hung	January 1, 2024– March 7, 2024	None
	Hu Tzu-Jen	Hung Kuo-Sen	March 8, 2024– August 13, 2024	
	Hu Tzu-Jen	Yao Shih-Chien	August 14, 2024– December 31, 2024	

(II) Fees to certified public accountants: The Company discloses the professional fees of certified public accountants by fee each disclosure.

Unit: NTD Thoudand

Name of CPA Firm	Name of CPAs	CPA Audit Period	Audit Fee	Non-AuditFfees	Total	Notes
Ernst & Young Global Limited	Hung Kuo-Sen Chen Ming-Hung	January 2024– March 2024	8,680	10,251	18,931	Note 1
	Hu Tzu-Jen Hung Kuo-Sen	April 2024– .August 2024				
	Hu Tzu-Jen Yao Shih-Chien	September 2024– December 2024				

Note 1: Non-audit fee includes tax service, business registration service, tax consulting and other services.

(III) When non-audit fees paid to the certified public accountant, to the accounting firm of the certified public accountant, and/or to any affiliated enterprise of such accounting firm are one quarter or more of the audit fees paid thereto, the amounts of both audit and non-audit fees as well as details of non-audit services shall be disclosed: Disclosed.

(IV) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the reduction in the amount of audit fees, reduction percentage, and reason(s) shall be disclosed. None.

(V) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10% or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) shall be disclosed. None.

V. Information on change of certified public accountant:

(I) Predecessor accountant

Change Date	March 7, 2024 and August 13, 2024 – Approved by the Board of Directors			
Reason for the Change	Change CPA due to accounting firm's internal CPA rotation			
Explain the Company or certified public accountant terminated or discontinued the engagement	Party / Condition		Certified public accountant	The Company
	Terminated the Engagement		Not Applicable	
	Discountinued the Engagement			
Issue opinion other than unqualified opinion for the financial statements for the recent two year	None			
Having different opinion with the issuer	Yes		Accounting principle and practice	
			Financial statement disclosure	
			Audit scope or procedure	
			Others	
	No	✓		
	Note			
Other disclosure item	None			

(II) Successor Accountant

Name of the accounting firm	Ernst & Young, Taiwan	
Name of CPAs	CPA Hu Tzu-Jen CPA Hung Kuo-Sen	CPA Hu Tzu-Jen CPA Yao Shih-Chien
Engagement date	March 7, 2024 - Approved by the Board of Directors	August 13, 2024 - Approved by the Board of Directors
Inquiry on specific accounting principle and procedure, and possible issued opinion	None	
Successor accountant's written notice on different opinion issued by predecessor account	None	

(III) The reply letter from the predecessor accountant: None

VI. The company's chairman, general manager, or any managerial personnel in charge of finance or accounting matters who has, during the past year, held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm:

None.

VII. Equity transfer or changes to equity pledge of a director, supervisor, managerial personnel, or shareholder with a stake of more than 10% during the most recent fiscal year and up to the date of publication of the annual report

(I) Share Equity Change Status for Directors, Supervisors, Managerial personnel, and Major Shareholders

Title	Name	2024		As of March25,2025	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged	Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged
Chairperson and President	Sheng Pao-Hsi	(221,880)	—	(71,000)	—
Directors	Ta Ya Venture Capital Co., Ltd.	147,836	—	—	—
	Representative: Shen Shang-Hung	—	—	—	—
Director and Major Shareholder	Baolei Co., Ltd.	—	—	—	—
	Representative: Chen Kuan-Pai	—	—	—	—
Director and Vice President	Chen Shin-Min	(43,030)	0	15,000	—
Independent Director	Lin Jui-I	—	—	—	—
Independent Director	Lai Ming-Jung	—	—	—	—
Independent Director	Li Yi-Chin	—	—	—	—
Independent Director	Lin Hsin-I	(1,000)	—	—	—
Major Shareholders	Rui Bao Xin Investment Co. Ltd.	(88,000)	—	—	—
Senior Vice President	Chang Chen-Tang	(26,832)	0	30,000	—
Vice President	Chang Hsiu-Jung	5,000	0	6,000	—
Vice President, Information Management Department	Chen Chia-Chu	3,168	0	0	—
President of subsidiary	Liu Nien-Hua	—	—	12,500	—
Senior Manager, Information Management Department	Li Chih-Chieh	12,470	—	—	—
Vice President, Finance, Accounting,	Wang Chin-Chu	(10,832)	0	(9,000)	—

and Management Department					
Senior Manager, Human Resource Department	Chen Chia-Ling	12,394	—	—	—
Vice Senior Manager Head of Accounting	Chen Hsiao-Ting	—	—	—	—

(II) Information where the counterparty in a transfer of equity interests by a director, supervisor, managerial personnel, or major shareholder is a related party: None.

(III) Information where the counterparty in a transfer of equity interests by a director, supervisor, managerial personnel, or major shareholder is a related party: None.

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

March 25, 2025; Unit: Shares

Name	Number of Shares Held by the Person		Shareholding of Spouse and Minor Children		Held in the Name of Others Number of Total Shares Held		Names or titles of major shareholders who have relationships as defined in Statement of Financial Accounting Standards No. 6, or who are spouses or relatives within the second degree of kinship, and their relationships.		Note
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Title (or Name)	Relations	
Baolei Co., Ltd.	18,704,939	18.03%	—	—	—	—	Rui Bao Xin Investment Co. Ltd.	The representative is the same person	—
							Po En International Co., Ltd.	The representative is the same person	—
							Chia Hsi International Co., Ltd.	The representative is the same person	
							Sheng Pao-Hsi	Representative of Baolei	—
Representative: Sheng Pao-Hsi	5,063,792	4.88%	—	—	21,322,741	20.56%	Baolei Co., Ltd.	Representative of Baolei Co., Ltd.	—
							Rui Bao Xin Investment Co. Ltd.	Representative of Rui Bao Xin Investment	—
							Po En International Co., Ltd.	Representative of Po En International	
							Chia Hsi International Co., Ltd.	Representative of Chia Hsi International	—
Rui Bao Xin Investment Co. Ltd.	11,348,676	10.94%	—	—	—	—	Baolei Co., Ltd.	The representative is the same person	—
							Po En International Co., Ltd.	The representative is the same person	—
							Chia Hsi International Co., Ltd.	The representative is the same person	
							Sheng Pao-Hsi	Representative of Rui Bao Xin Investment	—
Representative: Sheng Pao-Hsi	5,063,792	4.88%	—	—	21,322,741	20.56%	Baolei Co., Ltd.	Representative of Baolei Co., Ltd.	—
							Rui Bao Xin	Representative	—

Name	Number of Shares Held by the Person		Shareholding of Spouse and Minor Children		Held in the Name of Others Number of Total Shares Held		Names or titles of major shareholders who have relationships as defined in Statement of Financial Accounting Standards No. 6, or who are spouses or relatives within the second degree of kinship, and their relationships.		Note
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Title (or Name)	Relations	
							Investment Co. Ltd.	of Rui Bao Xin Investment	
							Po En International Co., Ltd.	Representative of Po En International	
							Chia Hsi International Co., Ltd.	Representative of Chia Hsi International	—
Sheng Pao-Hsi	5,063,792	4.88%	—	—	21,322,741	20.56%	Baolei Co., Ltd.	Representative of Baolei Co., Ltd.	—
							Rui Bao Xin Investment Co. Ltd.	Representative of Rui Bao Xin Investment	—
							Po En International Co., Ltd.	Representative of Po En International	
							Chia Hsi International Co., Ltd.	Representative of Chia Hsi International	—
Ta Ya Venture Capital Co., Ltd.	4,041,318	3.90%	—	—	—	—	None	None	—
Representative: Shen Shang-Hung	—	—	857	—	—	—	None	None	—
SCHOFTEN LIMITED, British Virgin Islands	3,554,619	3.43%	—	—	—	—	None	None	—
Representative: Wang Hsing-I	—	—	—	—	—	—	None	None	—
Chiang Chih-Jung	2,628,043	2.53%	—	—	—	—	None	None	—
Po En International Co., Ltd.	1,505,442	1.45%	—	—	—	—	Baolei Co. Ltd.	The representative is the same person	—
							Rui Bao Xin Investment Co., Ltd.	The representative is the same person	—
							Chia Hsi International	The representative is	—

Name	Number of Shares Held by the Person		Shareholding of Spouse and Minor Children		Held in the Name of Others Number of Total Shares Held		Names or titles of major shareholders who have relationships as defined in Statement of Financial Accounting Standards No. 6, or who are spouses or relatives within the second degree of kinship, and their relationships.		Note
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Title (or Name)	Relations	
Representative: Sheng Pao-Hsi							Co., Ltd.	the same person	
							Sheng Pao-Hsi	Representative of Po En International	—
	5,063,792	4.88%	—	—	21,322,741	20.56%	Baolei Co. Ltd.	Representative of Baolei Co., Ltd.	—
							Rui Bao Xin Investment Co., Ltd.	Representative of Rui Bao Xin Investment	—
							Po En International Co., Ltd.	Representative of Po En International	—
							Chia Hsi International Co., Ltd.	Representative of Chia Hsi International	—
New Labor Pension Fund	1,474,000	1.42%	—	—	—	—	None	None	
Bureau of Public Service Pension Fund	1,248,000	1.20%	—	—	—	—	None	None	
Hundred River International Investment Corp. Representative: Chen Kuan-Pai	1,180,000	1.14%	—	—	—	—	None	None	—
	—	—	—	—	1,180,000	1.14%	None	None	—

IX. Investment in companies in which the Company, its directors, supervisors, managers, and enterprises directly or indirectly controlled by the Company have equity interests, with their combined shareholding percentages calculated.

December 31, 2024; Unit: shares; %

Investee Company (Note 1)	The Company's Investments		Investment by Directors, Supervisors, Managers and Directly or Indirectly Controlled Enterprises		Combined Investment (Note 2)	
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage
Union Chemical & Pharmaceutical Co., Ltd.	—	—	1,500,000	100%	536,850	35.79%
Bora Health Inc.	—	—	22,618,880	100%	8,095,297	35.79%
Bora Pharmaceutical Laboratories Inc.	165,000,000	100%	—	—	165,000,000	100%
Bora Pharmaceuticals USA Inc.	500,000	100%	—	—	500,000	100%
Bora Pharmaceutical Services Inc.	100,000,000	50%	100,000,000	50%	200,000,000	100%
Bora Management Consulting Co., Ltd.	100,000	100%	—	—	100,000	100%
Bora Biologics Co., Ltd	72,707,800	98.14%	—	—	72,707,800	98.14%
Bora Pharmaceutical and Consumer Health Inc.	40,000	100%	—	—	40,000	100%
TWi Pharmaceutical	60,000,000	100%	—	—	60,000,000	100%
Jin Tei Pharmaceuticals, Inc.	—	—	74,252,492	99%	74,252,492	99%
TWi Pharmaceuticals USA, Inc.	—	—	38	100%	38	100%

SunWay Biotech Co., Ltd.	21,615,098	35.79%	—	—	21,615,098	35.79%
Sunway Group Holding Limited	—	—	1,000,000	100%	357,900	35.79%
Sunway Investment(H.K.) Limited	—	—	3,500,000	100%	1,252,650	35.79%
Taiwan Eartheco Bio-Tech (Dongguan) Co., Ltd. (Note 3)	—	—	—	100%	—	35.79%
Chen Jun Marketing Co., Ltd.	—	—	255,000	51%	91,265	18.25%
Bora Pharmaceuticals Injectables Inc.	—	—	1,000	100%	100,000	100%
Bora Pharmaceutical Holdings Inc.	—	—	1,000	100%	100,000	100%
Upsher-Smith Holding, Inc.	—	—	230	100%	100,000	100%
Upsher-Smith America LLC	—	—	5	100%	100,000	100%
Upsher-Smith Laboratories, LLC	—	—	5,976,700 Class A units; 116,235,280 Class B units	100%	100,000	100%
Pyros Pharmaceuticals Inc.	—	—	1,000	100%	100,000	100%

Note 1: The Company's investment using the equity method.

Note 2: The total number of shares and the ownership percentage are based on the results of cross-shareholding calculations.

Note 3: Since it's a limited company, there are no shares.

C. Fundraising Conditions

I. Capital and Shares

(I) Source of Capital

1. Capital formation

Unit: Thousand share; NTD thousands

Month Year	Issuance Price (NT$)	Authorized Capital		Paid-in Capital		Notes		
		Number of Shares	Amount	Number of Shares	Amount	Source of Share Capital	Payment for Shares by Property Other Than Cash	Other
June 2007	5	200	2,000	200	2,000	Fundraising and Establishment	—	Note 1
November 2010	10	1,000	10,000	1,000	10,000	Capital Increase in Cash NT$8,000 thousand	—	Note 2
December 2012	10	4,000	40,000	4,000	40,000	Capital Increase in Cash NT$20,281 thousand	Payment of Subscription Receivable by Debt Claims: NT$9,719 thousand	Note 3
February 2013	10	12,400	124,000	12,400	124,000	Capital Increase in Cash NT$84,000 thousand	—	Note 4
March 2013	12	25,000	250,000	14,400	144,000	—	Payment of Subscription Receivable by Debt Claims: NT$20,000 thousand	Note 5
June 2013	35	25,000	250,000	18,850	188,500	Capital Increase in Cash NT$44,500 thousand	—	Note 6
January 2014	14	25,000	250,000	20,850	208,500	Capital Increase in Cash NT$20,000 thousand	—	Note 7
July 2014	70	25,000	250,000	22,450	224,500	Capital Increase in Cash NT$16,000 thousand	—	Note 8
August 2016	10	25,000	250,000	23,348	233,480	Capitalization of earnings NT$8,980 thousand	—	Note 9
April 2017	32.5	35,000	350,000	26,462	264,620	Capital Increase in Cash NT$31,140 thousand	—	Note 10
August 2018	80	35,000	350,000	29,462	294,620	Capital Increase in Cash NT$30,000	—	Note 11

Month Year	Issuance Price (NT$)	Authorized Capital		Paid-in Capital		Notes		
		Number of Shares	Amount	Number of Shares	Amount	Source of Share Capital	Payment for Shares by Property Other Than Cash	Other
						thousand		
August 2019	10	60,000	600,000	38,409	384,091	Capitalization of Earnings NT$88,471 thousand CB Conversion to Common Stocks NT$1,000 thousand	—	Note 12
November 2019	10	60,000	600,000	39,427	394,272	CB Conversion to Common Stocks NT$10,181 thousand	—	Note 13
March 2020	120	60,000	600,000	41,627	416,272	Capital Increase in Cash NT$22,000 thousand	—	Note 14
December 2020	10	60,000	600,000	54,115	541,154	Capitalization of Earnings NT$124,882 thousand	—	Note 15
September 2021	10	120,000	1,200,000	67,644	676,443	Capitalization of Earnings NT$135,289 thousand	—	Note 16
December 2021	81.5	120,000	1,200,000	68,412	684,123	Employee stock option NT$7,680 thousand	—	Note 17
February 2022	65.4	120,000	1,200,000	68,478	684,783	Employee stock option NT$660 thousand	—	Note 18
May 2022	5	120,000	1,200,000	68,529	685,293	Employee stock option NT$510 thousand	—	Note 19
September 2022	10	120,000	1,200,000	75,381	753,815	Capitalization of Earnings NT$68,522 thousand	—	Note 20
April 2023	140.3300	120,000	1,200,000	77,435	774,348	Employee stock option NT$400 thousand CB Conversion to Common Stocks NT$20,133 thousand	—	Note 21
August 2023	140.3300	200,000	2,000,000	77,689	776,898	Employee stock option NT$100 thousand CB Conversion to Common Stocks NT$2,450 thousand	—	Note 22

Month Year	Issuance Price (NT$)	Authorized Capital		Paid-in Capital		Notes		
		Number of Shares	Amount	Number of Shares	Amount	Source of Share Capital	Payment for Shares by Property Other Than Cash	Other
August 2023	10	200,000	2,000,000	100,830	1,008,308	NT$231,410 thousand of capitalization of earnings	—	Note 23
December 2023	106.8 150.4 228.4 296.6	200,000	2,000,000	101,412	1,014,128	Employee stock option NT$540 thousand CB Conversion to Common Stocks NT$5,280 thousand	—	Note 24
February 2024	106.8 150.4 622.1	200,000	2,000,000	101,490	1,014,901	Employee stock option NT$770 thousand CB Conversion to Common Stocks NT$3.2 thousand	—	Note 25
June 2024	106.8	200,000	2,000,000	101,550	1,015,501	Employee stock option NT$600 thousand	—	Note 26
October 2024	10	200,000	2,000,000	103,208	1,032,078	NT$16,577 thousand of shares conversion	—	Note 27
October 2024	150.4 109.3 (622.1)	200,000	2,000,000	103,014	1,030,147	Employee stock option NT$205 thousand CB Conversion to Common Stocks NT$3,054 thousand NT$5,190 thousand of treasury stock cancellation	—	Note 28
November 2024	148.1 107.7 254.4	200,000	2,000,000	103,085	1,030,852	Employee stock option NT$705 thousand	—	Note 29
March 2025	105.3 148.3 107.7 254.4 290.7	200,000	2,000,000	103,457	1,034,572	Employee stock option NT$3,490 thousand CB Conversion to Common Stocks NT$230 thousand	—	Note 30

Note 1: 2007.06.12 Letter No. Fujianshangzi 09685784100 approved by the government
Note 2: 2010.11.17 Letter No. Fuchanshangzi 09989766200 approved by the government
Note 3: 2012.12.25 Letter No. Fuchanshangzi 10190606710 approved by the government
Note 4: 2013.02.01 Letter No. Fuchanshangzi 10281026900 approved by the government
Note 5: 2014.06.13 Letter No. Fuchanyeshangzi 10384749500 approved by the government
Note 6: 2013.06.03 Letter No. Fuchanyeshangzi 10283499730 approved by the government
Note 7: 2014.01.27 Letter No. Fuchanyeshangzi 10380450410 approved by the government

Note 8: 2014.07.10 Letter No. Fuchanyeshangzi 10385703800 approved by the government
Note 9: 2016.08.12 Letter No. Fuchanyeshangzi 10590942610 approved by the government
Note 10: 2017.05.05 Letter No. Fuchanyeshangzi 10653541210 approved by the government
Note 11: 2018.08.23 Letter No. Fuchanyeshangzi 10752480520 approved by the government
Note 12: 2019.08.21 Letter No. Fuchanyeshangzi 10853082710 approved by the government
Note 13: 2019.11.25 Letter No. Fuchanyeshangzi 10856445400 approved by the government
Note 14: 2020.03.04 Letter No. Fuchanyeshangzi 10946656210 approved by the government
Note 15: 2020.12.04 Letter No. Jingshoushangzi 10901224860 approved by the government
Note 16: 2021.09.30 Letter No. Jingshoushangzi 11001179450 approved by the government
Note 17: 2021.12.02 Letter No. Jingshoushangzi 11001222740 approved by the government
Note 18: 2021.02.16 Letter No. Jingshoushangzi 11101018340 approved by the government
Note 19: 2022.05.12 Letter No. Jingshoushangzi 11101066780 approved by the government
Note 20: 2022.09.16 Letter No. Jingshoushangzi 11001181140 approved by the government
Note 21: 2023.04.10 Letter No. Jingshoushangzi 11230055670 approved by the government
Note 22: 2023.08.01 Letter No. Jingshoushangzi 11230136110 approved by the government
Note 23: 2023.08.30 Letter No. Jingshoushangzi 11230168370 approved by the government
Note 24: 2023.12.01 Letter No. Jingshoushangzi 11230222310 approved by the government
Note 25: 2024.02.19 Letter No. Jingshoushangzi 11330017570 approved by the government
Note 26: 2024.06.13 Letter No. Jingshoushangzi 11330089010 approved by the government
Note 27: 2024.10.01 Letter No. Jingshoushangzi 11330144060 approved by the government
Note 28: 2024.10.18 Letter No. Jingshoushangzi 11330155660 approved by the government
Note 29: 2024.11.07 Letter No. Jingshoushangzi 11330193790 approved by the government
Note 30: 2025.03.31 Letter No. Jingshoushangzi 11430038120 approved by the government

2. Total number of issued shares

March 29, 2024; Unit: shares

Type of Shares	Authorized Capital			Remarks
	Shares issued and outstanding	Unissued shares	Total	
Ordinary shares	103,717,395	96,282,605	200,000,000	The Company's stocks are listed stocks.

3. Information on the comprehensive reporting system: None

(II) List of Main Shareholders

(III) March 25, 2025 Unit: Shares

Shares / Name of Major Shareholders	Shareholding	Shareholding Percentage
Baolei Co., Ltd.	18,704,939	18.03%
Rui Bao Xin Investment Co. Ltd.	11,348,676	10.94%
Sheng Pao-Hsi	5,063,792	4.88%
Ta Ya Venture Capital Co., Ltd.	4,041,318	3.90%
SCHOFTEN LIMITED, British Virgin Islands	3,554,619	3.43%
Chiang Chih-Jung	2,628,043	2.53%
Po En International Co., Ltd.	1,505,442	1.45%
New Labor Pension Fund	1,474,000	1.42%

Shares / Name of Major Shareholders	Shareholding	Shareholding Percentage
Bureau of Public Service Pension Fund	1,248,000	1.20%
Hundred River International Investment Corp.	1,180,000	1.14%

(III) Company's Dividend Policy and Implementation

1. Dividend policy established in the Articles of Incorporation

If the Company’s annual earnings are profitable, it shall allocate no less than one percent for employee remuneration and no more than five percent for directors’ remuneration, but if the Company still has accumulated losses, the amount for compensation should be reserved in advance. The distribution of employee remuneration and directors’ remuneration shall be resolved by the Board of Directors with the attendance of more than two-thirds of directors and the approval of more than half of the attending directors, and reported to the General Meeting of Shareholders.

If the Board of Directors resolves to distribute employee remuneration in shares or cash to employees, then the said employees shall include those who meet certain criteria, with the relevant guidelines established by the Board of Directors.

Any earnings from the Company's annual accounts are distributed in the following order:

(1) Taxes and contributions.
(2) To make up for prior years' losses.
(3) 10% of the legal reserve is set aside as legal reserve (except when the legal reserve has reached the total capital amount).
(4) The balance shall then be allocated or reversed as special reserve in accordance with regulatory requirements.
(5) The Board of Directors shall draft the proposal for shareholder dividend allocation based on any remaining profit, along with accumulated undistributed earnings, and submit the draft to the shareholder's meeting.

The Company's dividend policy is based on a residual dividend policy. Taking into consideration the Company's current and future investment environment, capital requirements, domestic and foreign competition, the Company’s annual distributed dividend shall not lower than the undistributed earning at the end of period as principle. When the dividend to shareholder is lower than NTD 0.5, the Company may retain the earning and not distributed. The percentage of cash dividends paid each year must not be less than 10% of the total amount of cash and stock dividends paid in that year.

2. Current year dividend distribution proposal to the shareholders meeting

The Company’s 2024 earnings distribution proposal was approved by the Board of Directors on March 5, 2025, pending resolution at the General Meeting of Shareholders on May 23, 2025, with the distribution as follows:

Unit: NT$

Item	Amount	
	Subtotal	Total
Beginning Balance for 2024		2,837,297,521
Plus: 2024 net income after tax		3,939,008,827
Net income after tax plus other items included in current year's undistributed earnings		6,776,306,348
Less: Treasury stock cancellation	(327,901,841)	
Less: Appropriation of 10% legal reserve	(361,110,698)	
Distributable earnings for the current period		6,087,293,809
Distribution Items:		
Stock dividends to shareholders (NT$2 per share)	(206,827,890)	
Cash dividends to shareholders (NT$14 per share)	(1,447,795,230)	
		(1,654,623,120)
Ending undistributed earnings		4,332,670,689

Note 1: Legal reserve NT$3,939,008,827-NT$327,901,841=NT$3,611,106,986 x 10%=NT$361,110,698.

Note 2: As of February 28, 2025, the number of outstanding shares is 103,413,945 shares (103,647,445 shares minus treasury stock of 233,500 shares).

Note 3: The current profit distribution amount will prioritize the fiscal year 2024.

(IV) The Company's dividend distribution for fiscal year 2024 was approved by the Board of Directors on March 5, 2025, with a cash dividend of NT$14 per share and a stock dividend of NT$2 per share, pending approval at the General Meeting of Shareholders on May 23, 2025. Due to the Company's continued business expansion, favorable sales performance, and steady profit growth, this stock dividend is not expected to have a significant impact on the Company's operating performance and earnings per share.

(V) Employee bonus and remuneration for directors and supervisors

1. The percentage or scope of employee bonuses as well as directors' and supervisors' remuneration as set forth in the Articles of Incorporation.

   The Company's profit earned in a financial year shall be subject to employee remuneration of no less than 2% and director/supervisor remuneration of no more than 5%. However, profits must first be taken to offset cumulative losses if any. Employees' remuneration and directors' remuneration distribution shall be carried out via a resolution of the board of directors with two-thirds of directors in attendance and a majority of the directors present, and reported to the shareholders' meeting; employees' remuneration shall be distributed in shares or cash by resolution of the board of directors, and distribution shall include employees of subsidiary companies who meet certain criteria with the relevant rules established by the board of directors.

2. The basis for estimating the amount of bonuses to employees and remuneration to directors and supervisors, the basis for calculating the number of shares to be allotted as

stock bonuses, the actual allotment of shares for the period, as well as the accounting treatment for the difference between the estimated amount and the estimated amount:

If the Board of Directors resolved at the end of last year to distribute employees' bonuses and directors' remuneration, they are recognized as expenses in the current year. If there is any change in the amount of bonuses and directors' remuneration at the date of the shareholders' meeting, it is adjusted according to the change in accounting estimate and recorded as profit or loss in the period of distribution.

3. Remuneration proposals passed by the board of directors

(1) The employee compensation and director/supervisor remuneration amounts, whether distributed in cash or stocks, are disclosed. If there are any differences between the estimated accrual amounts for the fiscal year and the actual amounts, the differences, reasons, and handling methods should be disclosed: For 2024, based on the profit situation, the Company estimated employee compensation and director/supervisor remuneration amounts to NT$80,579 thousand and NT$40,289 thousand, respectively. These amounts were recorded under the payroll expense category. On March 5, 2025, the board of directors decided to distribute employee compensation and director/supervisor remuneration in cash, amounting to NT$80,579 thousand and NT$40,289 thousand, respectively. The discrepancy between the employee and director remuneration and the 2024 financial reports has been expensed.

(2) The amount of employee remuneration distributed in stock as a percentage of total net income after tax and total employee remuneration for the period. None.

4. The actual distribution of employee bonuses and director/supervisor remuneration from the previous year (including distributed shares, amount and share price), and explanations of any differences between the recognized employee bonuses and director/supervisor remuneration, including the difference amount, reasons, and handling method: The Company resolved at the Board of Directors meeting on March 7, 2024 to distribute employee remuneration and director/supervisor remuneration in cash, amounting to NT$61,228 thousand and NT$30,644 thousand, respectively. The above employee remuneration and director/supervisor remuneration had no difference from the expenses recognized in 2023.Status of Company Share Buyback:

(VI) Status of the Company's Stock Buyback:

1. Completed:

Number of Buyback Period	7th
Purpose of Buyback	To maintain the Company's credibility and shareholders' interests
Buyback Period	March 8, 2024–May 7, 2024
Expected Buyback Quantity	1,000,000 shares
Expected Buyback Price Range	NT$600–808
Type and Quantity of Shares Actually Bought Back	519,000 common stocks
Actual Amount of Shares Bought Back	NT$389,681,413
Average Buyback Price per Share	NT$750.83
Ratio of Buyback Quantity to Expected Buyback Quantity (%)	51.9%
Number of Shares That Have Been Canceled and Transferred	519,000 shares
Accumulated Number of Shares Held by the Company	241,000 shares
Accumulated Number of Shares Held by the Company as a Percentage of Total Issued Shares (%)	0.23%

2. Still under execution

Number of Buyback Period	8th
Purpose of Buyback	Transfer of shares to employees
Type of of Shares Bought Back	CB Conversion to Common Stocks
Total Amount of Shares Bought Back	NT$ 9,860,531,973
Buyback Period	April 9, 2025–June 6, 2025
Expected Buyback of Quantity	500,000 shares
Expected Buyback Price Range	NT$600~700
Type and Quantity of Shares has Bought Back	1,000 common shares repurchased as of April 17, 2025
has Amount of Shares Bought Back	As of April 17, 2025, the amount of repurchase of shares totaled NTD 643,916.
Ratio of Buyback Quantity to Expected Buyback Quantity (%)	0.00%

II. Corporate bonds (including overseas corporate bonds) situation:

1. Status on corporate bonds

Item		Third Domestic Unsecured Convertible Corporate Bonds	First Overseas Unsecured Convertible Corporate Bonds
Date of Issuance		August 4, 2023	September 5, 2024
Par Value		NT$100,000	US$200,000
Place of Issuance and Trading (Note 1)		Not applicable	Singapore Exchange Securities Trading Ltd.
Issuance Price		Issued at Full Par Value	Issued at 100% of Face Value
Total Amount		NT$1.7 billion	US$200,000,000
Interest rate		Coupon Rate 0%	Coupon Rate 0%
Conversion Price at Issuance		NT$808	NT$964.6 (Conversion price calculated based on the fixing rate of 31.962 shown by Taipei Forex Inc. on the pricing date of August 29, 2024)
Latest Conversion Price		NT$622.1	NT$964.6
Time Limit		Five-year term, Maturity Date: August 4, 2028	Five-year term, Maturity Date: September 5, 2029
Purpose of Fundraising		Repayment of Bank Loans	Repayment of Bank Loans
Guarantor		Not applicable	Not applicable
Trustee		Taishin International Bank	The Bank of New York Mellon, London Branch
Underwriter		Taishin Securities Co., Ltd.	J.P. Morgan Securities Co., Ltd.
Certifying Attorney		Peng I-Cheng, Attorney-at-Law	Du Wei Cheng Law Office
Certifying CPA		CPA Hung Kuo-Sen, CPA Chen Ming-Hung	CPA Hu Tzu-Jen, CPA Yao Shih-Chien
Method of Repayment		This convertible corporate bond, except for conversion, put, call or redemption as set forth in the conversion procedure, shall be repaid in cash in a lump sum at maturity.	This convertible corporate bond, except for conversion, put, call or redemption as set forth in the conversion procedure, shall be repaid in cash in a lump sum at maturity.
Outstanding Principal		As of March 25, 2025, the outstanding principal amount is NT$1,371,300,000.	As of March 25, 2025, the outstanding principal amount is US$200,000,000.
Call or Early Redemption Provisions		Please refer to the Issuance and Conversion Procedures.	Please refer to the Issuance and Conversion Procedures.
Restrictive Covenants (Note 2)		None	None
Credit Rating Agency, Rating Date, Corporate Bond Rating Results		Not applicable	Not applicable
Additional Rights	Amount converted to common stocks (exchanged or	As of March 25, 2024, 533,43 common stocks have been converted, amounting to NT$328,700,000	As of March 25, 2024, no conversion has been executed.

Item		Third Domestic Unsecured Convertible Corporate Bonds	First Overseas Unsecured Convertible Corporate Bonds
	subscribed) as of the printing date of the annual report		
	Issuance and conversion (exchange or subscription) procedures	Please refer to the Issuance and Conversion Procedures.	Please refer to the Issuance and Conversion Procedures.
Issuance and conversion, exchange or subscription methods, issuance conditions on potential share dilution and impact on existing shareholders' equity		Bondholders will choose the most advantageous timing for conversion, which creates a deferred effect on share dilution. Therefore, the Company's approach of raising funds through issuing convertible corporate bonds can appropriately mitigate the impact of share dilution. After investors convert the convertible corporate bonds, it will benefit the Company by increasing the equity ratio, strengthening the financial structure, and enhancing profitability, which aligns with the Company's long-term development plans.	Bondholders will choose the most advantageous timing for conversion, which creates a deferred effect on share dilution. Therefore, the Company's approach of raising funds through issuing convertible corporate bonds can appropriately mitigate the impact of share dilution. After investors convert the convertible corporate bonds, it will benefit the Company by increasing the equity ratio, strengthening the financial structure, and enhancing profitability, which aligns with the Company's long-term development plans.
Name of the Custodian Institution for Exchange Target		Not applicable	Not applicable

Note 1: Applicable to overseas corporate bonds.
Note 2: Such as restrictions on cash dividend payments, outbound investments, or requirements to maintain a certain asset ratio, etc.

2. Information on corporate bonds:

Type of Corporate Bonds		Third Domestic Unsecured Convertible Corporate Bonds	
Item \ Year		2024	Current Year up to the Printing Date of the Annual Report
Convertible Corporate Bond Market Price	Highest	157.00	151.00
	Lowest	114.00	114.30
	Average	130.36	139.62
Conversion Price		NT$608.2	
Issuance (implementation) date and conversion price at issuance		August 4, 2023 NT$808	
Method of Fulfilling Conversion Obligations		Issuance of New Shares	

Type of Corporate Bonds		First Overseas Unsecured Convertible Corporate Bonds	
Item \ Year		2024	Current Year up to the Printing Date of the Annual Report
Conversion Market price of corporate bonds	Highest	107.75	110.45
	Lowest	102.35	103.85
	Average	105.20	107.26
Conversion Price		NT$964.6	
Issuance (implementation) date and conversion price at issuance		September 5, 2024 NT$964.6	
Method of Fulfilling Conversion Obligations		Issuance of New Shares	

III. Issuance of Preferred Stock: None

IV. Issuance of Global Depositary Receipts (GDR): None

V. Exercise of Employee Stock Option Plan (ESOP):

(I) The Company's outstanding employee stock options should disclose the status of processing and the impact on shareholders' equity as of the date of printing of the annual report:

Mar 31, 2025

Type of Employee Stock Option Certificates	First Employee Stock Option Certificates 2020		First Employee Stock Option Certificates 2021			First Employee Stock Option Certificates 2023					First Employee Stock Option Certificates 2024
Effective Date of Reporting and Total Number of Units	November 4, 2020 1,000 units (1,000 shares may be subscribed per unit)		January 10, 2022 1,000,000 units (1 shares may be subscribed per unit)			May 17, 2023 1,000,000 units (1 shares may be subscribed per unit)					December 26, 2024 1,000,000 units (1 shares may be subscribed per unit)
Date of Issuance (Processing)	December 29, 2020	Ausut 13, 2021	May 11, 2022	August 31, 2022	December 8, 2022	September 19, 2023	November 14, 2023	March 11, 2024	May 14, ,2024	November 19, 2024	March 11, 2025
Duration	5 Years		4 Years			5 Years					5 Years
Number of Issued Units	275 units, 1,000 shares may be subscribed per unit	598 units, 1,000 shares may be subscribed per unit	477,000 units, 1 shares may be subscribed per unit	160,000 units, 1 shares may be subscribed per unit	345,000 units, 1 shares may be subscribed per unit	535,000 units, 1 shares may be subscribed per unit	10,000 units, 1 shares may be subscribed per unit	264,000 units, 1 shares may be subscribed per unit	187,000 units, 1 shares may be subscribed per unit	4,000 units, 1 shares may be subscribed per unit	120,000 units, 1 shares may be subscribed per unit
Number of Units Available for Issuance	0 unit (expired and unissued unit)		0 unit (expired and unissued unit)			0 units					880,000 units
Percentage of shares issued for subscription to total issued shares	0.85%		0.95%			0.97%					0.12%
Duration of Subscription	December 29, 2020–December 28, 2025	August 13, 2021–August 12, 2026	May 11, 2022–May 10, 2026	August 31, 2022–August 30, 2026	December 8, 2022–December 7, 2026	September 19, 2023–September 18, 2028	November 14, 2023–November 13, 2028	March 11, 2024–March 10, 2029	May 14, 2024–May 13, 2029	November 19, 2024–November 18, 2029	March 11, 2025–March 10, 2030
Method of Performance	Issuance of New Shares		Issuance of New Shares			Issuance of New Shares					Issuance of New Shares

Type of Employee Stock Option Certificates	First Employee Stock Option Certificates 2020		First Employee Stock Option Certificates 2021			First Employee Stock Option Certificates 2023					First Employee Stock Option Certificates 2024
Exercise Restriction Period and Ratio (%)	After being granted the employee stock options for two years, the option holder may exercise the stock options according to the following schedule: After two years: 30% After three years: 60% After four years: 100%		After being granted the employee stock options for two years, the option holder may exercise the stock options according to the following schedule: After two years: 50% After three years: 100%			After being granted the employee stock options for two years, the option holder may exercise the stock options according to the following schedule: After two years: 30% After three years: 60% After four years: 100%					After being granted the employee stock options for two years, the option holder may exercise the stock options according to the following schedule: After two years: 50% After three years: 75% After four years: 100%
Number of Exercised Shares Acquired	194,000 shares	252,000 shares	50,000	145,000	95,500	—	—	—	—	—	—
Amount of Exercised Shares	22,287,700	37,623,600	5,414,600	36,888,000	27,761,850	—	—	—	—	—	—
Quantity of Unexercised Shares	81,000 shares (Note 1)	346,000 shares (Note 1)	427,000 shares (Note 2)	15,000 shares (Note 2)	249,500 shares (Note 2)	535,000 shares	10,000 shares	264,000 shares	187.000 shares	4,000 shares	120,000 shares
Subscription Price per Share for Unexercised Options (Note 3)	NT$105.3	NT$148.3	NT$107.7	NT$254.4	NT$290.7	NT$636.7	NT$599.2	NT$616.0	NT$699.7	NT$750.0	NT$784.0
Percentage of unexercised subscription shares to total issued shares (%)	0.41%		0.67%			0.97%					0.12%
Impact on Shareholders' Equity	The Company has issued employee stock options to attract and retain the exceptional talent needed by the Company, and to motivate and enhance employees' cohesion and sense of belonging to the Company, thereby jointly creating benefits for both the Company and its shareholders, which has a positive impact on shareholders' equity.		The Company has issued employee stock options to attract and retain the exceptional talent needed by the Company, and to motivate and enhance employees' cohesion and sense of belonging to the Company, thereby jointly creating benefits for both the Company and its shareholders, which has a positive impact on shareholders' equity.			The Company has issued employee stock options to attract and retain the exceptional talent needed by the Company, and to motivate and enhance employees' cohesion and sense of belonging to the Company, thereby jointly creating benefits for both the Company and its shareholders, which has a positive impact on shareholders' equity.					The Company has issued employee stock options to attract and retain the exceptional talent needed by the Company, and to motivate and enhance employees' cohesion and sense of belonging to the Company, thereby jointly creating benefits for both the Company and its shareholders, which has a positive impact on shareholders' equity.

Note 1: In the first issuance of employee stock options certificates for the year 2020, 1,000 units were initially applied for. However, only 873 units were successfully issued. The remaining 127 units expired due to exceeding the one-year issuance period.

Note 2: In the first issuance of employee stock options certificates for the year 2021, 1,000,000 units were applied for. However, only 982,000 units were successfully issued. The remaining 18,000 units expired due to exceeding the one-year issuance period.

Note 3: After the issuance of these stock options certificates, except for various convertible securities or warrants issued by the company that can be converted into ordinary shares or newly issued shares for employee compensation, adjustments to the exercise price shall be made in accordance with the rules and regulations governing the issuance and exercise of employee stock options certificates for the years 2020, 2021, 2023, and 2024 when the company has increased its issued ordinary shares (including private placements, cash increases, increases from retained earnings, increases from capital surplus, mergers, demergers, stock splits, or the issuance of new shares by acquiring shares of another company and participating in the issuance of overseas depositary receipts, etc.). If the issued common stocks increase due to a change in the par value of the stock, the adjustment shall be made on the new stock replacement record date, but for those with actual payment operations, the adjustment shall be made on the date when the payment is fully completed. After the issuance of this stock option, if the Company distributes cash dividends for common stocks, it shall be adjusted according to the ratio of the market price per share.

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

	Title	Name	Number of subscription shares acquired	Percentage of subscription shares acquired to total issued shares	Executed				Not Executed			
					Number of Subscription Shares	Subscription Price	Amount of Subscription Shares	Percentage of subscription shares to total issued shares	Number of Subscription Shares	Subscription Price	Amount of Subscription Shares	Percentage of subscription shares to total issued shares
Manager	President	Sheng Pao-Hsi	1,226 thousand shares	1.19%	36 thousand shares	NT$140.3	NT$23,649 thousand	0.18%	66 thousand shares	NT$105.3	NT$423,201 thousand	1.01%
	Vice President	Chen Shin-Min			57 thousand shares	NT$106.8			17 thousand shares	NT$148.3		
	Vice President, Finance, Accounting, and Management Department	Wang Chin-Chu			51 thousand shares	NT$105.3			361.5thousand shares	NT$107.7		
	Vice President	Chen Chia-Chu			8 thousand shares	NT$150.4			44.5thousand shares	NT$290.7		
	Senior Vice President	Chang Chen-Tang			5 thousand shares	NT$148.3			398 thousand shares	NT$636.7		
	Vice President, Quality Operation	Chang Hsiu-Jung			14.5 thousand shares	NT$107.7			155 thousand shares	NT$699.7		
	President of important subsidiary	Liu Nien-Hua			12.5 thousand shares	NT$290.7						
	Senior Manager	Chen Chia-Ling										
	Senior Manager	Li Chih-Chieh										
	Vice Senior Manager Head of Accounting	Chen Hsiao-Ting										

	Title	Name	Number of subscription shares acquired	Percentage of subscription shares acquired to total issued shares	Executed				Not Executed			
					Number of Subscription Shares	Subscription Price	Amount of Subscription Shares	Percentage of subscription shares to total issued shares	Number of Subscription Shares	Subscription Price	Amount of Subscription Shares	Percentage of subscription shares to total issued shares
Employee	Employee	Marcel Vieno	478 thousand shares	0.46%	10 thousand shares	NT$140.3	NT$23,219.6 thousand	0.14%	61 thousand shares	NT$148.3	NT$173,006 thousand	0.32%
	Employee	Sally Langa			11 thousand shares	NT$106.8			25.5thousand shares	NT$107.7		
	Employee	Helen Clark			14 thousand shares	NT$105.3			40 thousand shares	NT$290.7		
	Employee	John Lawrie			38 thousand shares	NT$150.4			52 thousand shares	NT$636.7		
	Employee	Kuan Chen-I			38 thousand shares	NT$148.3			25 thousand shares	NT$616.0		
	Employee	Liu Nien-Hua			38 thousand shares	NT$107.7			10 thousand shares	NT$699.7		
	Employee	Chang Jun-Xing			10.5 thousand shares	NT$290.7			120 thousand shares	NT$784.0		
	Employee	Chuang Fan-Ling			23 thousand shares							
	Employee	Hsu Jing-Sheng										
	Employee	Tai Yu-Ting										

VI. Restriction on Employees' right to new stock: None.

VII. Mergers, Acquisitions or Issuance of New Shares for Acquisition of Shares of Other Companies:

(I) The recent annual and interim reports until the printing deadline have completed the acquisition or acquisition of shares of another company and the issuance of new shares:

1. Evaluation opinions issued by the lead underwriter of the merger or acquisition of other companies' shares and new stock issuance in the most recent quarter:

The acquisition of all issued shares of PRIT Biotech Co., Ltd. (PRIT Biotech) by PRIT Biotech through the issuance of new shares through share swap has been approved by the Taiwan Stock Exchange Corporation on July 16, 2024 with the Tai-Zheng-Shang-Zi No. 1131803032, and the base date of the share swap was set

on July 26, 2024. The change of registration was completed on October 1, 2024 with the Jing-Shou-Shang-Zi No. 11330144060. According to Paragraph 1, Article 9 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers", the financial, business and shareholders' equity impacts of the Company's financial, business and shareholders' equity are assessed by the underwriter of the Company's new share issuance for the acquisition of new shares by the Company's biotechnology business.

(1) Impact on the Company's Finance

After the completion of the share conversion, the resources of both parties are fully integrated, which can reduce the operating cost and increase the mutual profit. In addition, the overall revenue of PRIT Biotech is steadily growing and the Company is making good profits. The investment gains recognized by PRIT Biotech are also gradually growing. This share conversion is beneficial to the increase in the profits of PRIT Biotech. According to the financial report of the pharmaceutical industry, the investment gain of the pharmaceutical industry recognized in 2024 was NTD 3,187 thousand. However, Taihwa Biosign Co., Ltd. (hereinafter referred to as "Taihwa Biosign") applied to Taiwan Stock Exchange Corporation for the merger of the company and the company in the Taiwan Biomedical Technology Inc. (hereinafter referred to as "Taiwan Biomedical Technology") on November 15, 2024, and the capital increase by issuing new shares was approved by the Taiwan Stock Exchange Corporation on January 9, 2025 with the Taihwa Biosign's filing Taihwa-Shang-2-Zi No. 1141700063. The Chairperson of both parties jointly set the base date of the merger on January 20, 2025. The company is the surviving company and the company in Taiwan Biomedical Technology is discontinued. The company has lost control over Taiwan Biomedical Technology since the base date of the merger, and has acquired 30.53% of the shares issued by Taiwan Biosign (calculated based on the number of shares issued by Taiwan Biosign on December 31, 2024 plus the number of new shares issued on January 20, 2025). After the merger of Tanvex Biotechnology and PRIT Biotechnology, the sales and operating scale of Tanvex Biotechnology will expand. It is expected that the revenue will gradually grow. However, the overall operating cost will be reduced due to resource planning and allocation management and scale economic benefits, and the financial dispatch will be more flexible. Based on the information of Tanvex Biotechnology's operating revenue, the company's consolidated operating revenue in February 2025 was NTD 7,129 thousand, an increase of NTD 6,472 thousand compared to the same period of NTD 657 thousand in 2020, with a 985.08% increase; the accumulated consolidated operating revenue as of the end of February 2025 was NTD 10,466 thousand, an increase of NTD 7,744 thousand compared to the same period of NTD 2,720 thousand in 2020, with a 284.78% increase, indicating that the merger has a positive effect on the financial

position of Tanvex Biotechnology. Therefore, after the merger, the investment gain will be recognized, and the financial position of the PRIT industry will also be positive.

(2) Impact on the Company's business

As the Company has the complete ability of CDMO, the share exchange will help the Company to expand its business in the field of cell treatment for the elderly population, and expand its global business of CDMO, which will be helpful to the Company. In addition, the share exchange will also be helpful to the Company's business marketing capability, accelerate the Company's future business development and market competitiveness, and strive for more cooperation opportunities with international big firms. Therefore, the share exchange will have a positive impact on the Company's business. However, the merger of Tanvex Co., Ltd. and the Company was filed to Taiwan Stock Exchange Corporation on November 15, 2024, and the capital increase by issuing new shares was also filed. The declaration was approved by Taiwan Stock Exchange Corporation on January 9, 2025 with the Tai-Zheng-Shang-Zi No. 1141700063. The Chairperson of both companies set the record date of the merger on January 20, 2025. Tanvex Co., Ltd. is the surviving company and the former company is discontinued. Since the base date of the merger, Tanvex Co., Ltd. has lost control over the former company and acquired approximately 30.53% of the shares issued by the former company (calculated based on the number of shares issued by Tanvex Co., Ltd. on December 31, 2024 plus the number of new shares issued on January 20, 2025), After the merger of Tanvex Biotechnology and PRIT Biotechnology, the two companies have strengthened their partnership in the field of global biomedicine, and laid the foundation for the global market of biomedicine. Through the integration of resources, we will be able to significantly increase the business development and operational efficiency of the CDMO plant in Taifu Biotechnology, and also promote the launch of the mass production of bio-simultaneous drugs developed by ourselves, in order to accelerate the growth of the revenue and profit of Taifu Biotechnology. Overall, the business development of the pharmaceutical industry and the improvement of market competitiveness will be positive.

(3) Impact on subsidiary Shareholders' Equity

After the completion of the share conversion, 1,657,656 common shares will be issued by the pharmaceutical industry to other shareholders of the Company for conversion. The new shares issued for the share conversion account for approximately 1.61% of the capital after the new shares are issued by the pharmaceutical industry. Through the sharing of operating resources, R&D capabilities and experience, and the integration of resources and mutual support between the Company and its subsidiaries, the operating costs can be reduced

and a positive value can be created for the Company's shareholders. However, the merger of Tanvex Co., Ltd. and the Company was filed to Taiwan Stock Exchange Corporation on November 15, 2024, and the capital increase by issuing new shares was also filed. The declaration was approved by Taiwan Stock Exchange Corporation on January 9, 2025 with the Tai-Zheng-Shang-Zi No. 1141700063. The Chairperson of both companies set the record date of the merger on January 20, 2025. Tanvex Co., Ltd. is the surviving company and the former company is discontinued. Since the base date of the merger, Tanvex Co., Ltd. has lost control over the former company and acquired approximately 30.53% of the shares issued by the former company (calculated based on the number of shares issued by Tanvex Co., Ltd. on December 31, 2024 plus the number of new shares issued on January 20, 2025), After the merger of Tanvex Biotechnology and PRIT Biotechnology, the integration and utilization of resources from Tanvex Biotechnology and PRIT Biotechnology have effectively reduced the operating costs of both companies, expanded the economic scale, and created a greater market scale and higher market value for Tanvex Biotechnology. According to the consolidated financial statements of Tanvex, which were audited and certified by CPAs in 2024, the net value per share of the equity attributable to the parent company as of December 31, 2024 was NTD 5.44. After the consolidated company's post-merger, the net value per share of the equity attributable to the parent company as of February 28, 2025 has been increased to NTD 24.81. It is expected that the post-merger consolidated benefits will gradually appear, which will increase the profitability after the merger, and then increase shareholders' equity. Therefore, the post-merger shareholders' equity of the shareholders of the consolidated company's Tanvex should have a positive effect.

(4) Whether the benefits of the transfer are shown

The share exchange for issuance of new shares to acquire all issued shares of Bora Biologics other than the Bora Biologics held by the Bora Biologics is a comprehensive integration of resources between the two parties, and sharing of resources, which helps the Company accelerate the expansion of its global business of CDMO, which will have a positive effect on its finance, business and shareholders' equity. In the long run, as the business integration plan between the two parties is gradually implemented, the benefits of the share exchange will gradually appear. However, the merger of Tanvex Co., Ltd. and the Company was filed to Taiwan Stock Exchange Corporation on November 15, 2024, and the capital increase by issuing new shares was also filed. The declaration was approved by Taiwan Stock Exchange Corporation on January 9, 2025 with the Tai-Zheng-Shang-Zi No. 1141700063. The Chairperson of both companies set the record date of the merger on January 20, 2025. Tanvex Co., Ltd. is the surviving company and the former company is discontinued. Since the base date

of the merger, Tanvex Co., Ltd. has lost control over the former company and acquired approximately 30.53% of the shares issued by the former company (calculated based on the number of shares issued by Tanvex Co., Ltd. on December 31, 2024 plus the number of new shares issued on January 20, 2025), After the merger of Tanvex Biotechnology and PRIT Biotechnology, the two companies will be able to integrate resources and help each other in terms of finance, business and shareholders' equity. Therefore, the merger will also bring positive benefits to the Bora Biologics.

2. If the implementation progress or effectiveness did not meet the target in the most recent quarter, the impact on shareholders' equity and the improvement plan shall be stated: Not applicable.

(II) In the most recent fiscal year and up to the printing deadline of the annual report, the Board of Directors has approved the acquisition or acquisition of shares of other companies and the issuance of new shares:

Basic Information Table of Acquired and Transferred Companies

Unit: NTD thousands

Company Name	Bora Biologics Co., Ltd.
Company Address	6F, No. 12, Sec. 2, Life Science Road, Hsinchu Science Park, Zhubei City, Hsinchu County, Taiwan
Legal Representative	Sheng Pao-Shi
Paid-in Capital	NTD600,100,000
Main Business Activities	IG01010: Biotechnology Services IG02010: Research and Development Services F401010: International Trade F601010: Intellectual Property Services C802041: Western Medicine Manufacturing F108021: Western Medicine Wholesale ZZ99999: Except for licensed operations, may engage in non-prohibited or restricted businesses under the law (restricted to operations outside the zone) Researching, designing, developing, manufacturing, and selling the following products: 1.New Protein Molecules and Biosimilars

		2.Process Development Services 3.CMO of New Proteins and Biosimilars
Main Product		Biotechnology services, research and development services, and manufacturing and outsourcing of macromolecular drugs.
Financial Data For The Most Recent Fiscal Year (Note)	Total Assets	**2,709,965**
	Total Liabilities	**256,686,**
	Total Shareholders' Equity	**2,453,278**
	Operating Revenue	**379,127**
	Gross Profit	**113,667**
	Operating Income/Loss	**24,099**
	Net Income/Loss for the Period	**28,418**
	Earnings per Share	**0.38**

Note: The financial data is sourced from the financial report of Bora Biologics Co., Ltd. for 2024.

VIII. Capital Utilization Plan and Its Implementation:

As of the quarter preceding the printing date of the annual report, there were no previous issuances or private placements of marketable securities that had not been completed, or that had been completed within the last three years but with no visible benefits yet.

D. Business Overview

I. Business Activities

(I) Business scope

1. Main contents of the Company's business

The Company’s registered operating item are as follow:

C802041 Western pharmaceutical manufacturing industry
F108021 Western pharmaceutical wholesale industry
F108031 Medical equipment wholesale industry
F107070 Animal use drugs wholesale industry
F113030 Precision instruments wholesale industry
F113060 Weight and Measuring equipment wholesale industry
F108040 Cosmetic wholesale industry
F207070 Animal use drugs retail industry
F203010 Food and Beverage retail industry
I102010 Investment Consulting industry
I103060 Management Consulting industry
F401010 International trade industry
H703100 Real estate rental and leasing industry
ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval

2. Revenue breakdown of major products

Unit: NTD thousands; %

Year / Item	2023		2024	
	Amount	Revenue Composition	Amount	Revenue Composition
Pharmaceutical and Healthcare Product Sales	9,235,525	65.04	12,965,270	67.37
Pharmaceutical Contract Manufacturing	4,951,059	34.87	6,271,970	32.59
Other	13,484	0.09	8,667	0.04
Total	14,200,068	100.00	19,245,907	100.00

3. Current product/service lineup:

A. Sales product categories and items:

The Company's products are manufactured and sold across major markets globally, with overseas markets accounting for over 90% of our total revenue. Based on our product portfolio and business model, we can categorize our operations as follows:

(A) Global Contract Development and Manufacturing Organization (CDMO):
The Company provides comprehensive services for both large and small molecule drugs, encompassing development, testing, certification, and shipping, tailored to different drug types and the location or needs of global customers. The Taiwan facilities currently manufacture solid dosage forms, including tablets and capsules; liquid dosage forms, such as suspensions; semi-solid dosage forms; and ophthalmic formulations, including eye drops and eye ointments. The North American facility in Baltimore, Maryland, specializes in sterile injections and filling, while the Canadian facility focuses on liquid and semi-solid dosage forms and also produces solid dosage forms. Furthermore, the Taiwan facility is one of the few CDMO pharmaceutical manufacturers in the Asia-Pacific region with international standard development capabilities for biologics. It is responsible for early to mid-stage pilot development and collaborates with strategic alliance partners to continue commercial-scale production, providing customers with seamless services from clinical development to commercial manufacturing.

(B) Sales of Pharmaceuticals and Health Products:
Our company's global pharmaceutical sales cover various dosage forms, as well as sales of our own and imported health and nutritional products. Among these, global pharmaceutical sales revenue accounts for a higher proportion of total revenue, primarily from pharmaceuticals sold in the North American market with drug licenses developed by ourselves or acquired by the Company, including gastroesophageal reflux medication Dexlansoprazole DR Capsule (DLS), Potassium Chloride ER Tablets (KCl) and six other key US brand-name drugs, as well as Upsher-Smith's sales of orphan drugs for treating pediatric epilepsy and tuberous sclerosis through special channels; Taiwan region sales include oral tablets and capsules for hypertension, anti-epilepsy, gastroesophageal reflux disease, and other conditions.

B. Sales target audience:

(A) We sell our products directly to clinics, pharmacies, pharmacy chains and drug stores.

(B) We sell through distributors to medical centers, corporate hospitals, public hospitals, and regional and district hospitals.

(C) We accept products on commission and sell to direct distributors.

4. New products (services) in the pipeline for development

A. R&D direction:

Since 2013, the Company has continuously engaged in vertical and horizontal integration, evolving from distribution and agency services to research and

development and manufacturing, developing into a comprehensive international-level CDMO pharmaceutical company. The pharmaceuticals manufactured by the Company have been successfully sold to more than 100 countries worldwide. To enrich our existing product lines, we are actively committed to the research and development of our own pharmaceuticals and investing in improved small molecule drugs with new dosage forms. By improving dosage forms, we increase the convenience of medication use. Furthermore, our product selection is oriented toward meeting market demands, complemented by high-quality requirements, making our products more competitive.

The subsidiary TWi Pharmaceuticals possesses high-barrier pharmaceutical development technology, focusing on developing special generic drugs (ANDA) and 505(B)(2) new dosage form pharmaceuticals with “high market niches” for the US market. Along with pharmaceutical development, they also work on related intellectual property protection and patent applications. With Upsher-Smith and Pyros joining the Group as subsidiaries in 2024, they have quickly established a complete Vigabatrin product line in the high-barrier orphan drug and specialty pharmacy channel markets. In the future, they will continue to develop new dosage forms and generic drugs for central nervous system orphan diseases, deepening their presence in the orphan drug market.

Additionally, subsidiary SunWay Biotech Co., Ltd. has accumulated extensive research and development experience with NTU568 Monascus purpureus (red yeast rice) and NTU101 Lactobacillus. The company will continue to leverage its exclusive patented technologies and advantages in developing diverse, effective microorganisms and fermentation processes to establish future development pathways for new functional ingredients and to develop more derivative products. Combined with Bora Pharmaceuticals’ years of sales experience and channel resources in health supplement distribution, this will establish competitive advantages in the health supplement market.

The main new products planned for development are as follows:

(A) New dosage forms
(B) Special generic drug products development
(C) Owned OTC brand medicine
(D) Proprietary Brand Health Supplements

B. Promotion of important research projects:

Our company has developed Potassium Chloride ER Tablets for treating hypokalemia and Deflazacort Tablets for treating Duchenne muscular dystrophy, a rare disease medication from Upsher-Smith. Both received U.S. FDA approval in 2024.

The Company will integrate the Group's resources to invest in the special generic drug development platform to maintain the momentum of submitting 3 to 5 new drug applications to the U.S. FDA annually. As of 2024, we have accumulated 88 drug licenses through self-development and acquisitions, achieving outstanding research and development results. The Company will continue to focus on high-value research and development projects through the integration of the Group's resources.

(II) Industry overview

1. Current state and development of the industry

According to the latest IQVIA statistical report, the global pharmaceutical market size in 2023 is approximately $1.6 trillion, representing a growth of about 8.4% compared to $1.48 trillion in 2022, which had a growth rate of 4.2% over 2022. This indicates a doubling of the growth rate. The projected compound annual growth rate (CAGR) for the global pharmaceutical market for the next five years from 2024 to 2028 is estimated to be 7.3%. As shown in Figure 1, the total global market size is expected to reach $2.3 trillion by 2028.

Figure-1. 2023-2027 Global Drug Sales Market Growth Rate

Source: IQVIA, Jan 2024

According to the segmentation by country market, the pharmaceutical market amounts for developed countries and emerging countries in 2023 were US$1.275 trillion and US$303.7 billion, respectively. They accounted for approximately 79.38% and 18.90% of the global pharmaceutical market, respectively. Compared to 2022, where the figures were 73.42% and 25.0%, the pharmaceutical market for developed countries grew by 17.20% in 2023. This indicates that the pharmaceutical market in developed countries was the main driver of global pharmaceutical market growth in 2023, as shown

in Figure 2. The North American market is estimated to account for approximately 47.54% of the global pharmaceutical market by 2028, maintaining its position as the largest single major pharmaceutical consumption market globally, as illustrated in Figure 3. According to IQVIA research analysis, the estimated global pharmaceutical consumption amounts by region from 2024 to 2028 are ranked from highest to lowest as the North American, Western Europe, and China. The compound annual growth rates (CAGRs) for these regions are ranked in order as Eastern Europe, Latin America, and India, with CAGRs ranging from 7.0% to 10.5%. It is noteworthy that the North American market grew by 13% in 2023, thus increasing the adjusted CAGRs to 6.0% to 9.0%, leading to an increase in the average global compound annual growth rate to 7.3% over the next five years, as shown in Figure 3.

Figure-2 Regional distribution of global drug sales in 2024-2028

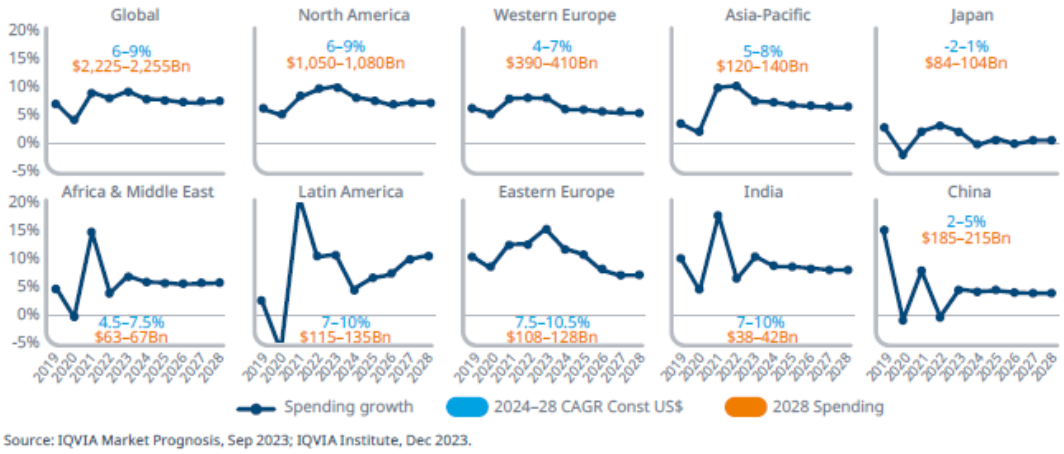
Unit: Billion US Dollar

		ORIGINAL BRANDS	NON-ORIGINAL BRANDS	UNBRANDED GENERICS	OTHER	TOTAL
Spending 2023 US$Bn	**Global**	**1,057.2**	**248.1**	**158.5**	**143.0**	**1,606.8**
	Developed	967.4	128.7	113.4	65.9	1,275.5
	10 Developed	858.9	81.0	98.1	43.5	1,081.6
	Other developed	108.4	47.8	15.3	22.4	193.9
	Pharmerging	81.0	105.7	43.3	73.7	303.7
	Lower-income countries	8.8	13.6	1.7	3.4	27.6
Constant dollar CAGR 2019–2023	**Global**	8.0%	6.9%	4.6%	5.8%	7.3%
	Developed	7.9%	7.6%	2.8%	4.5%	7.2%
	10 Developed	7.9%	6.4%	2.1%	3.1%	7.0%
	Other developed	8.1%	9.8%	8.4%	7.5%	8.5%
	Pharmerging	9.7%	6.2%	10.3%	7.0%	7.8%
	Lower-income countries	3.2%	6.6%	7.2%	7.1%	5.6%
Spending 2028 US$Bn	**Global**	**$1,520–$1,550**	**$315–$345**	**$185–$205**	**$165–$185**	**$2,225–$2,255**
	Developed	$1,390–$1,420	$165–$185	$125–$145	$68–$88	$1,775–$1,805
	10 Developed	$1,230–$1,260	$105–$125	$100–$120	$47–$51	$1,505–$1,535
	Other developed	$150–$170	$58–$62	$18–$22	$27–$31	$255–$285
	Pharmerging	$110–$130	$130–$150	$53–$73	$84–$104	$400–$430
	Lower-income countries	$9–$13	$15–$19	$1.5–$2.5	$3.5–$4.5	$33 – $37
Constant dollar CAGR 2024–2028	**Global**	6–9%	8–11%	3–6%	3–6%	6–9%
	Developed	6–9%	4–7%	1–4%	1–4%	5–8%
	10 Developed	6–9%	4–7%	0–3%	0–3%	5–8%
	Other developed	6–9%	4–7%	4–7%	4–7%	5–8%
	Pharmerging	10–13%	12–15%	9–12%	5–8%	10–13%
	Lower-income countries	3–6%	4–7%	3–6%	4–7%	3–6%

Source: IQVIA Market Prognosis, Sep 2023; IQVIA Institute, Dec 2023.

Source: IQVIA, Jan 2024.

Figure-3 2024-2028 Global Market Outlook of Various Drug Types and Regions
Unit: Billion US Dollar



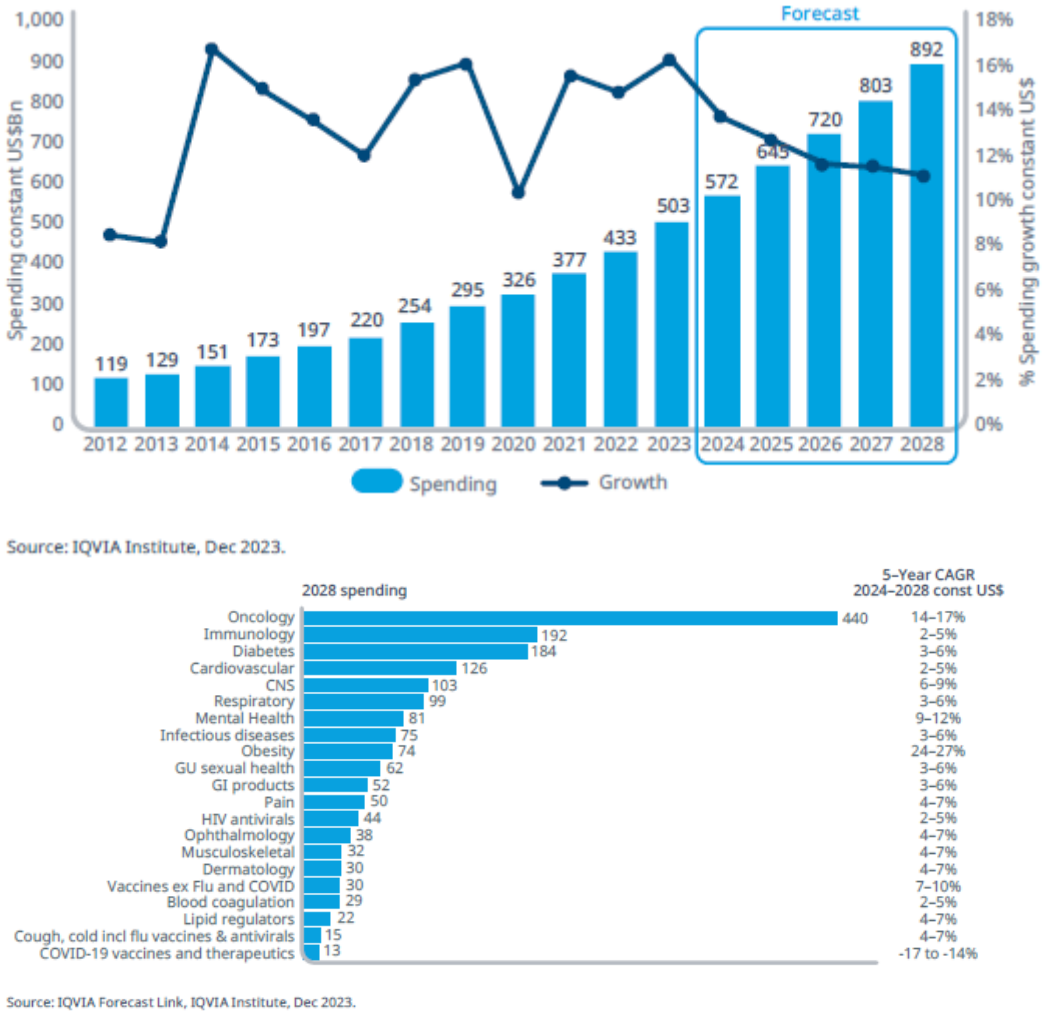
Source: IQVIA, Jan 2024.

The launch of biopharmaceutical products provides new treatment options for rare diseases and difficult-to-treat conditions. Due to their advantages of good efficacy and minimal side effects, sales of these products have rapidly increased after market launch, with their proportion of the global prescription drug market growing year by year. According to IQVIA research analysis, the global biopharmaceutical market size in 2023 reached NT$503 billion, accounting for approximately 31.3% of the global pharmaceutical market, growing 16.7% compared to 2022. By 2028, the global biopharmaceutical market is forecasted to grow to NT$892 billion, with a five-year compound annual growth rate (CAGR) of 9.5%–12.5%, which exceeds the global pharmaceutical market growth rate of 7.3%. The five-year cumulative growth rate is projected to reach 77.3%, with an estimated increase of NT$389 billion over five years. Biopharmaceuticals will continue to be the key driver of global pharmaceutical market growth, with oncology, immunology, diabetes, and obesity biopharmaceuticals as the main growth drivers. Furthermore, Specialty Drugs/Specialty Pharmaceuticals, originally a term for a small number of medications with high costs, high complexity, or requiring close attention and care from medical personnel or institutions, have shown a significant increase in spending share over the decade from 2013 to 2023. The share in the top ten developed and developing countries increased from 29% and 23% to 50% and 36%, respectively. By 2028, specialty drug spending is estimated to reach 43% of the overall market, with the top ten developed countries expected to reach 55%, showing substantial growth compared to traditional pharmaceuticals, as shown in [Figure-4]. The global top ten pharmaceutical products' sales in 2023 totaled NT$129.784 billion, a decrease of 13.76% from NT$150.488 billion in 2022, primarily due to the easing of the COVID-19 pandemic and reduced vaccine sales. Among these, eight were

biopharmaceuticals with combined sales of NT$105.728 billion, accounting for approximately 81.46%, while only two were small molecule drugs with total sales of NT$24.056 billion, accounting for approximately 19.54%.

Figure-4 Global Biopharmaceutical Market Outlook 2024-2028

Unit: Billion US Dollar



Source: IQVIA, Jan 2024.

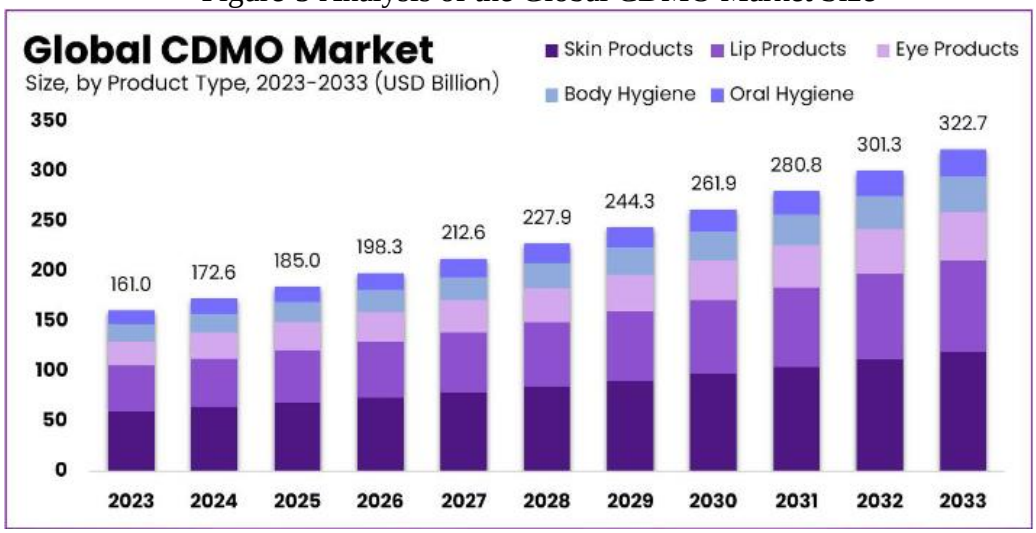
The main operations of the Company include pharmaceutical contract manufacturing (including biopharmaceuticals), Western medicine sales (categorized into new drugs/novel drugs and generic drugs (small molecules)), and the health food industry, as described below:

(1) CDMO

Based on the research report by Magna Intelligence in 2024 titled “Global Healthcare Contract Development and Manufacturing Organization Market Databank – Global Market Size Estimates and Forecasts,” the global healthcare Contract Development and Manufacturing Organization (CDMO) market is expected to grow

from US$252.81 billion in 2023 to US$459.14 billion by 2031, representing a compound annual growth rate (CAGR) of approximately 7.74%. Within this market, Contract Development Organization (CDO) services show a higher CAGR of about 8.60%, compared to Contract Manufacturing Organization (CMO) services at 7.29%. This growth can be attributed to the rapid expansion of the pharmaceutical and biotechnology industries, increased R&D investments, favorable regulatory environments, and growing strategic collaborations among market participants. By 2024, global R&D expenditure by pharmaceutical and biotech companies is projected to grow at an annual rate of 3% to US$213 billion. According to regional data in the report, North America remains one of the primary CDMO markets, accounting for approximately 38.35% of the overall market share. The United States, China, India, and Germany are expected to be the largest country markets for pharmaceutical CDMO services. The growth of the generic drug market, various pharmaceutical patent expirations, advancements in Active Pharmaceutical Ingredient (API) and Finished Dosage Form (FDF) manufacturing technologies, and the increasing elderly population are all factors driving overall market size growth. By 2031, the highest Compound Annual Growth Rate (CAGR) is estimated to be 9.16% in the Asian region. This rapid growth is primarily due to the increasing participation of high-skilled labor in the medical pharmaceutical industry, enhancing overall technology and pharmaceutical capabilities, which promotes the robust development of the Asian CDMO market. Furthermore, according to data published by the Market US research institute, the global CDMO market size in 2023 was approximately NT$161 billion and is estimated to increase to around NT$327.7 billion by 2033, as shown in [Figure-5]. Research institutes such as Global Information, Inc. (GII) and Grand View Research consistently estimate the future CDMO compound annual growth rate (CAGR) to be 7.0%–7.2%. Global Information, Inc. (GII) further predicts that the North American and Asian markets will achieve a CAGR of over 13%. The main factors evaluated for the growth of the CDMO market size are the increased demand for advanced therapies, genetic drugs, and cancer drugs, which significantly boost investment in new drug development. This prompts pharmaceutical companies that are developing new drugs to focus more on innovation and clinical speed. For small or specialized R&D pharmaceutical companies, meeting their needs through third-party one-stop services provided by CDMO operators, cooperating within regions and forming strategic partnerships, drives CDMO market growth.

Figure-5 Analysis of the Global CDMO Market Size



Data source: market.us ,https://market.us/report/cdmo-market/

Furthermore, according to IQVIA reports, small molecule drugs accounted for 68.70% of the global pharmaceutical market in 2023, comparable to 70.92% in 2022. It is estimated to reach US$1.35 trillion by 2028, with a cumulative growth rate of 21.92%. Small molecule drugs are expected to remain the primary type of expenditure in the global pharmaceutical market over the next five years.

Additionally, analysis of the global CDMO market from 2017 to 2026 reveals that small molecule drugs constitute approximately 62% to 64% of the market on average. Further segmentation based on outsourced product types indicates a higher proportion of outsourcing for small molecule drugs compared to large molecule biologics. This is primarily due to the ease of outsourcing manufacturing for small molecule drugs compared to biologics, and faster technology transfer.

Results International research analysis predicts a potential future CDMO market size of US$341 billion, indicating significant business expansion potential for the global CDMO sector.

Figure-6. The analysis of Contract Development and Manufacturing Organization (CDMO) outsourcing

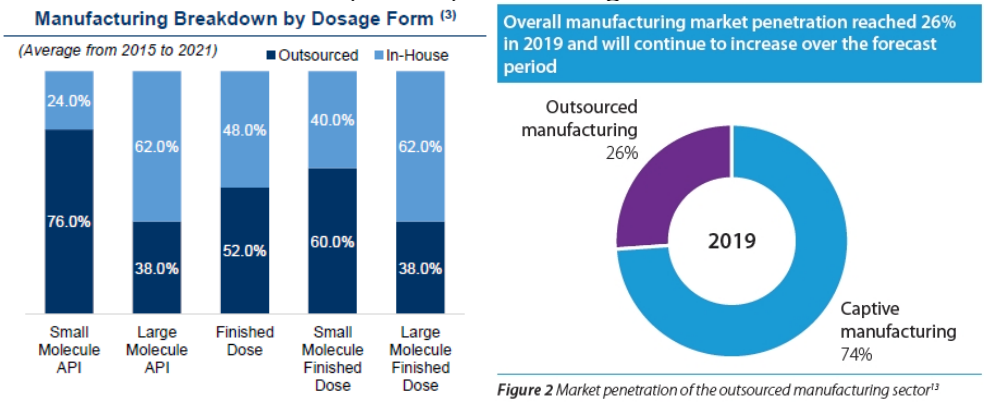


Figure 2 *Market penetration of the outsourced manufacturing sector[13]*

Data source: Outsourced Pharmaceutical Services 2022 Year In Review, Delancey Street Partners,LLC；Outsourced Pharmaceutical Manufacturing,2020 White Paper,Results Healthcar,2019/11。

Based on an analysis of U.S. FDA new drug approvals, small molecule drugs totaled 28 approvals in 2024, representing approximately 56% of the total 50 approved drugs. While this shows a slight decrease from the 69% proportion in 2023, small molecule drugs still account for more than half of all approvals, indicating that they remain the primary type of new drugs seeking U.S. FDA approval. Furthermore, when categorizing pharmaceutical companies by size, small pharmaceutical companies account for approximately 65% of all new drug approvals, demonstrating that innovation in the pharmaceutical industry primarily comes from small to medium-sized pharmaceutical companies. These small to medium-sized pharmaceutical companies typically employ the Contract Development Manufacturing Organization (CDMO) model for production to enhance and accelerate their chances of obtaining new drug approvals. As more small innovative enterprises secure marketing authorizations, they will continue to drive robust growth in the CDMO business. Analysis of CDMO market participant revenues reveals the highly fragmented nature of the industry, with two-thirds of companies generating less than NT$50 million in revenue. The top 10 companies represent less than 20% of the total market size. Approximately 20 CDMO enterprises generate over NT$500 million in revenue, with the top 10 participants holding a combined market share of less than 20%. Lonza remains the world's largest CDMO, nearly twice the size of its closest competitor, Catalent. Notably, Catalent, Lonza, and Recipharm have all expanded their market share, improved manufacturing quality, and extended their manufacturing capabilities into new technological areas through acquisitions, offering one-stop services from early development to contract manufacturing.

The global CDMO market, analyzed based on regional demand, exhibits a CAGR exceeding 13% in both North America and Asia, with North America emerging as the largest sales region, accounting for 35% of the market, as depicted in Figure 7. This growth is primarily attributed to several factors: The primary factors contributing to this are the North American market being the largest single pharmaceutical sales market globally. Additionally, over half of global pharmaceutical companies choose the US FDA as the primary regulatory authority for initial drug approvals. Collaborating with local CDMOs who possess specialized knowledge and compliance expertise accelerates the process of meeting and surpassing the stringent regulatory requirements in North America, particularly in the United States and Canada. This makes partnering with local CDMOs an attractive option for pharmaceutical

companies aiming to overcome regulatory obstacles in drug development. Furthermore, the United States is committed to enhancing innovation and manufacturing capabilities in biotechnology. The U.S. President has signed the Executive Order on Advancing Biotechnology and Biomanufacturing Innovation for a Sustainable, Safe, and Secure American Bioeconomy, and has initiated the National Biotechnology and Biomanufacturing Initiative.

These initiatives aim to enhance the biomanufacturing ecosystem in the United States:

1. Strengthening Biomanufacturing Infrastructure: By improving the infrastructure for biomanufacturing, the goal is to reduce the need for outsourcing production facilities overseas.

2. Government Procurement of Biobased Products: Increasing government procurement of biobased products encourages investment in innovation and facilitates market entry for biotechnology companies.

3. Priority Research Areas: By designating priority research areas, such as medical breakthroughs, climate change, and innovations in food and agriculture, the focus is on advancing biotechnology and its applications.

4. Access to Federal Biomedical Data: Ensuring that research personnel have access to federal biomedical data and simplifying the process for obtaining it promotes collaboration and accelerates research and development efforts.

5. Expansion of Talent Training and Education: Investing in talent training and education in the biotechnology and biomanufacturing fields helps develop a skilled workforce to support industry growth.

6. Enhanced Regulatory Transparency and Efficiency: Increasing transparency and efficiency in the regulation of biotechnology products speeds up the approval process, facilitating quicker market entry.

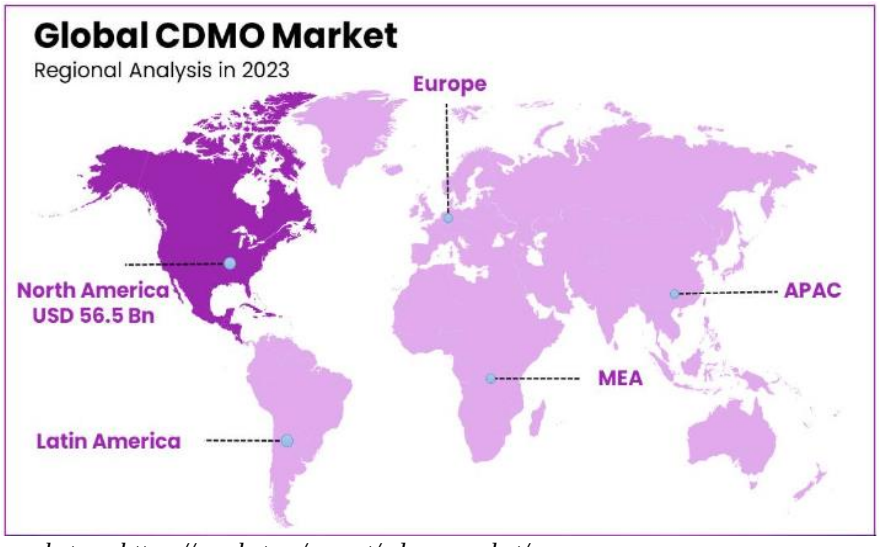
7. Prioritizing Applied Biosafety Research: Prioritizing investment in applied biosafety research and rewarding innovation helps mitigate risks associated with research and development activities.

8. Improvement of Biometric Data Privacy Standards: Enhancing standards for the privacy of human biometric data, as well as improving the security of biometric data networks and related software, contributes to a more robust biotechnology ecosystem.

9. Promotion of International Collaboration: By promoting international collaboration, utilizing biotechnology and biomanufacturing to address global challenges such as climate change and public health, and ensuring that technological research and development adhere to democratic and ethical values, benefits are extended to all.

Through the implementation of these measures, the aim is to improve the United States' biomanufacturing supply chain, reduce dependence on foreign biomanufacturing, and create more employment opportunities in the biotechnology sector, all of which contribute to the rapid growth of the North American CDMO market. As the US and China continue their rivalry, the United States has introduced the Biosecure Act to prevent health information from flowing to China. This legislation prohibits American companies from purchasing equipment or entering into service contracts with Chinese companies including WuXi AppTec, BGI Genomics, Complete Genomics Incorporated and its Complete Genomics company, and WuXi Biologics (Cayman) Inc. Companies with existing contracts must terminate them by 2032. According to a survey by GlobalData, over 120 biopharmaceutical products are affected by this Act, including those in development, clinical trials, or CDMO operations. Among these, 60% are products already on the market or in late-stage clinical trials. Termination of these business relationships could potentially increase drug development costs and delay clinical trials and market applications. Whether companies headquartered outside China will benefit from this situation will depend on US pharmaceutical companies cooperating with domestic manufacturers on supply chain issues, which is worth observing.

Figure-7. Analysis of CDMO Outsourcing Manufacturing / Global Actual and Potential Market Forecast for CDMO



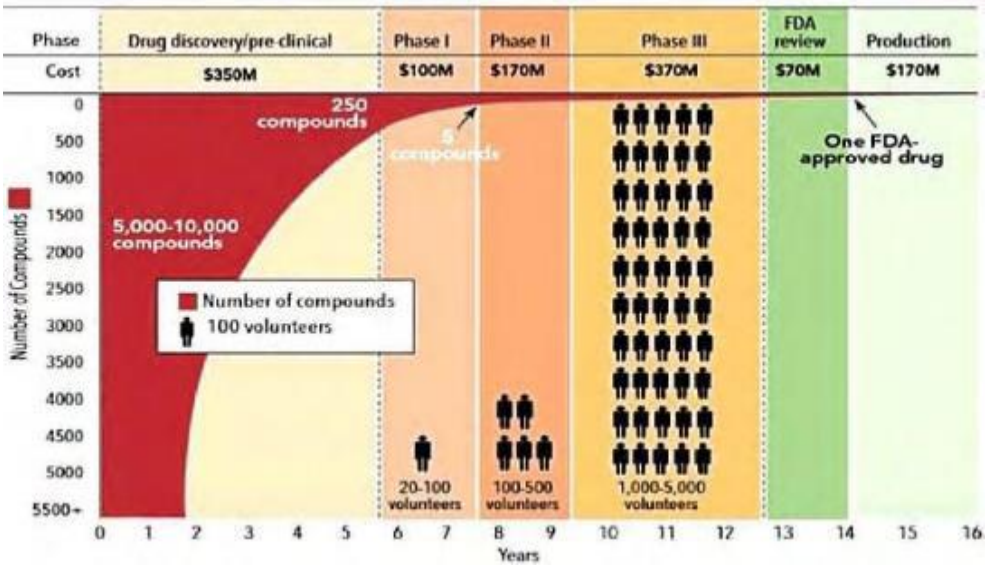
Source：market.us ,https://market.us/report/cdmo-market/

(2) Western Medicine Sales

①New drugs market

New drug development requires substantial investment of funds and time. In recent years, the drawbacks of lengthy development timelines and low success rates have become apparent. From initial research to successful market launch, the process typically takes over 10 years (Figure 8). Additionally, with generic drug manufacturers actively investing in breakthrough strategies for expiring patented drugs, once a drug loses its exclusivity rights after patent expiration, high-profit medications are often replaced by generic equivalents within 1 to 2 years, leading to a perceived slowdown in new drug development. However, in reality, new drug development remains a growing market due to the high value and knowledge-driven nature of the products. Countries continue to increase their investment in new drug research and development. Even amid the COVID-19 pandemic, global pharmaceutical companies continue to target advanced countries like those in Europe and America for new drug launches. Furthermore, the U.S. FDA, in order to promote new drug launches and improve patient access to medication, provides various review measures including orphan drug designation (for diseases affecting fewer than 200,000 people), fast-track review, breakthrough therapy designation, priority review, and accelerated approval. These measures simplify or expedite the drug review process, allowing new drugs to be launched sooner and patients to access better treatment options. Additionally, the pharmaceutical industry structure is gradually shifting towards a model of shared benefits, shared risks, and collaborative development. This includes the involvement of Contract Research Organizations (CROs), Contract Manufacturing Organizations (CMOs), and Contract Development and Manufacturing Organizations (CDMOs), which help reduce the expenses and risks associated with new drug development.

Figure-8. Flow Chart for New Drug Developemtn to Launch (USD)

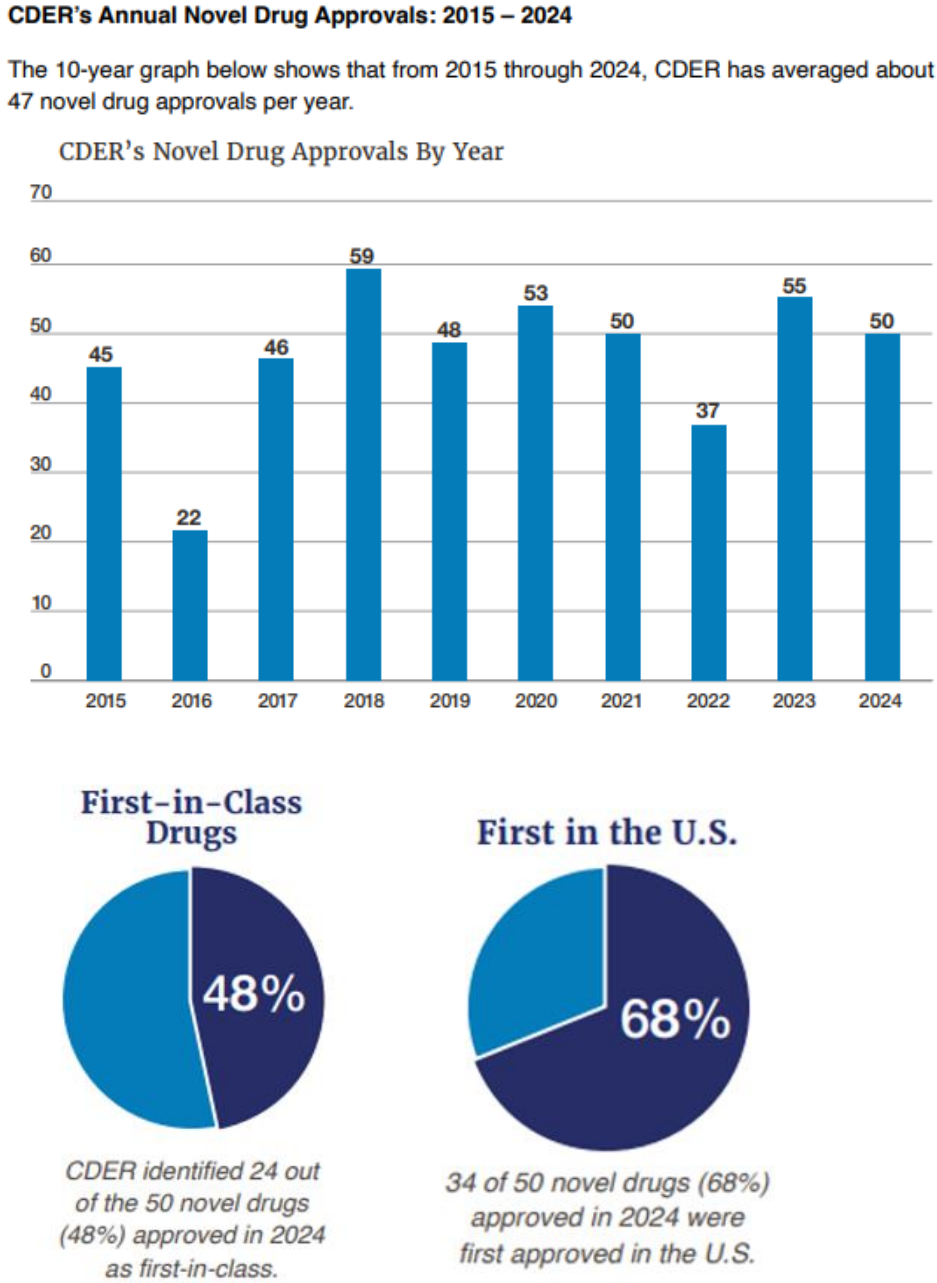


Data Source: Molecules 2018, 23, 533. (The Pharmaceutical Industry in 2017. An Analysis of FDA Drug Approvals from the Perspective of Molecules)

Due to the United States' pharmaceutical policies encouraging new drug development, Orphan Designation benefits, diverse expedited review processes, and price control measures, according to the Center for Drug Evaluation and Research (CDER) analysis of FDA-approved new drugs in 2024, the U.S. FDA approved a total of 50 new drugs. This approval count is lower than 2023 but higher than the 37 approvals in 2022, and equals the number approved in 2021. While below the 59 new drug approvals in 2018 (which saw a significant increase due to the US optimizing regulations to shorten new drug market entry timelines), further analysis of 2024 FDA approvals shows that small molecule drugs accounted for 28 approvals, representing 56% of total approvals. Notably, among the small molecule drugs approved in 2024, 22 were solid or semi-solid formulations, with 68% (15 items) filing patent applications to establish technical barriers, extend patent protection periods, and enhance competitiveness in the pharmaceutical market. In 2024, innovative First-In-Class approved items totaled 24, accounting for 48% of all approved new drugs, a 33% growth compared to 2023's 20 items (which represented approximately 36% of that year's total). Furthermore, new drug applications first submitted in the United States (first in the US) numbered 34, representing nearly 68% of approvals, an increase from 2023, indicating that the US remains the preferred country for global pharmaceutical companies developing new drugs. Among CDER-approved new drugs, cancer treatments accounted for

30% of approvals, while rare or orphan drugs represented the highest proportion at 52%.

Fig. 9: The number of approved cases by the U.S. FDA from 2015 to 2024



Data Source: Advancing Health Through Innovation: New Drug Therapy Approvals 2024, Jan. 2025, p6&16, U.S. FDA.

② Generic drugs market

The global generic drug market is expanding as patents for original drugs expire, along with increasing aging populations and chronic diseases. As countries seek to control medical expenses, they encourage the use of generic drugs, which helps expand the market size for generic medications. At the same time, global inflation and rising interest rates have driven up costs for generic drugs, accelerating reorganization and acquisitions among generic drug manufacturers. According to a research report by Precedence Research, the global generic drug market size was approximately NT$464.98 billion in 2023, and is estimated to reach NT$776.78 billion by 2033, with a compound annual growth rate of 5.2%. North America is the largest market for generic drugs, accounting for approximately 34.69%, followed by Europe at 25.40%. Although the Asia-Pacific region accounts for 22.57%, with the increasing population of chronic disease patients and changes in lifestyle habits, the future market growth rate is estimated to reach 8%. The United States and China are the main markets for global generic drugs.

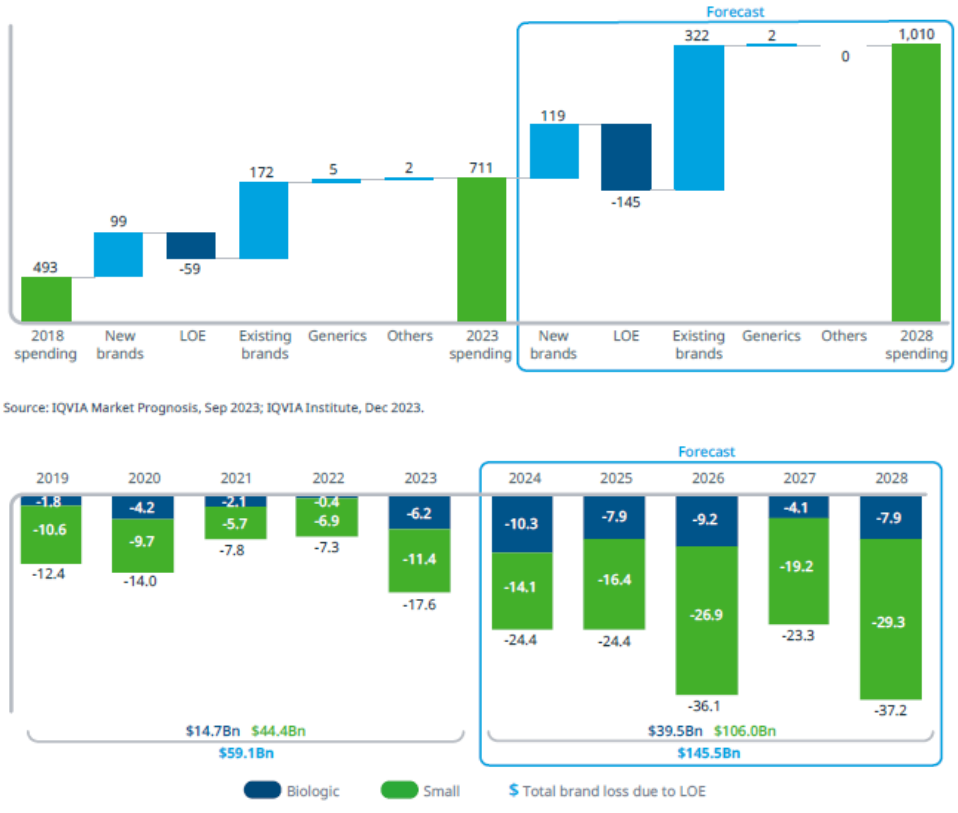
The generic drug market is primarily driven by aging populations with chronic diseases, as generic drugs provide the same efficacy as brand-name drugs at lower prices. This leads to their inclusion as medication options and increases the demand for generic drugs. Additionally, as more globally patented drugs reach patent expiration with increasing sales volume, major pharmaceutical markets, such as the United States, are encouraging manufacturers to launch drugs before or after patent expiration through drug pricing policies, as well as promoting the use of biological products, according to IQVIA’s forecast. It is estimated that between 2024 and 2028, although new drug expenditure will continue to grow, potential sales losses could reach NT$145.5 billion, significantly higher than the NT$59 billion loss in new drug sales from 2018 to 2023. Small molecules (chemical drugs) account for 73% of the impact on new drug expenditure, as shown in [Figure-10]. This will drive the development and market launch of global biosimilars and generic drugs, promoting continued growth in the global generic drug market. While other advanced pharmaceutical countries focus on innovative drugs, they also encourage the development of generic drugs to promote competition and provide affordable medications for public use. The use of generic drugs helps alleviate the financial pressure of medical expenditures in various countries. The proportion of generic drugs in prescriptions has exceeded 70% in these countries, and since generic drug prices are lower

than patented drugs, with prices decreasing as more approvals for the same item are granted, currently about 90% of prescriptions written in US hospitals use generic drugs, meeting all patients' medical needs and effectively reducing healthcare costs. For generic drugs approved between 2018 and 2020, they saved NT$53.3 billion in medical expenses in their first year after market launch.

According to the U.S. FDA's generic drug annual report data, in 2023, the U.S. FDA approved 956 generic drugs, an increase of 4.60% compared to 914 items in 2022. Overall, the number has not yet recovered to the average of more than 1,000 items from 2017 to 2019. Of the 956 newly approved generic drugs, 773 were Abbreviated New Drug Approvals (ANDA) and 183 were tentative approvals. Among these, 90 items were classified as first-to-market generic drugs. To accelerate the market entry of generic drugs, the United States has implemented the Competitive Generic Therapy (CGT) program since 2017. Manufacturers whose products are approved as the first competitive generic drug and meet other requirements can enjoy 180 days of market exclusivity, but they must launch the product within 75 days of approval; otherwise, they lose eligibility. As of the end of May 2024, 291 products have qualified for this program, but due to manufacturers not launching within the required timeframe or voluntarily relinquishing their rights, only 143 products have obtained CGT exclusivity.

Figure 10. Growth Distribution for US Grug Market

Unit: Billion in USD



Date Source: IQVIA, Jan 2024

The global generic drug market is primarily driven by the top ten countries for generic drugs, with the United States being the leading market for branded drugs and Mainland China being the second-largest pharmaceutical market globally. The combined market size of generic drugs in the United States and Mainland China accounts for nearly half of the global generic drug market. In the United States, under the encouragement of insurance systems and national regulatory policies, the usage rate of generic drugs has significantly increased. In Europe, due to pressure on drug prices, many governments actively encourage the use of generic drugs. Additionally, improvements in the process by EU regulatory authorities enable generic drugs to obtain marketing approval in a shorter time frame. In China, the government vigorously promotes consistency evaluation and volume-based procurement of generic drugs. Meanwhile, the Japanese government has been aggressively promoting the goal of achieving an 80% market share for generic drugs by 2020, making Japan's generic drug market a battleground for major pharmaceutical companies. Many generic drug manufacturers, including Teva and Actavis, have established joint ventures

or acquired Japanese pharmaceutical companies to enter the Japanese generic drug market. Moreover, governments in countries like India continue to increase policy efforts to encourage the use of generic drugs in domestic medical institutions, indicating the significant attention given to the global generic drug market by various countries.

Based on the statistics compiled by GlobalData for generic drug companies, the world's top five generic drug companies are Teva Pharmaceutical, Viatris Pharmaceutical, Sandoz, Sun Pharmaceutical, and Dr. Reddy's, as shown in [Figure-11]. Teva Pharmaceutical's revenue reached NT$15.846 billion in 2023, growing 6.17% compared to 2022. Viatris Pharmaceutical's revenue was NT$15.427 billion, decreasing 5.14% compared to 2022, of which generic drug revenue was NT$5.587 billion, decreasing 11.70% compared to 2022. This decrease was mainly due to reduced generic drug sales in developed countries, making it the only company among the top ten with declining revenue. Competition in the global generic drug market is intense, but due to the market opportunities presented by the expiration of patents on drugs with huge annual sales, generic drug companies are also actively developing new business strategies to establish competitive advantages and expand their scale.

Figure-11. Top Ten Global Generic Drug Sales Companies in 2023

Unit: 0.1 billion USD, %

Ranking	Manufacturer	2022	2023	Headquarters	Growth Rate
1	Teva	149.25	158.46	Israel	6.17
2	Viatris	162.63	154.27	US	-5.14
3	Sandoz	93.06	99.79	Switzerland	7.23
4	Sun Pharmaceutical	52.35	58.74	India	10.51
5	Dr. Reddy's	29.18	31.44	India	7.75
6	Cipla	29.48	31.22	India	13.28
7	Lupin	22.22	24.24	India	20.25
8	Amneal	22.12	23.94	US	8.20
9	Zydus	20.47	21.97	India	7.33
10	Alkem Laboratiories	14.40	14.78	India	9.08

Data Source: 2024 Biotechnology Industry White Paper; Globaldata, May 2024.

In contrast, the Taiwanese market is subject to overall drug price control under the National Health Insurance (NHI) system and faces intense price competition, leading to extreme market fragmentation and very low profit margins. Taiwanese

generic drug manufacturers, if confined to the domestic market alone, are susceptible to falling into a cycle of price wars. To seek higher-profit margins in niche generic drug markets, they must venture into overseas markets such as European and American countries, as well as Japan.

For Taiwanese generic drug manufacturers to export generic drugs to advanced countries in Europe and America, they first need to contend with competition from Indian, European, and American generic drug manufacturers, with Indian manufacturers particularly leveraging low prices as their main advantage. Therefore, for Taiwanese generic drug manufacturers to develop and export generic drugs, they should focus on specialized generic drugs with high technological barriers and entry barriers, striving to differentiate themselves in terms of product quality or production technology. Generally, in advanced countries, the decision to choose lower-priced generic drugs to reduce drug procurement costs is inevitable due to past long-term deficits in their healthcare systems. However, for specialized generic drugs with fewer competitors, such considerations are often not present, allowing them to command prices and profit margins closer to those of branded drugs.

(3) In terms of health food supplements

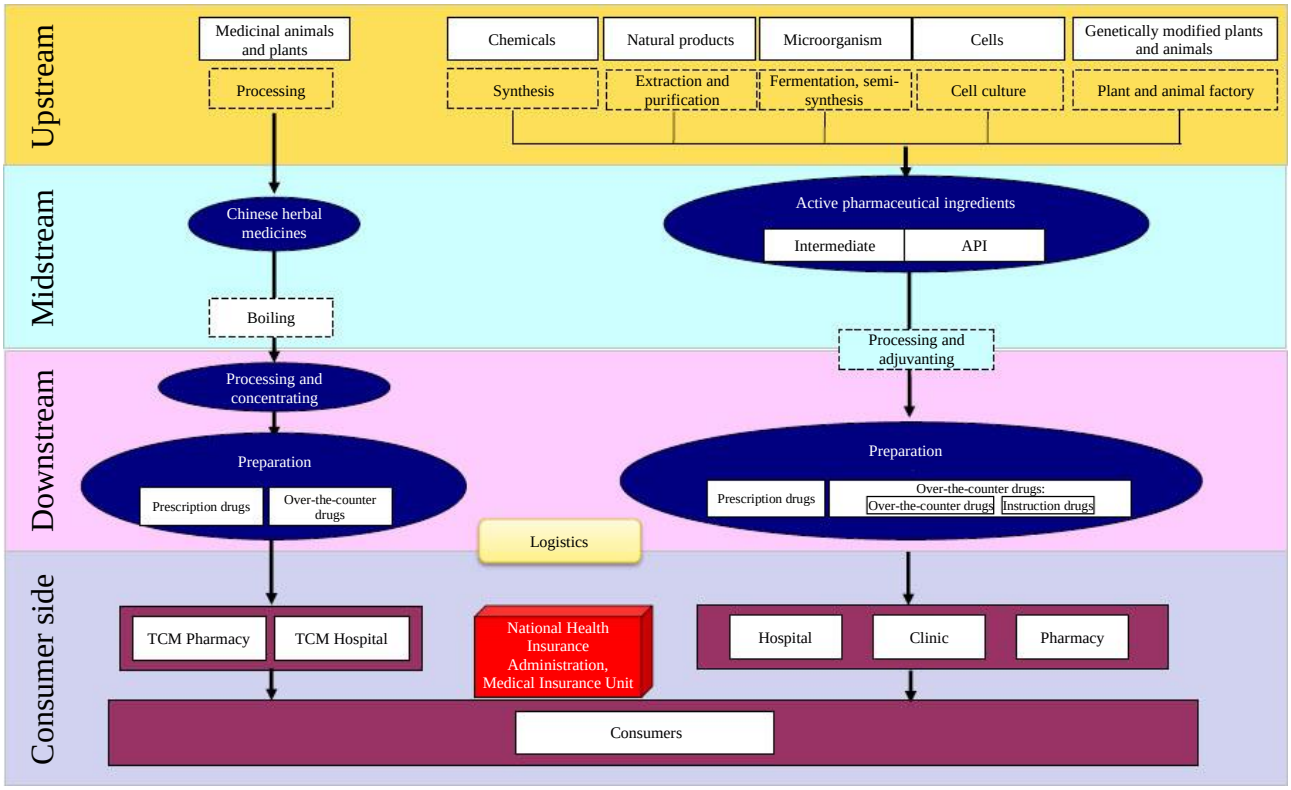
According to Euromonitor, the global functional food and beverage market size was US$602.3 billion in 2023, comprising US$466.4 billion in functional foods and US$135.9 billion in functional beverages. Research and Markets predicts the functional food and beverage market will grow at a CAGR of 6.9% from 2024 to 2032, with the market size estimated to reach US$597.1 billion by 2032. The global dietary supplement market size was US$133.7 billion in 2023 and is expected to increase to US$165.0 billion by 2027. Functional foods and beverages, which align with consumers' general dietary preferences across regions, will continue to perform well, with the market size projected to grow to US$810.7 billion by 2027. Manufacturers are actively increasing their research and development investments in novel and functional food and beverage products, driving the continued expansion of the overall market. According to a research report by The Business Research Company, the global functional ingredients market size was US$110.6 billion in 2023 and is estimated to grow to US$120.3 billion in 2024, an increase of 9.9%. It is expected to reach US$175.3 billion by 2028. Probiotics are expected to continue growing, primarily due to their connection with intestinal health, cholesterol reduction, and blood sugar control-related health benefits. According to research by Precedence Research, downstream food and beverage manufacturers will increase the addition of probiotics in various food products to enhance product value and

attractiveness. This will drive the global probiotics market to grow at a CAGR of 8.8% over the next six years, with the market size estimated to reach NT$13.39 billion by 2030.

2. Upstream, midstream and downstream industry relations

There are three types of drugs: original drugs, imported or domestic generic drugs with bioequivalence (BE Generics). The structure of the domestic pharmaceutical industry can be categorized into upstream, midstream and downstream. Upstream includes the raw materials for the preparation of pharmaceuticals, such as natural substances and general chemicals for Western pharmaceuticals; midstream is the active pharmaceutical ingredients industry and Chinese herbal medicine processing industry; downstream is the manufacture of pharmaceuticals and various sales channels. Currently, the pharmaceutical industry in Taiwan is generally focused on downstream. The Company and its subsidiaries' main sources of revenue come from the manufacturing and distribution of various Western pharmaceuticals and pharmaceutical CDMO. Therefore, it is considered downstream manufacturers in the industry. The upstream, midstream, and downstream relationships in the pharmaceutical industry are shown below:

Figure 12- Upper, middle and downstream structure of Taiwan's pharmaceutical industry



Data source: Compiled by the ITIS program of DCB's Product Investment Group; Pharmaceutical Industry Yearbook (2015)

A. Upstream

The raw materials for Western pharmaceuticals include natural substances and general chemicals, which are mainly synthesized chemically or prepared semi-synthetically, while others are obtained from plants, animals, minerals, animal organs, microbial strains and related tissue cells. The upstream of Chinese medicine is mainly made of plants and a few animals and minerals as raw materials. However, in recent years, due to advances in biotechnology, biotech drugs are produced by tissue culture or direct cultivation of plants or farmed animals using gene transfer techniques. Therefore, biotech drugs are mainly made from living organisms and are produced by genetic recombination technology to produce proteins, monoclonal antibodies or nucleic acid drugs with therapeutic or preventive properties.

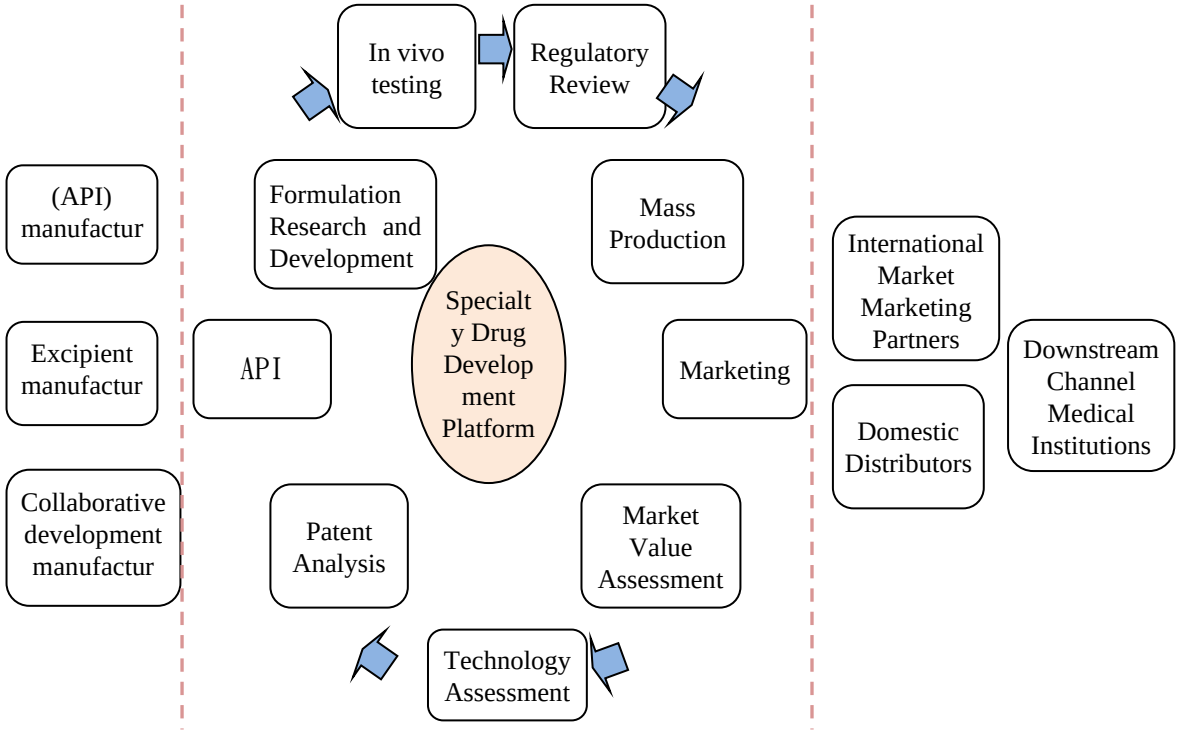
B. Midstream

Mainly the Active Pharmaceutical Ingredients industry and Chinese herbal medicine processing industry. The Active Pharmaceutical Ingredients industry is an organic chemical industry with different mass production methods depending on the source. For ingredients obtained from natural materials, in addition to the preparation of raw materials such as fermentation and cultivation, the main process technologies are extraction, separation and purification; as for the preparation of general chemicals, the main process technologies are complex organic synthesis and separation and purification; for preparation by genetic engineering, purification and recovery processes are used. The processing of Chinese herbs is mainly based on the processing and concoction of medicinal plants.

C. Downstream

Downstream includes both the Western pharmaceutical and Chinese medicine industry. The Western pharmaceutical industry includes the processing of raw materials and pharmaceuticals, such as excipients, disintegrants, adhesives, lubricants, emulsifiers, etc., into convenient dosage forms. In addition to traditional methods of processing Chinese herbs into paste, pill, powder, tablet, etc., Chinese herbal formulas can be refined and concentrated into granules, powder or other Western pharmaceutical forms, which are called Chinese medicine concentrated preparations (commonly known as scientific Chinese medicine) or Western pharmaceutical forms of Chinese medicine.

Subsidiary TWi Pharmaceutical positions itself with high-entry barrier drug development and manufacturing technologies as a platform for the development of special generic drugs. It continuously invests in the development of special generic drugs and 505B2 new drug formulations with highly niche market advantages. The interrelationship among its industry upstream, midstream, and downstream is as follows:



Source: Compiled by the company internally.

3. Product trends and competition

A. Product trends and competition

The Company and its subsidiaries currently have three main product categories: pharmaceutical contract manufacturing, Western medicine sales, and health supplement sales. For pharmaceutical contract manufacturing, as Taiwan's Ministry of Health and Welfare Food and Drug Administration (TFDA) underwent a series of rigorous evaluations by PIC/S, it officially became the 43rd member of the PIC/S organization on January 1, 2013, and fully implemented PIC/S GMP starting January 1, 2015. This also enables mutual GMP certification with other countries, eliminating the complex procedures of repeated inspections and verifications, representing Taiwan pharmaceutical manufacturers' active upgrading and alignment with international markets. It is expected that as the number of PIC/S GMP members continues to increase, and with global pharmaceutical market competition becoming increasingly intense for both new drugs and generic drugs, medical regulations continue to raise standards, causing pharmaceutical manufacturers and new drug companies to place control of research and development costs and improvement of R&D efficiency in more important strategic positions. In recent years, the trend of developing industry chains that emphasizes professional division of labor and the concentration of resources on core businesses has become increasingly clear. Professional outsourcing companies have emerged in various segments of the industry chain, including disease target research, the screening and development of pharmaceutical compounds, clinical

trials, contract manufacturing, and marketing. Based on the different stage requirements of products, these are divided into Contract Research Organizations (CROs) and Contract Manufacturing Organizations (CMOs). Due to the industry's trend toward consolidation, frequent acquisitions, strategic cooperation for joint drug development, service expansion, regional market growth, the introduction of emerging technologies, and entry into new therapeutic areas to enhance service benefits and increase output value, there are diversified and significant business opportunities for CROs and CMOs. All these factors will benefit the expansion of the pharmaceutical contract manufacturing market. Furthermore, the Company and its subsidiaries are actively developing global Contract Development and Manufacturing Organization (CDMO) services to meet market demand. This is particularly important because most Taiwanese pharmaceutical companies do not establish their own manufacturing facilities during the drug development stage. However, when clinical drug manufacturing is required, it is relatively difficult to find API and formulation plants that comply with PIC/S GMP regulations for manufacturing technology development and production. Traditional pharmaceutical companies without pilot plants face uncertain risks in the early stages of new product development. Using their own R&D and production lines inevitably occupies resources that could be used for existing products, leading to delays and relatively higher development costs. Therefore, in recent years, traditional pharmaceutical companies have also begun to outsource CDMO and CRDMO services to reduce risks and enhance their competitiveness.

B. Product Competition

(A) Global CDMO Operations

In terms of the domestic pharmaceutical market, while the continuous increase in PIC/S GMP membership facilitates the expansion of Western pharmaceutical contract manufacturing, it also accelerates competition in this sector. Western pharmaceutical sales primarily target the domestic market, while exports face competition from large international generic drug manufacturers, making expansion difficult. The small scale of the domestic market, characterized by low-volume and high-variety products, lacks economies of scale. Combined with numerous domestic manufacturers, intense competition, and National Health Insurance price restrictions, industry profitability and growth remain extremely challenging. To overcome these challenges in both pharmaceutical contract manufacturing and Western pharmaceutical sales, manufacturers are actively expanding into international markets. The Company has established CDMO facilities bothy domestically and internationally, successfully integrating with global pharmaceutical supply chains. All facilities possess international high-quality pharmaceutical production capabilities, including the Guantian plant in Tainan, subsidiary Bora Pharmaceutical Laboratories' plants in Zhunan, Zhongli,

and Taoyuan, plus subsidiary Bora Biologics' biological pharmaceutical plant in Zhubei. In 2024, the Company successfully entered the pre-IND stage of development for new types of antibodies such as multi-specific immunomodulatory T-cell engagers, and achieved significant progress in Antibody-Drug Conjugates (ADC). In North America, the Company operates a facility in Canada, and in 2024 added a sterile injectable facility in Baltimore, Maryland, and Upsher-Smith's Maple Grove facility, which has a production capacity of 5 billion doses. By advancing from three dimensions – cost, differentiation, and supply chain resilience – the Company establishes local manufacturing advantages in the United States. Together with the strategic alliance with Tanvex BioPharma Inc.'s San Diego large molecule (biological drug) facility, the Company can provide comprehensive services spanning both large and small molecules while vertically integrating from research and development to mass production. The Company has established strong CDMO capacity and operational advantages. Currently, contract-manufactured products can be exported to over 100 countries worldwide including the United States, Europe, Japan, Southeast Asia, Central and South America, and the Middle East. These products cover oral solid dosage forms, semi-solid dosage forms, liquids, topical medications, sterile injectables, and other formulations. Additionally, the Company offers one-stop large molecule services from early-stage cell line screening, process development, and analytical methods to biological pharmaceutical development, mass production, and final fill and finish. The Company will leverage these advantages to ensure stable annual growth in its CDMO business with the world's top 20 pharmaceutical companies, while continuously and actively seeking more international contract manufacturing opportunities and increasing production capacity to meet client requirements, thus establishing the Bora group as a globally leading professional pharmaceutical manufacturing enterprise.

(B) Global Commercial Operations

In terms of global pharmaceutical sales operations, the Company continues to develop special generic drugs (ANDA) and new dosage form drugs (505B2) with high market niches, while conducting international licensing sales of specialty products or patented products to enhance the competitive advantage of our proprietary products to meet different medical specialties' drug characteristics and market demands. The subsidiary TWi Pharmaceuticals developed Potassium Chloride ER Tablets for treating hypokalemia, and the subsidiary Upsher-Smith developed Deflazacort Tablet for treating Duchenne muscular dystrophy, a rare disease medication. Both drugs received U.S. FDA approval in 2024. The Company has accumulated multiple U.S. FDA special generic drug approvals that are marketed and sold in the United States. Since the US pharmaceutical market

holds an important global benchmark position, the Company continues to focus on US market sales operations. According to IQVIA data, among the Company's approved marketed drugs, in November 2022, it ranked first in sales of newly launched generic drugs in the United States. In 2024, the Company completed the acquisition of the century-old US pharmaceutical company Upsher-Smith and Pyros, a patented rare disease drug development company. By integrating Upsher-Smith's specialty pharmacy channels and Pyros's patented new dosage form "VIGAFYDE™", the Company will move toward rare disease brands and specialty pharmaceuticals as its main sales focus and continue to optimize its product portfolio to enhance overall competitiveness. As of 2024, the number of drug licenses obtained through self-development and acquisitions has accumulated to 88, demonstrating fruitful and outstanding R&D results. The Company will continue to focus on high-value research and development projects through the integration of group resources.

(C) In terms of health supplement sales

The subsidiary Bora Health Inc. is actively developing healthcare and wellness product business, continuously striving to obtain agency rights for well-known international brands in Taiwan to enrich the Group's business and product lines. Currently, it has secured healthcare and wellness products from SSP, Japan's third-largest pharmaceutical company in the drugstore market, and Eisai Co., Ltd. in Taiwan, as well as the exclusive marketing business in Taiwan for BOIRON, a global leading brand in over-the-counter medicine from France. In December 2023, it signed a cooperation agreement with Shionogi Healthcare Co., Ltd., obtaining exclusive agency sales rights for all health foods and OTC series in Taiwan, strengthening the uniqueness and diversity of products in the healthcare market. Shionogi's healthcare nutrition brands, Vision Health and Temperature Plan, were first launched in October 2024. In addition, according to the reverse acquisition regulations of International Financial Reporting Standards, with November 1, 2023, as the base date, the Company incorporated SunWay Biotech Co., Ltd. (hereinafter referred to as SunWay Biotech) into the Group as a subsidiary of the Company. SunWay Biotech possesses rich research and development experience with NTU568 Monascus purpureus and NTU101 lactic acid bacteria, having published over 130 and 42 research papers, respectively, in the international journal SCI (Science Citation Index). Among these, the red yeast extract (ANKASCIN 568-R) has received New Dietary Ingredient (NDI) qualification approval from the U.S. FDA, becoming the only red yeast raw material that can legally claim efficacy in the United States with clearly labeled active ingredient content. Furthermore, it has obtained multiple patents in countries such as the United States, European Union, Canada, Japan, Australia, Mainland China, South

Korea, Singapore, and Taiwan. In 2024, SunWay Biotech expanded into overseas markets, with its technological products receiving recognition from numerous international awards and attracting cross-national strategic partnerships. These include being a finalist for the "NutraIngredients Awards – Europe (European Healthy Aging Ingredient of the Year)" and "NutraIngredients Awards – USA (Best Herbal Product of the Year)," and winning the "NutraIngredients Awards – Asia (Best Herbal Product of the Year)" honor, becoming the first Taiwanese company in history to receive this award. As the world's first manufacturer to assist the United States Pharmacopeia Convention (USP) in establishing specifications for red yeast dietary supplement raw materials in the United States Pharmacopeia, SunWay Biotech has become the only manufacturer in the world currently capable of legally supplying raw materials for red yeast dietary supplements to the US market. The Company will continue to utilize SunWay Biotech's proprietary technology and manufacturing strength in the dietary supplement field, leveraging the Group's existing domestic and international channel resources and international experience to accelerate the deepening of global healthcare market deployment and capture the enormous global healthcare business opportunities.

(III) Overview of Technology and R&D

1. Technology level and research development of the business

A. Technology level of the business operated

Our pharmaceutical manufacturing plant under the Group can produce various dosage forms including tablets (uncoated, film-coated, sugar-coated), capsules and granules as solid dosage forms, as well as sterile preparations such as eye drops, eye ointments, and injection filling formulations (including solid (lyophilized powder), liquid solutions and pre-filled syringes) for biopharmaceuticals. We provide comprehensive services from clinical to commercial scale production (such as analysis/stability testing, cold storage and semi-automatic packaging). We also possess small-, medium-, and large-scale equipment for controlled-release pellet formulations, making us one of the few facilities designed for large-scale controlled-release film coating using organic solvents. We are a company with technical capabilities to produce multiple pharmaceutical dosage forms. Additionally, in 2024, our large molecule technology officially entered the pre-IND development stage of new antibody formats such as multi-specific immune checkpoint T-cell engager antibodies. These expression vectors have highly complex drug structures with challenging process development and analytical methods. Furthermore, we have made significant progress with Antibody-Drug Conjugates (ADCs), capable of handling

toxic substances and producing TOX materials. The Company will further enhance our process technology and production capabilities through product development.

B. Research and Development

(A) Process technology capability enhancement

a. Development of process technology for various dosage forms:

Currently, our Group's pharmaceutical manufacturing plants include the Maryland facility, which produces sterile injectable dosage forms, including solid (lyophilized powder), liquid formulations, and pre-filled syringes. Our Canadian plant manufactures tablets, liquids (oral solutions, nasal sprays), and semi-solids (gels, creams, ointments), holding multiple international standard certifications as an internationally recognized high-quality pharmaceutical manufacturing facility. The Tainan Guantian plant currently has tablet, capsule, and granule product lines. Our subsidiary Yibang's Zhunan plant, besides oral solid dosage form production lines, also possesses production lines and technical capabilities for oral multiple extended-release capsules. The Zhongli plant and Jingde Taoyuan plant can produce various oral solid dosage form medications, as well as laser-drilled controlled-release dosage forms and suspensions, and sterile ophthalmic preparations, primarily for export to the US market. The subsidiary Bora Biologics' Zhubei plant is capable of producing biological products, such as monoclonal antibody protein drugs, multi-specific immune checkpoint T-cell engaging antibodies, and Antibody-Drug Conjugate (ADC) technologies. The Company will continue to expand production lines for different dosage forms in response to new product development or contract manufacturing needs. For example, Bora Pharmaceutical Laboratories' Zhunan plant has added a spray drying production line, and the Maryland plant's sterile injection production line has proactively completed manufacturing environment upgrade operations. The Company continues to develop various dosage form process technologies and comprehensive support services required for clinical to commercial scale production to meet the needs of contract manufacturing clients and to compete for more international contract manufacturing opportunities.

b. Development of process amplification technology:

The Company can fulfill customer needs at various stages of contract manufacturing, including technology transfer, trial production, batch scale-up, and commercial mass production. Contract manufacturers are often required to handle small-batch production initially to test market acceptance. The contract manufacturer must fulfill these small-batch production needs, and

subsequently be able to rapidly scale up production volumes when the market opens up to meet the customer's supply demands. In this regard, the Group currently possesses manufacturing facilities capable of producing various dosage forms with different capacities and outputs to respond to and accommodate contract customers' needs. Combined with high scheduling flexibility and a professional project management department, the Company has extremely high production flexibility that can meet customer requirements for various batch sizes or diverse packaging needs. The Zhunan plant features a division between medium-scale and large-scale production areas, allowing for adaptation to the needs of foreign large-scale markets (such as the United States) through varying capacity and batch size adjustments. The Zhongli plant provides hormone and small-batch, highly differentiated technology platforms, while continuing to support transfer and stable supply plans for products sold in the US market. The TWi Pharmaceuticals R&D Center can accommodate laboratory batch trial production, batch scale-up research, and validation batch production to fulfill all requirements for registration documents. The Canadian plant has small-scale trial production facilities to meet customers' mass production scale-up needs. The Maryland plant's sterile injection capabilities provide various terminal filling services to local US customers. Upsher-Smith's Maple Grove plant spans 612,396 square feet with a production capacity of 5 billion doses, featuring comprehensive facilities that include manufacturing, packaging, QA/QC, pilot, and warehouse logistics areas. It will be positioned as a high-barrier small molecule oral formulation technology platform with US local manufacturing advantages, establishing three major advantages in cost, differentiation, and supply chain resilience. The Group's pharmaceutical companies have currently exported medicines to approximately 100 countries worldwide, with the world's top twenty pharmaceutical companies as their primary CDMO service clients, demonstrating extensive experience in international pharmaceutical supply. In the future, the Company will also continue to develop scale-up technologies for different production lines to provide contract manufacturing clients with various required production volumes and accelerate product mass production speed.

(B) Self-developed pharmaceutical drugs

a. New dosage forms:

Develop new dosage forms to create product differentiation. The main development direction is to redesign the dosage form and evaluate the efficacy

in clinical trials, improve the marketing strategy of dosage form development and to make a high threshold specialty drug.

b. Special generic drug products development:

We will focus on the development of niche generic drugs, especially those with market demand and technical thresholds. In addition to the above, the Company also provides comprehensive services from product development, registration to product production and CDMO for generic drugs, which will enhance the Company's competitiveness.

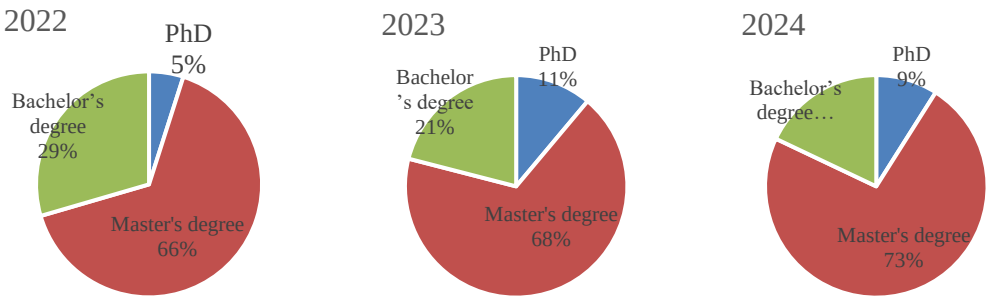
2. Research and development staff and their academic experience

(1) Number of research and development staff and their years of experience

Unit: Number of people; Year

Item \ Year	2022	2023	2024
Number of People	67	81	78
Average Years of Service	6.08	2.57	2.28
Average Years of Research and Development	9.55	9.09	9.18

(2) Research and development staff and their academic



3. Research and development expenses for the last two years

Unit: NTD thousands; %

Item \ Year	2023	2024
R&D Expenses	298,160	694,487
Net Revenue	14,200,068	19,245,907
Percentage of Net Revenue	2.10	3.61

4. The last five years of successful technology or product development

(1) The Company and the Subsidiaries technology or products successfully

developed or under development in the last 5 years:

Year	Technology or products successfully developed or under development in the last 5 years
2020	• BSAT-1301 (a new dosage form of compound pain relief drug) has been patented in Germany, the UK and France.
2021	• Complete client's new drug clinical phase II to III formulation development, optimization and mass production.
2022	•The Company has obtained the US FDA product certificate forDexlansoprazoleDR Caps which is mainly used to treatthe reverse flow of the gastronomy.
2023	—
2024	•The Company has obtained the US FDA product certifications for VIGADRON and VIGAFYDE, which are mainly used to treatchildren's behavioral adaptation. •The Company has obtained the certificate for the product, TORPENZ (everolimus), which is mainly used to treatchildren's hypercholesteremia and metabolic syndrome. •The Company has obtained the US FDA certificate for Deflazacort, a product mainly used to treat the muscle atrophy ofDown Syndrome.

5. Taiwan CDC Drug License

To maintain our market share and distribution channels in the domestic pharmaceutical market, the Company has been cultivating brand advantages in the generic drug field and maintaining stable sales channels. In addition to the numerous drug certifications held by our subsidiary Bora Health in areas such as the central nervous system, ophthalmology, and antibiotics, which facilitate our comprehensive layout in the CNS drug market and the expansion of emerging markets with potential development in antibiotic and ophthalmic products, we also acquired the Bora Pharmaceutical Laboratories factory in Zhunan in 2018. During this period, we obtained exclusive Taiwan authorization for the long-acting capsule formulation of Numient (Rytary), a Parkinson's disease treatment, from the drug development company Impax (now known as Amneal). In 2019, we obtained approval from the Ministry of Health and Welfare for the drug license, officially launching the product. We also collaborated with Vitruvias Therapeutics Inc. in the United States to register and market an oral controlled-release potassium chloride drug for the treatment of hypokalemia in Taiwan. It was included in the Essential Drug List by the Food and Drug Administration. Both Numient and KCl, for the treatment of hypokalemia, have been granted reimbursement prices under the National Health Insurance in 2021. Currently, the Company and its subsidiaries hold a total of 214 drug licenses registered with the Ministry of Health and Welfare.

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

1. Short-term business development

A. Continue to expand existing products

(A) Original Distributor

In the pharmaceutical market, the Company is currently distributing products from the Danish manufacturer Lundbeck, including Lexapro (Escitalopram), Ebixa (Memantine), and Brintellix (Vortioxetine), as well as the brand-name drug Numient (Rytary in the US) extended-release capsules for treating Parkinson's disease and KCL for treating hypokalemia, which have been adopted by numerous medical centers. The Company also distributes Lendormin, a sleep aid medication from Germany's largest pharmaceutical company Boehringer Ingelheim. These products have demonstrated good efficacy with minimal side effects and have shown growth in recent years. Furthermore, in the international market, after the Company's successive acquisitions of TWi Pharmaceuticals and Upsher-Smith, it has achieved outstanding sales performance in the US market. In the future, the Company and its subsidiaries will continue to expand their product portfolio, customer base, and customer usage to maintain sales momentum both domestically and internationally

In the health supplement market, the company has operated its own IMMU BOOST effervescent drink series for many years, enjoying a good reputation and a loyal consumer base. Our subsidiary Bora Health Inc. has accumulated exclusive marketing business in Taiwan for Japanese SSP, the third-largest pharmaceutical company in Japan's drugstore market, French BOIRON, a global leading brand of over-the-counter medicines, and Japanese Eisai, selling them in chain pharmacies and mass merchandise drugstores with continuously growing sales performance. In December 2023, we signed a cooperation agreement with Shionogi Healthcare Co., Ltd., obtaining exclusive distribution rights for all health food and OTC series products in Taiwan, thereby continuously strengthening the uniqueness and diversity of our products in the health market.

(B) Self-licensed Products

(B) Self-licensed products

The Company's gastrointestinal reflux medication Dexlansoprazole DR Capsule (DLS) and Potassium Chloride ER Tablets (KCl) sold in the North American market have achieved excellent sales results. Combined with the addition of generic drugs and rare disease specialty medications from Upsher-Smith and Pyros that were incorporated into the Group in 2024, the total number of self-owned drug licenses has increased to 88. Commercial production items cover branded new drugs, branded generics, PIV high-barrier generics, etc. In 2024, the Company's Potassium Chloride ER Tablets for treating hypokalemia and Upsher-Smith's Deflazacort Tablet for treating Duchenne muscular

dystrophy, a rare disease medication, received U.S. FDA approval. The subsidiary TWi Pharmaceuticals continues to utilize its special generic drug development platform to focus on innovative formulations of special generic drugs, maintaining the momentum of applying for 3 to 5 U.S. FDA drug approvals annually. In addition, the business and marketing teams of TWi USA and Upsher-Smith completed their integration in 2024, and all US drug sales have been consolidated under the Upsher-Smith brand. After acquiring the "ready-to-use" oral solution VIGAFYDE developed by Pyros in October 2024, the company has incorporated the only FDA-approved ready-to-use Vigabatrin formulation into its portfolio, further expanding its niche market. Meanwhile, by leveraging the local resources of its US subsidiaries, the Company is actively working with Upsher-Smith's excellent rare disease and specialty pharmacy channel teams to evaluate and optimize the R&D portfolio, accelerating the development of new formulations and generic drugs for three central nervous system rare disease medications. Looking forward, the Company expects to continue the strong marketing momentum of the complete Vigabatrin three-formulation sales portfolio established in 2024, laying the foundation for the newly launched branded generic TORPENZ™ (everolimus) to become a market-leading brand in rare disease markets such as pediatric epilepsy and tuberous sclerosis complex. The Company will continue to focus on pediatric epilepsy and tuberous sclerosis complex, a genetic disease that causes pediatric epilepsy, to realize the ongoing global sales transformation of the Bora Biologics Group and diversify the risk of previously relying heavily on a single generic drug. Additionally, high-value rare disease and specialty medications in specialty pharmacy channels with high entry barriers benefit from government regulations and insurance support, resulting in fewer competitors and higher price stability. These medications can directly reach specific patient groups with notable long-tail effects. In the future, the Company will further integrate regulatory and R&D capabilities to enhance long-term competitiveness and value.

B. Development of new original distributorship

The Company has a wide range of sales channels, with a comprehensive team of clinics, pharmacies and hospital distributors. Because of the health care policy and the global cost reduction of the original manufacturer, we will leverage on our professional capability in the central nervous system and good relationship with the original manufacturer to obtain the distribution rights of other foreign original manufacturers.

C. CDMO business continues to grow

In 2024, the Company cumulatively completed production of 2.8 billion doses of pharmaceutical products, assisted clients in successfully launching 40 new items, and manufactured over 96 items in total. Global top 20 pharmaceutical companies account for more than 30% of CDMO revenue, with steady annual growth, demonstrating the effectiveness of our international client portfolio and economies of scale. The Company's CDMO has become a trusted partner for numerous biotech and pharmaceutical companies. Each facility continues to sign new client product projects (molecules). To achieve mid-term growth objectives, the Company will prudently and precisely evaluate capital expenditure plans for resolving manufacturing bottlenecks at various facilities, expanding automated capacity, and upgrading and purchasing new equipment to meet client and product requirements.

In Taiwan, the Company's Tainan Guantian plant has a long-term contract manufacturing agreement with Taiwan Eisai Co. Ltd., with the contract manufacturing scale increasing year by year. Combined with our own products and other contract manufacturing products, this will increase future revenue for the Tainan plant. Furthermore, in February 2018, the Company officially acquired Impax Laboratories, Inc.'s Taiwan subsidiary, Bora Pharmaceutical Laboratories, and secured a long-term contract manufacturing contract. This facility is located in Hsinchu Science Park, covering approximately 36,133 square meters, becoming Bora's second professional pharmaceutical manufacturing plant with international pharmaceutical production standards after purchasing Eisai Co. Ltd.'s Tainan Guantian plant in 2013. The Bora Pharmaceutical Laboratories Zhunan plant has currently passed inspections and certifications from the Taiwan Food and Drug Administration, the U.S. Food and Drug Administration (FDA), and the UK Medicines and Healthcare Products Regulatory Agency (MHRA). It has an annual production capacity of 2 billion tablets and capsules, with facilities including pilot processes, standard production areas, laboratories, offices, cafeterias, machine rooms, and warehouses. The facility primarily focuses on producing oral solid dosage forms. Currently, all pharmaceutical products manufactured at the plant are supplied to the US pharmaceutical market, making it the only pharmaceutical production facility in Taiwan that primarily supplies the US market. In addition to contract manufacturing of generic drugs, the Company also produces brand-name drugs with special oral controlled-release formulations. Pilot production and scale-up technology development are completed at the Zhunan plant, which also serves as the current global supply production center for these products. The former TWi Pharmaceuticals Zhongli plant, covering 14,059 square meters, specializes in flexible and high-quality contract manufacturing of cGMP pharmaceutical products including liquid, semi-solid, and oral solid dosage forms. The facility provides advanced technology, with products primarily sold to major global markets including North America, the European Union, and China. It can produce oral

solid dosage forms (tablets, capsules), oral liquids (nanoparticle suspensions), oral sustained and controlled-release formulations (including extrusion-spheronization, wet granulation, tablet coating, bi-layer tableting, laser drilling, and fluid bed drying), as well as semi-solid dosage forms (gels, ointments). Considering the Group's internal professional division of labor, starting from 2025, through organizational restructuring, the Zhongli plant has been officially incorporated into Bora Pharmaceutical Laboratories. The Zhongli plant is positioned as a hormone and small-batch, highly differentiated technology platform, which will continue to support the transfer and stable supply plans for products sold in the US market. Additionally, the subsidiary Genovior's Taoyuan plant, covering 6,891 square meters, primarily specializes in the development and manufacture of ophthalmic medications such as eye drops, ophthalmic suspensions, nano-suspensions, nano-emulsions, eye ointments, and gel products. Service items include sterile ophthalmic solutions, gels, ointments, and emulsions in various dosages. Special production technologies include nano-suspensions and nano-emulsions, IMA packaging with traceability and serialization systems. It is one of the few domestic prescription ophthalmic drug manufacturing plants that have passed the U.S. FDA Pre-Approval Inspection (PAI). Bora Pharmaceutical Laboratories, a subsidiary, is an important domestic production facility for the Group's global pharmaceutical market deployment.

After subsidiary Bora Biologics was officially incorporated into the Group in July 2022, CDMO manufacturing technology was formally expanded to the macromolecular biopharmaceutical field. Bora Biologics is located in Zhubei Biomedical Park, with the Zhubei plant covering 4,500 square meters. It can support the preparation and purification of the most complex proteins, or provide one to hundreds of monoclonal antibodies, bispecific and multi-specific antibodies, and other recombinant protein drugs to meet diverse customer needs, including preclinical development, lead candidate screening, in vitro assays, biochemical/physical assays, post-translational modification analysis, and other research. In 2024, it officially entered the pre-IND stage development of new-type antibodies such as multi-specific immune checkpoint T-cell engaging antibodies, and successfully assisted customers in submitting applications to the U.S. FDA, receiving positive responses. At the same time, the Zhubei factory has completed the expansion of antibody-drug conjugate (ADC) capabilities, providing toxic substance handling and TOX material production capacities, further strengthening the competitive advantages of CDMO business. Additionally, in August 2024, the Board of Directors approved a strategic alliance through a merger with Tanvex BioPharma Inc., which possesses large molecule mass production capacity and commercialization experience. The merger date is set for January 20, 2025. After the merger, the Company will be able to provide comprehensive large molecule services, from early development at the Zhubei factory

to the U.S. FDA-approved team at Tanvex BioPharma USA (a subsidiary located in San Diego, California) for cell culture, process optimization, scale-up, and commercial production. This establishes a one-stop service niche for large molecules, offering complete end-to-end services from early cell line screening, process development, analytical methods to biologics development and production, and ultimately to fill and finish operations.

In North America, the Company acquired GlaxoSmithKline's pharmaceutical manufacturing facility in Mississauga, Canada on December 1, 2020. The Bora Mississauga facility is located in Ontario, Canada, with a total area of 183,000 square feet. It has been approved by various health organizations including the U.S. FDA, Health Canada, European EMA, and Japan's PMDA, and complies with world-class PIC/S standards. This facility specializes in manufacturing tablets, capsules, semi-solid formulations, and liquids, and is equipped with chemical analytical testing and microbiology laboratories. Additionally, the facility has complete packaging lines capable of packaging tablets, capsules, liquids, nasal sprays, foil pouches, blisters, and high-speed tube filling, with serialization capabilities for bottled and tube products. Products manufactured at this facility are exported to many countries, covering North America, South America, Asia, Russia, the Middle East, Europe, and Africa.

The Mississauga facility produces and packages various dosage forms of semi-finished and finished prescription drugs as well as health products. It has the capability to manufacture various complex products, including specialized expertise in handling highly potent active pharmaceutical ingredients (HPAPI) and technology transfer. The production scale can meet both clinical and mass production needs. The facility is currently equipped with 18 production equipment modules (including three pilot plants), which can provide various production scales according to customer requirements.

In addition, the Company's first sterile injectable facility in Baltimore, Maryland, USA officially commenced operations on August 20, 2024. The facility has an area of 86,900 square feet with a total of 4 sterile injectable production lines, including three lyophilization units and a small lyophilizer fully integrated with the groninger® FlexPro50 isolator filling line. It can support various technical processes such as lyophilization, vial filling, and pre-filled syringe filling for both experimental trials and commercial mass production. The facility has extensive experience in small molecules and biological compounds. In addition to passing the FDA inspection, which helps existing customers with clinical and commercial mass production of multiple products in the US market, it has also obtained compliance certifications from pharmaceutical regulatory agencies in various countries including Japan, Korea, and Russia. In the future, the Company can expand its global footprint beyond the US market according to customer needs. With the addition of Upsher-Smith's Maple

Grove facility incorporated into the Group since April 2024, covering 612,396 square feet, it is one of the largest oral solid dosage manufacturing plants built in the United States in the past decade with an area exceeding 600,000 square feet, making it the largest oral solid dosage manufacturing facility in the United States. The facility features comprehensive planning for manufacturing, packaging, QA/QC, pilot production, and warehouse logistics areas, capable of producing over 5 billion doses and has already passed U.S. FDA inspection. With advantages in geographic location and production capacity, the facility's expansion and upgrade plan is currently underway. In the future, it will be positioned as a high-barrier small molecule oral formulation technology platform, upgrading production lines in synchronization with major pharmaceutical companies' US production plans. Currently, the facility is receiving high levels of inquiries from major pharmaceutical clients.

In November 2023, the Company completed a reverse merger and integrated SunWay Company. SunWay Company, a subsidiary, has secured a notable position in the Taiwanese health food market with its popular products "Niangjia Probiotics" and "Niangjia Red Yeast Rice," developed in collaboration with Formosa TV. Especially noteworthy are the probiotic NTU 101 and red yeast rice NTU 568, which have accumulated multiple international patents and publications in SCI journals. This establishment serves as a solid and high-quality self-production capacity foundation for the Company's expansion into the global health food market.

2. Long-term Business Development Plan

A. Actively expand overseas markets

We have three production facilities in Mississauga, Canada, the Tainan Guantian facility, and Bora's Zhunan facility. All are qualified and experienced in exporting pharmaceuticals and competing for international CDMOs worldwide. Since the Company's investment in Union Chemical & Pharmaceutical in July 2014, we have been actively expanding the exports of Union's products to other Asian markets and established a US subsidiary in early November 2019. In addition to actively expanding our international business, we will also explore opportunities for collaboration in our overseas markets. In 2020, we jointly acquired the exclusive manufacturing and sales rights for Numient, a brand-name drug for Parkinson's disease, with Amneal, a US pharmaceutical company, for 12 markets in 10 countries in Asia, excluding Taiwan. The Company and its subsidiaries will take leverage on it international CDMO export experience and also seek collaboration and authorization in the international market to expand the international export business.

B. Continuous development of own products

The Company will continue to develop our own products, such as our own generic drugs and new dosage forms drug, using our own drug delivery technology.

In the future, we will also collaborate with international marketing partners and establish our own channels for domestic and international drug sales.

C. Focus on innovative drug development

The Company and its subsidiaries are dedicated to the research and development of innovative drugs, focusing on the development of new small molecule dosage forms for drug improvement and the development of next generation drugs to maximize drug efficacy, minimize side effects, and increase the convenience of drug use. Projects focus on “new dosage forms” which have high development threshold and duration but high market value. Focus on developing time-consuming, high-risk, technology and hardware specific technology platforms that satisfy "unmet medical needs" and cater to the “innovative drug delivery platform” with long-term economic benefits and market differentiation. The current R&D development focus is as follows.

(A) Niche generic drugs:

The Company's focus for development lies in niche, high-technology barrier generic drugs, particularly those with high market demand and economic value. The initial strategy involves providing contract development services for generic drugs, offering a complete development chain from raw material assessment, product development, registration to contract manufacturing, thus solidifying the foundation of research and development capabilities. Subsidiary TWi Pharmaceuticals has submitted over 30 applications for special generic drugs to the US FDA and received acceptance for review. Among them, 23 special generic drugs have successfully obtained FDA approval or tentative review approval, significantly enhancing the overall R&D strength of the company. The company will continue to develop high-technology barrier special generic drugs, leveraging its expertise in managing bioequivalence studies to continuously build a product portfolio with high market niche and potential, competing with world-class manufacturers of special generic drugs.

(B) New dosage forms:

The Company is developing new drugs with new formulations, new indications, new dosage forms and new compounding to create product differentiation and market segmentation, which will strengthen our marketing of special dosage forms as specialized drugs. Promote the development of foreign markets at the same time, including: The Company is planning to collaborate with foreign pharmaceutical companies in the United States, Europe, Southeast Asia, Japan, and China in order to bring our products to market quickly in all major countries. At present, the Company has obtained a license for BSAD-1303, a new formulation combination drug; BSAT-1301, a new compounded pain relief drug,

which is a major development project, a patent in Taiwan and Europe respectively, and a number of international patents under review; the Company also has special multi-unit dosage forms under development.

(C) Innovative drug delivery platform:

Based on the Company's many years of experience in selling original central nervous system drugs, our analysis of market trends and the "unmet medical needs" of patients, we have formulated "special drug delivery technology" as the core of our long-term development strategy. Pharmaceutical development is focused on improving the efficacy, safety, and convenience of medications to meet the unmet needs of the healthcare market. Direction of research and development of special agent technology: The Company's drug delivery technology platform has been progressively completed through controlled release dosage forms, microcellular dosage forms, special particulate dosage forms and special multi-dose dosage forms, in order to accelerate its innovative drug development process and reduce development risks and costs in the future. In addition, the Company can further combine the patented ingredients of advanced foreign pharmaceutical companies and invest in the development of innovative drugs at an early stage, so as to obtain the first mover advantage for global manufacturing and marketing in specific markets. The drug delivery technology platform that the Company is currently constructing is described below:

① Controlled release dosage form technology

In addition to the various dosage form technologies, the Company also specializes in the more advanced controlled release dosage forms of drugs. The controlled dosage form design can adjust the drug release rate and control the circulation time of the drug in the body, thus reducing the frequency of repeated dosing, increasing the efficiency and convenience of the user, and reducing the side effects of the drug. As a result, the Company has accumulated a number of mature key technology experiences and established many key pharmaceutical technology platforms.

② Film-coated drug coating and release control system

The drug is coated on the surface of the tablet with a safe and special polymer material, such as ethylcellulose, poly(meth)acrylates, hydroxypropyl methylcellulose phthalate, etc., to control its uniformity. When the patient takes the drug orally, the outer layer of the coating can control the amount of water entering the dissolved drug and also regulate the release of the drug. This technology can maintain the effective therapeutic concentration and efficacy of the drug in the blood for 24 hours, which means only one dose is needed per day, improving the convenience of taking the drug and reducing side effects.

③ Interstitial controlled release dosage system

The drug is uniformly dispersed in specific excipients, such as hydroxypropyl methylcellulose and carboxymethylcellulose sodium, and pressed into a tablet with a special formulation. This technology can reduce the number of doses and maintain the effective therapeutic concentration and efficacy in the body for 24 hours with just one tablet each time, thus enhancing the convenience of administering the drug to patients.

④ Delayed controlled release dosage system

There are different pH levels in the human gastrointestinal tract, with acidic pH 1.2 in gastric juice and neutral pH 5-7 in intestinal juice. Therefore, the tablet or spherical granule is coated with a pharmaceutical coating that is stable in the stomach and dissolves at a specific pH in the intestine after passing through the stomach. The coated tablets or spherical granules are designed to meet specific drug release characteristics, such as pharmacological requirements for release in the intestinal tract. This can avoid stomach irritation and the concern of unstable damage caused by the dissolution of drugs in the stomach, and can control the dissolution and absorption of drugs to the duodenal or small intestine area. This dosage form is designed to avoid causing discomfort to the patient and to facilitate the effective performance of the drug's pharmacological functions.

⑤ Oral quick-disintegrating tablet preparation system

This new dosing system is highly acceptable to patients and is ideal for the elderly, children, psychiatric patients, uncooperative patients, and patients who have difficulty in obtaining water. The tablets disintegrate immediately in the mouth, changing the stereotype that drugs are not easy to swallow and greatly enhancing the convenience of administration for patients.

⑥ Microcellular dosage form technology

Micelles are composed of amphiphilic molecules with polar hydrophilic group facing outward and non-polar hydrophobic group facing inward to form a single-layer spherical structure. Depending on the characteristics of the amphiphilic molecules that make up the microcellular structure, they can be divided into conventional microcells equipped with low molecular weight interfacial activators and polymeric micelles formed by amphiphilic copolymers. The Company focuses on the development of microcellular system formed by amphiphilic polymers as a delivery system for hydrophobic drugs, and the development of self-assembly polymeric micelle system (SAPMS), which can increase the solubility of drugs and thus increase their absorption and efficacy. It can also protect the drug from degradation and reduce toxicity and side effects. For example: The microcellular bodies are composed of biocompatible polymers and are therefore relatively non-toxic. Microsomes are composed of biocompatible polymers and are therefore relatively non-toxic, can be formed using polymers with a larger hydrophobic core that can increase solubility

(about 10-5000 times) and most drugs are insoluble. Therefore, the drug can be encapsulated in a hydrophobic microcellular core using macromolecules and isolated from the blood circulation system to avoid contact with non-active sites to reduce the toxicity of the drug. After the drug-coated microsomes are given to the body, the microsomes will come into contact with body fluids, which will dilute the microsomes in a continuous manner. When the concentration of the microsomes is diluted below the minimum critical micelle concentration (CMC), the microsomes will disintegrate and the drug will be released.

⑦ Special multi-dose technology

Multiple unit delivery systems contain multiple units of drug particles or pellets in a single tablet, and the tablet can be split in half according to the required dose. Due to the homogeneous distribution of the drug-containing particles in the tablet, it is possible to achieve the advantage of stable dose control even if the tablet is used in half. In addition, these drug-containing pellets or pellets are treated with a special technique that allows the tablet to be placed in water and stirred for a few minutes before the tablet disintegrates, revealing the drug-containing pellets or pellets, so that the patient can drink the water and the pellets for therapeutic purposes, or use the disintegrating granules in nasogastric tubes for patients to achieve the goal of convenience in drug administration.

The Company will continue to develop our own products, such as our own generic drugs and new dosage forms, using our own drug delivery technology. In the future, we will also collaborate with international marketing partners and establish our own channels for domestic and international drug sales.

II. Market and Production Overview

(I) Market analysis

1. Main product sales regions: Taiwan and the United States

Unit: NTD thousands %

Region	2023 Revenue	Geography Ratio
Domestic Sales	1,429,525	7.43
Export Sales	17,816,382	92.57
Total	19,245,907	100.00

2. Future market supply and demand and future growth

The pulse of the global pharmaceutical industry will be influenced by the following key factors that will affect future market supply, demand and growth:

A. The increasingly ageing global society

The United Nations Department of Economic and Social Affairs released the 2022 World Population Prospects report, projecting a global population of 9.7 billion by 2050, with approximately 16.4% aged 65 and above. This demographic shift towards an aging population is expected to drive growth in the market for pharmaceuticals related to elderly and chronic disease treatments.

B. The global pharmaceutical market continues to grow steadily

According to the latest IQVIA statistical report, the global pharmaceutical market reached approximately US$1.6 trillion in 2023, marking an 8.4% growth compared to US$1.48 trillion in 2022. This growth rate is double the 4.2% growth observed in 2022, indicating a significant acceleration. The projected compound annual growth rate (CAGR) for the global pharmaceutical market from 2024 to 2028 is estimated to be 7.3%, with the total market size reaching US$2.3 trillion by 2028. In the generic drug market, governments worldwide are actively promoting the use of low-cost, high-quality generic drugs to replace branded drugs as a means to control pharmaceutical spending and restore fiscal balance. The accelerating global aging population trend, coupled with economic downturns in Europe and the United States, has led governments to aggressively cut healthcare costs by promoting the use of generic drugs over expensive branded medications. As a result, the global generic drug market continues to grow steadily. According to a survey report by Research And Markets, the global generic drug market is expected to increase from US$361.7 billion in 2022 to $682.9 billion by 2030, with a compound annual growth rate of 8.3%.

The Company and its subsidiaries will adapt to changes in the market and supply-demand dynamics by adjusting our business model. Instead of relying solely on a few best-selling drugs to generate profits, we will focus on diversifying our product portfolio and sales territories to enhance profitability.

3. Competitive niche

A. Diversified access, with advantages and reputation

The Company has a wealth of experience in representing original pharmaceutical products. We maintain strong relationships with various medical centers, regional hospitals, local clinics, and pharmacies. We distribute imported original central nervous system medications and actively cultivate professional sales talents to explore the market. In the field of psychiatry and neurology, we hold a leading position. In response to the growing demand for health supplements among the populace, our company has successfully developed and launched our own brand, IMMU BOOST, a series of effervescent drinks. Additionally, we represent several internationally renowned health and wellness brands. Moreover, we have established unique patented technology for developing health supplements through OEM sales to meet the diverse

needs of the market. By integrating our provincial distribution network, we strengthen our presence in the domestic market. Furthermore, we have an experienced sales team for international markets. Through a combination of in-house research and development, original manufacturer authorizations, external procurement, or agency sales, we have successfully penetrated the U.S. market and established our own sales platform. This enables us to provide long-term and stable growth in international sales operations.

B. High-quality production environment and internationally certified pharmaceutical companies, as well as pharmaceutical companies with production and sales channels and extensive product lines

Our Company's Tainan Guantian factory, subsidiary Bora Pharmaceutical Laboratories' Zhunan factory, Zhongli factory, Taoyuan factory, Zhubei factory, Mississauga factory in Canada, Maryland aseptic injection factory, Maple Grove and Plymouth factories all possess high-quality production standards and technology. The production, manufacturing, and sales of pharmaceuticals involve time-consuming professional certification procedures and quality control. These facilities meet strict and specific requirements in manufacturing processes and quality, conforming to international pharmaceutical companies' demands for pharmaceutical manufacturing processes and quality. Besides being PIC/S GMP certified professional pharmaceutical production factories, the Tainan Guantian factory and subsidiary Bora Pharmaceutical Laboratories' Miaoli Zhunan factory are among the few domestically certified international pharmaceutical factories. The contract-manufactured pharmaceuticals can be exported to countries in Europe, America, Southeast Asia, Central and South America, and the Middle East, demonstrating strong pharmaceutical export advantages. The Canadian factory currently exports products to approximately 100 countries worldwide and has passed regulatory reviews from high-quality demanding national regulatory agencies, showcasing international-level production capabilities and quality. Currently, the Group owns several pharmaceutical manufacturing plants. Following the formal incorporation of the Baltimore sterile injectable plant, which was established last year, into the Group's CDMO system, along with the original Canadian plant's production capabilities for tablets, liquids (oral solutions, nasal sprays), and semi-solids (gels, creams, ointments), the Group is now able to provide nearby customers with end-to-end drug filling services in the North American region. The Group's CDMO factories have obtained multiple international standard certifications and are internationally recognized as high-quality pharmaceutical manufacturing facilities. Bora is one of the largest pharmaceutical manufacturers in Taiwan, with comprehensive CDMO production lines. The Company's customer service areas cover all major global markets, providing CDMO services without time difference constraints. The Company will continue to pursue vertical and horizontal integration, seeking advanced technologies

that address market pain points, while continuously expanding technical scope and production scale, with the goal of becoming an international leading CDMO pharmaceutical company.

C. Leveraging High-Threshold Drug Development and Manufacturing Technologies to Enhance Diverse Product Portfolio and Sustain Growth Momentum

The Company's business focus is on the research and development of special chemicals and pharmaceuticals. The Company is able to avoid the fierce competition of the traditional chemical and pharmaceutical manufacturers. In terms of business model, it can also support the Company's other core ability, namely the fast launch of products and diversified product portfolios, to achieve sales opportunities. The Company is an indispensable part of the globally leading chemical manufacturers in the field of technology, laws and regulations, or consumer markets in North America. Last year, the Company's business in the US has performed well. The total number of overseas employees has exceeded the number of domestic employees. The subsidiary, BES, has excellent R&D and manufacturing technology for high-end drugs, and has successfully commercialized high market potential special chemicals and 505B2 new compounds. It is well acquainted with the US medical regulations, market competition and technology analysis, and is highly competitive. In the future, the Group will continue to work with the excellent teams of the Upsher-Smith, Pyros and Ball's sterilization manufacturing factories that have been merged and acquired to solve the problem of the rapid development of the pharmaceutical industry, accelerate the development process of customers, increase the overall gross profit of BES, and expand the subsequent economic benefits.

The Company's competitive advantages in research and development:

- Prescription Innovation Design and Development: Possessing innovative prescription design and development capabilities, along with comprehensive analytical development, confirmation, and testing techniques.
- Clinical Trial Design for Bioequivalence and Pharmacokinetics: Designing clinical trials for bioequivalence in compliance with FDA regulations to control costs precisely and prove the bioequivalence of special generic drugs to brand-name drugs.
- Manufacturing facilities that meet regulatory standards: For US-marketed pharmaceuticals, the entire production and manufacturing process must comply with US cGMP regulations. Our company already has several manufacturing sites that have passed U.S. FDA inspections.
- Regulatory submissions and applications: TWi Pharmaceuticals has

submitted multiple ANDA applications in the US, accumulating extensive experience in writing and preparing ANDA application documents. With the addition of professional teams from Upsher-Smith and Pyros, we have significantly enhanced our R&D application capabilities.

- Drug Development Speed: The Generic Drug User Fee Act (GDUFA), implemented by the FDA since October 2012, charges application fees for ANDA submissions and maintenance fees for generic drug manufacturing facilities, thus expediting the review and approval process. Leveraging the efficiencies provided by the GDUFA act, accelerating drug development speed to enter the market promptly and share the market with brand-name drugs will be one of the operational priorities for special generic drug manufacturers.
- Familiarity with the US pharmaceutical market: The Company has completed the integration of TWi Pharmaceuticals and Upsher-Smith's US teams, along with Pyros, which specializes in the development of rare disease specialty pharmaceuticals. With extensive experience in the US pharmaceutical market, we have enhanced our ability to select and develop niche specialty generic drugs that meet market demands. Additionally, in the development of new dosage forms and generics for central nervous system rare disease medications, we have significantly increased our development capacity. Once development is completed and marketing authorization is obtained, we can generate profits through well-established collaborative sales models and platforms.

The Company continues to maintain a dual-engine growth strategy with a comprehensive global CDMO platform for both large and small molecules and global sales capabilities in niche and specialty pharmaceutical markets. After officially establishing CDMO facilities in the United States and securing high-efficiency special channels, along with adding new excellent R&D, manufacturing, and business teams, combined with our outstanding strategic execution and management culture, even when facing critical moments of US manufacturing and domestic production and sales policy issues, the Company can demonstrate resilience and maintain long-term operational growth momentum.

4. Favorable and unfavorable factors for future development and response measures

A. Favorable factors

(A) Taiwan's pharmaceutical market is growing due to its aging population and rising living standards

Due to the gradual aging of the population in our country, there has been a significant increase in demand for medical care for the elderly and chronic disease patients. With the rise in national income and overall improvement in living standards, people are paying more attention to health insurance and medical quality. Therefore, the demand for pharmaceuticals is expected to continue to increase in the future. According to a report by the National Development Council, the total population of our country reached 23.40 million in 2024, with the proportion of elderly people (aged 65 and above) accounting for 19.2% of the total population. It is estimated that by 2025, this ratio will exceed 20%, making our country an aged society. By 2070, this ratio is projected to further increase to 46.5%. Among the elderly population, the proportion of super-elderly people aged 85 and above is expected to increase from 9.88% in 2022 to 31.4% in 2070. This indicates that our country is moving towards an aging society, and population aging will lead to increased expenditure on healthcare, social insurance, and welfare. Furthermore, in recent years, there has been a growing demand for central nervous system medications domestically due to mental health issues arising from increasing life stresses, as well as the onset of elderly dementia associated with an aging society. Therefore, in the long term, there is still ample room for continued growth in the overall pharmaceutical industry.

(B) Compliant with the trend of PIC/S GMP pharmaceutical manufacturing facilities and professional division of labor

Under the influence of technological advances and the impact of market globalization, international safety requirements for pharmaceuticals are constantly increasing. The Food and Drug Administration (TFDA) of the Ministry of Health and Welfare of Taiwan has become a member country of PIC/S GMP in 2013 in order to improve the quality of domestic pharmaceutical products and ensure the safety of domestic drug use, and to help domestic pharmaceutical products become more competitive in the international market. Since January 1, 2015, PIC/S GMP production and manufacturing standards have been officially implemented. Pharmaceutical companies that do not meet the certification are not allowed to continue to produce drugs. Most of the new drug companies in Taiwan do not have their own manufacturing facilities, and when there is a demand for clinical drug manufacturing, it is very difficult to find active pharmaceutical ingredient facilities and pharmaceutical companies that comply with PIC/S GMP regulations to

collaborate in manufacturing technology development and manufacturing. Without a pilot facility, traditional pharmaceutical companies face uncertainties in the early stage of new product development, and the use of their own R&D and production lines is bound to take up the resources of existing products, causing delays and higher relative development costs. Therefore, traditional pharmaceutical companies have started to try to outsource CDMO in recent years to reduce risks and enhance their competitiveness. The Company and its subsidiaries are aware of the rising trend of international CDMO and professional division of labor, where domestic pharmaceutical companies use production facilities that meet international standards to compete for CDMO opportunities offered by international companies. For domestic pharmaceutical companies, engaging in CDMO for foreign pharmaceutical companies, in addition to enhancing production technology of pharmaceuticals, is an opportunity to establish further cooperation with major international companies in the future.

The Company's Tainan Guantian Facility, Bora's Zhunan Facility and Canada Facility have all passed the PIC/S GMP inspection standard and obtained international certification, and are qualified and experienced in international pharmaceutical sales or international CDMO in member countries. This will facilitate the future international expansion of the Company and our subsidiaries.

(C) Outstanding Research and Development Achievements and Experience, Investing in Niche Specialty Generic Drugs to Sustain Growth Momentum

Subsidiary TWi Pharmaceuticals has extensive experience with US pharmaceutical manufacturers, and its research team possesses strong expertise and capabilities. After product validation, it can immediately establish its own sales channels through the establishment of a subsidiary in the United States, thereby increasing its control over marketing channels in the US market. Coupled with excellent product selection capabilities, it has established a comprehensive product selection strategy to reduce the risk of development failures. In particular, it has developed practical experience and capabilities in executing/managing clinical trials and has extensive experience in dosage form development, making it highly competitive. Additionally, leveraging the resources of our company's Contract Development and Manufacturing Organization (CDMO), it can provide CDMO services in addition to its own generic drug development business. Furthermore, as countries worldwide actively reduce spending on pharmaceuticals, affordable generic drugs are prioritized over expensive branded drugs. The United States, as the world's largest healthcare market, is favorable to generic drug manufacturers. Healthcare reforms in the US government are conducive to generic drug manufacturers, as increased requirements for controlled-release dosage forms will

reduce low-cost competitors, further benefiting our company's business development.

B. Adverse factors and countermeasures

(A) Changes in the health care and drug pricing system suppress the profitability of pharmaceutical companies

The rapid growth of health insurance expenditures has led to a heavy financial burden for the health insurance system. With limited resources, the government has implemented a total medical cost budgeting system, on top of setting up drug contracts that regulate both drug prices and drug quantities, and conducted stringent audits on drug prices. In 2010, the government began to conduct health insurance drug price adjustments once every two years in accordance with the "National Health Insurance Drug Price Benchmark" and conducted several drug price benchmark surveys and drug price reductions. In 2013, the "National Health Insurance Drug Allocation Ratio Target System" was implemented on a trial basis for two years starting from January 1, 2013. The new drug price adjustment was announced in April 2014 and April 2015 respectively. The trial will be conducted for a third year in 2016 and will make adjustments for excessive drug expenditures in 2015. The new drug prices will be effective from April 1, 2016, which may affect the sales of some drugs and further reduce the profitability of pharmaceutical companies.

Response Measures:

The government's promotion of health care policies such as "total coverage," "public differential burden," and "cessation of coverage for instruction drugs" has challenged the domestic pharmaceutical industry's ability to respond to changes in the industrial environment. Price reductions are required for foreign patent drugs, expired patent drugs and local generic drugs; pharmaceutical companies inevitably face profitability suppression from price reductions. The Company's Tainan Guantian Facility and its subsidiary Bora's Miaoli Zhunan Facility have passed the PIC/S GMP inspection and international certification, and are qualified and experienced in CDMO or international CDMO in member countries. The facilities are now actively planning to further expand their international export business. In addition, with the implementation of the "public differential burden" in the health insurance policy, the National Health Insurance Administration is only willing to pay the lowest price in the market for the same efficacy of drugs, which has a greater impact on the higher-priced foreign drugs. Due to budgetary and financial considerations, medical institutions and the public will turn to the best quality and inexpensive domestic generic drugs. The Company and its subsidiaries currently sell a number of non-healthcare products, such as: The Company also sells a number of

our own and distributed health care products, which are self-proprietary pharmaceuticals and health care products, which are not affected by the price adjustment of health insurance drugs. The Company and its subsidiaries continue to enhance their product competitiveness and R&D capabilities in order to develop global contract research and development and manufacturing services (CDMO). The Company also continues to develop its own licensed products and distribute original pharmaceutical products, in order to reduce the impact of the health care drug pricing policy on turnover and profitability through the above measures.

(B) Excessive number of generic drugs, downward price competition for products

In order to survive in the market with excessive generic drugs of similar ingredients, domestic pharmaceutical manufacturers have adopted a price competition policy, thus reducing the sales lifespan and investment return period of the products.

Response Measures:

The Company and its subsidiaries have comprehensive sales channels and have long specialized in central nervous system medications. Through this professional positioning and strong relationships with original manufacturers, in the domestic market, the Company currently distributes Brintellix products from Boehringer Ingelheim, and will actively pursue distribution rights for other pharmaceutical products from foreign original manufacturers to diversify and reduce price competition pressure from generic drugs. In the international market, the Company's subsidiary TWi Pharmaceuticals has employed strategies of product selection and R&D, using original manufacturer authorization, external procurement, and distribution agency methods to diversify risks. With the incorporation of Upsher-Smith and Pyros in 2024, the Company has successfully accumulated 88 self-owned drug licenses and expanded the generic drug market into specialty pharmaceutical fields. Leveraging special pharmacy channels in the United States and patented medications for rare central nervous system diseases, the Company has successfully strengthened its product portfolio, diversified revenue sources, and reduced the impact of generic drug price competition.
The Company's Tainan Guantian factory and subsidiary Bora Pharmaceutical Laboratories' Zhunan factory maintain strict requirements for processes and quality. Factory personnel have received years of manufacturing training from original drug developers and possess extensive production experience. These facilities have passed PIC/S GMP inspection standards and obtained international certifications, enabling immediate alignment with the United States, Europe, Southeast Asia, Central and South America, and Middle Eastern countries. Additionally, with the Maryland sterile injection facility in the United States and

Upsher-Smith’s solid dosage form production capacity of up to 5 billion doses annually, currently over 30% of CDMO business comes from the world’s top 20 pharmaceutical companies. By continuously expanding technology (Scope) and production capacity (Scale), the Company has comprehensively established services covering both large and small molecules with one-stop solutions, building competitive advantages in the CDMO sector. Based on the content provided, the Company and its subsidiaries will actively pursue a two-engine strategy, authorizing or distributing foreign original drugs, increasing contract manufacturing, and developing high-market-niche specialty generic drugs and specialized medications to continuously expand revenue sources in response to price competition in the generic drug market.

(C) How the progress and success of proprietary product development will affect the Company's operations

When investing in the development of its own pharmaceuticals, the Company must consider development progress and the risks it can bear in terms of success or failure. If the results of research and development cannot be successfully converted into sales of its own products to contribute to operating income, it will pose risks to the Company's future operations and profits.

Response Measures:

To reduce the impact of development progress and success/failure rates of its proprietary drugs, the Company first stabilizes its core businesses of pharmaceutical contract manufacturing and sales, then invests a portion of profits into proprietary product development. This approach avoids the risk of operational losses preventing the completion of its own product development. The subsidiary Upsher-Smith’s main pharmaceutical customers include the top ten major pharmaceutical distributors in the United States, and it possesses special pharmacy sales channels in the rare disease medication market. Having fully established a domestic generic drug sales platform in the United States, Upsher-Smith can gather first-hand market information and respond promptly to market dynamics, further strengthening the Company’s sales competitiveness in the US market. The Company continues to implement a “high-efficiency” innovation strategy, focusing on high-barrier specialty generic drugs and specialized medications to maintain market competitive advantages.

(II) Major product applications and manufacturing processes

Below are the main types of sales and services offered by our company:

Product Items	Major Applications or Functions
Western Pharmaceuticals	Includes central nervous system medications, antibiotics, and gastrointestinal medications. Central nervous system drugs are mainly used for prevention and treatment of sedation, tranquilization and sleeping. Gastrointestinal drugs are mainly used for the prevention and treatment of gastrointestinal diseases. The main purpose of antibiotics is to inhibit the growth of bacteria or to kill them. The main products include Dexlansoprazole DR Caps, VIGADRONE and VIGAFYDE for treatingchildren's adaptation to eating disorders, TORPENZ (everolimus) for treating children's eating disorders and systemic degeneration, and Deflazacort for treating muscle degeneration in Down's Syndrome.
Health Care Products	Nutritional supplements, physical recovery, vitamin supplements and health care products, etc.
Income from CDMO	The Company's revenue from CDMO services and technical services for the development of pharmaceutical products.

(III) Supply of major raw materials

The sources of raw materials' supply for the Company and its subsidiaries are divided into domestic purchases and foreign imports. The Company maintains long-term and close collaborative relationship with domestic manufacturers, and raw materials imported from abroad are mainly imported from overseas through traders. Raw materials and suppliers are appropriately evaluated before collaboration. The Company maintains friendly relationships with alternative raw material suppliers and purchases raw materials in a decentralized manner. Therefore, the Company and its subsidiaries do not rely on a centralized source of raw materials from one supplier and have not experienced any shortage of materials.

(IV) The names of customers who have accounted for more than 10% of the total purchase (sales) in any of the last two years and the amount and proportion of their purchase (sales), together with the reasons for the increase or decrease

1. The names of customers who have accounted for more than 10% of the total purchase in any of the last two years and the amount and proportion of their purchase, together with the reasons for the increase or decrease

Unit: NTD thousands

Item	2023				2024			
	Name	Amount	Percentage of Net Purchase (%)	Relations with the Issuer	Name	Amount	Percentage of Net Purchase (%)	Relations with the Issuer
1	NEMERA	391,916	14.90	None	NEMERA	325,296	6.29%	None
2	Dipharma	165,001	6.27	None	—	—	—	—
3	Other	2,072,749	78.83	—	Other	4,844,501	93.71%	—
Total	Pet purchase	2,629,666	100.00	—	Pet purchase	5,169,797	100.00%	—

Explanation for any increase or decrease:

A. NEMERA: The decrease in purchase ratio in 2024 is mainly due to the increase in net purchase amount from the new acquisition of three US pharmaceutical companies, resulting in a decrease in the purchase ratio.

B. Dipharma: As a supplier to the subsidiary TWi Pharmaceutical Co., Ltd., it only covers purchases from September to December 2022 due to the acquisition of TWi Pharmaceutical Co., Ltd. starting in September 2022.

2. The names of customers who have accounted for more than 10% of the total purchase in any of the last two years and the amount and proportion of their purchase, together with the reasons for the increase or decrease

Unit: NTD thousands

Item	2023				2024			
	Name	Amount	Percentage of Net Annual Sales (%)	Relations with the Issuer	Name	Amount	Percentage of Net Annual Sales (%)	Relations with the Issuer
1	Company D	2,778,896	19.57	None	Company C	2,886,527	15.00	None
2	Company C	2,442,094	17.20	None	Company D	2,222,739	11.55	None
3	Company B	1,934,120	13.62	None	Company A	2,186,402	11.36	None
4	Company E	1,590,407	11.20	None	Company B	1,839,530	9.56	None
—	—	—	—	—	Company E	1,639,172	8.52	None
6	Other	5,454,551	38.41	—	Other	10,110,709	62.09	—
Total	Net Sales	14,200,068	100.00	—	Net Sales	19,245,907	100.00	—

Explanation for any increase or decrease:

A. E Company: The new customer is mainly the customer of Upsher-Smith Laboratories, LLC, acquired in the US in 2024

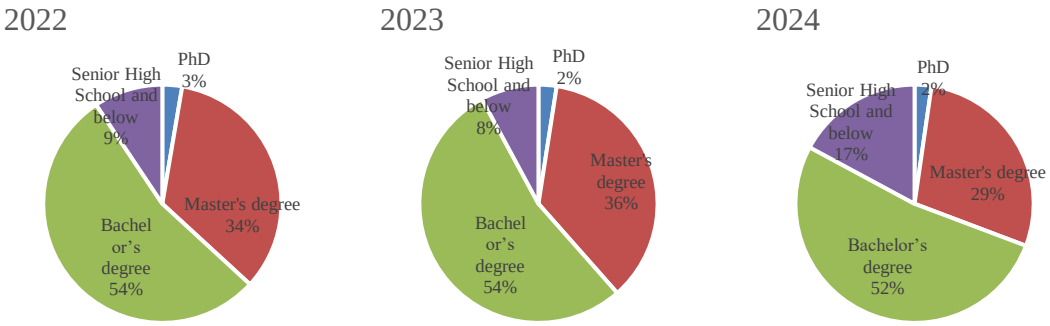
III. Number of workers, average length of service, average age and education distribution of employees in the industry for the last two years and as of the printing date of the annual report

1. Number of employees, average years of service, average age

Unit: person; %

Year		2022	2023	2024
Number of Employees	Direct	378	542	659
	Indirect	909	891	1,596
	Total	1287	1,433	2,255
Average Age (years old)		41.17	41.09	41.67
Average Years of Service (Years)		6.93	6.59	6.93

2. Education background distribution



IV. Environmental protection expenditure information

(I) Total losses (including compensation) and penalties for environmental pollution for the most recent year and up to the date of printing of the annual report: None.

(II) Future countermeasures and possible expenses:

The environmental permit and expenditure information for each of the Company's and subsidiary's plant locations:

1. Application for pollution facility installation permit or pollution emission permit:

(1) The Company's Tainan plant, our subsidiary Bora Pharmaceutical Laboratories Pharmaceuticals Co., Ltd. (hereinafter referred to as 'Subsidiary Bora Pharmaceutical Laboratories'), subsidiary Bora Biologics Co., Ltd. (hereinafter referred to as 'Subsidiary Bora Biologics'), and subsidiary SunWay Biotech Co., Ltd. (hereinafter referred to as 'Subsidiary SunWay'): each employs one professional operator and holds a water pollution prevention permit (permit number: Permit No. 05743-02 issued by the Environmental Protection Bureau of the Southern City Government.).

Item	License and content
Stationary pollution source prevention and control permit	Subsidiary Bora Pharmaceutical Laboratories was granted the fixed pollution source organic solvent operating procedure (M01) operation permit (reference No.: Hsinchu Science Park Administration Hsinchu Science Park Huanan No. 1130000942) by the Hsinchu Science Park Bureau, National Science and Technology Council on January 5, 2024 (Hsinchu-Huanan-Zhi-Huan-Zi No. 1130000942). The validity period is from December 29, 2023 to June 30, 2026; and the boiler steam generation procedure (M02) operation permit (reference No.: Hsinchu-Huanan-Zhi-Huan-Zi No. 248-05) was granted on March 22, 2023 (Hsinchu-Huanan-Zhi-Huan-Zi No. 1120010118). The validity period is from August 13, 2023 to August 12, 2028. Subsidiary Baorui Biotech and Chenhui have no fixed pollution sources.
Pollution control permit	The Company applied to the Tainan City Government Environmental Protection Bureau for approval of water pollution prevention measures on November 28, 2023 (Permit Number: Environmental Water Letter No. 1120152930). Approval letter for the subsidiary, Bora Pharmaceutical Laboratories Water Treatment and Management System: Hsinchu Science Park Administration, September 15, 2014, Zhong-Huan-Zi No. 1030027715

Item	License and content
	Subsidiary Bora Biologics received approval for wastewater discharge management from the Ministry of Science and Technology, Hsinchu Science Park Bureau, on July 21, 2022 (Document Number: Hsinchu Environmental Letter No. 1110024133). Subsidiary SunWay is not required to obtain pollution discharge management permits.
Water Pollution Control Permit	The Company obtained the water pollution prevention permit document from the Tainan City Government on November 28, 2022 (Permit Number: Environmental Water Letter No. 05743-03 issued by the Tainan City Government), valid from October 18, 2023 to October 17, 2028. Subsidiary Bora Pharmaceutical Laboratories has been approved by the Hsinchu Science Park Administration on July 31, 2024 (Zhulu Huan Zi No. 1130025050) for a water pollution prevention and control measure plan (with permit number: Zhoko Huan Zi No. KS036-11). The effective period is from August 5, 2024 to August 4, 2029. Subsidiary Bora Biologics does not require a water pollution prevention permit; its wastewater is discharged into the sewage system managed by the Hsinchu Science Park Bureau. Subsidiary Sunway is not required to apply for a water pollution prevention permit."
Business waste removal plan	The Company applied for amendments to the business waste cleanup plan approved by the Tainan City Government Environmental Protection Bureau on November 3, 2020 (Control Number: D9700625), with Permit Number: Environmental Affairs Letter No. 1090128567. Subsidiary Bora Pharmaceutical Laboratories was approved by the Hsinchu Science Park Administration, National Science and Technology Council, to change its business waste disposal plan (controlled reference number: K71A2160) on January 2, 2025 (Zhulu Huan Zi No. 1140000396). Subsidiary Bora Biologics applied for amendments to the business waste cleanup plan approved by the National Science and Technology Commission Hsinchu Science Park Bureau on November 12, 2024 (Control Number: J55B3392), with Approval Letter Number: Hsinchu Environmental Letter No. 1130036883. Subsidiary SunWay is not required to apply for a business waste cleanup plan.
Toxic chemical substance approval documentation	The Company issued the "Toxic Chemical Substances Approval Document" (amendment extension) on April 30, 2024, with the approval reference number of Tainan City Tox. Approval No. 000020, valid until July 15, 2029. The scope of approval and the control number and serial number of toxic chemical substances: 04501, 05201, 05401, 05502, 05518; 06401, 07301, 07501, 07901, 08201, 09301, 09501, 09701, 09801, 09802, 10401, 10501, 12101, 12901, 14201, and 18301, totaling 22 cases. 32 cases including Yi-Bang-Zi No. 000044 (toxic chemical substance approval document), Yi-Bang-Zi No. 04301, Yi-Bang-Zi No. 04501, Yi-Bang-Zi No. 04602, Yi-Bang-Zi No. 05201, Yi-Bang-Zi No. 05401, Yi-Bang-Zi No. 05502, Yi-Bang-Zi No. 06101, Yi-Bang-Zi No. 06806, Yi-Bang-Zi No. 07201, Yi-Bang-Zi No. 07301, Yi-Bang-Zi No. 07501, Yi-Bang-Zi No. 07901, Yi-Bang-Zi No. 08201, Yi-Bang-Zi No. 08901, Yi-Bang-Zi No. 09501, Yi-Bang-Zi No. 09701, Yi-Bang-Zi No. 09801, Yi-Bang-Zi No. 10401, Yi-Bang-Zi No. 10501, Yi-Bang-Zi No. 10801, Yi-Bang-Zi No. 11501, Yi-Bang-Zi No. 11601, Yi-Bang-Zi No. 11701, Yi-Bang-Zi No. 12601, Yi-Bang-Zi No. 14201, Yi-Bang-Zi No. 14601, Yi-Bang-Zi No. 16001, Yi-Bang-Zi No. 17801 and Yi-Bang-Zi No. 18501; Subsidiary Bora Biologics obtained the extended Toxic Chemical Substances Approval Document on June 5, 2023, with Approval Number: Hsinchu County Toxic Core Letter No. 000057, valid until August 30, 2028. The permitted operations and the managed toxic chemical substances are listed with codes and serial numbers: 09801,

Item	License and content
	10501, 11501, with Approval Letter Number: Municipal Letter No. 1128655180. Subsidiary SunWay obtained the Toxic Chemical Substances Approval Document on October 28, 2021, with Approval Number: Taipei City Toxic Core Letter No. 000321, valid until May 5, 2025. The permitted operations and the managed toxic chemical substances are listed with codes and serial numbers: 07901, 09802, 10401, and 10501, totaling four types.

(2) The Company directly owns the subsidiary Bora Pharmaceutical Laboratories which has two facilities in Zhongli, namely Zhongli Plant 1 and Zhongli Plant 2:

Item	License and content
Stationary pollution source prevention and control permit	Zhongli Plant 1 obtained the Fixed Pollution Source Pharmaceutical/General Manufacturing Process - Western Medicine Tablet Manufacturing Process (M01) Operation Certificate issued by the Taoyuan City Government on May 6, 2021 (Permit Numbers: Taoyuan Environmental Permit No. 1100109643, Operation Certificate No. H6905-00).
Pollution control permit	Zhongli Plant No. 1 applied to the Chungli Industrial Park Service Center, Industrial Development Bureau, MOEA, for the wastewater (effluent) from the industrial park users to be included in the sewage sewer system of the industrial park on February 7, 2025. Text No.: Northli-Zi No. 1145140522. Zhongli Plant No. 2 applied to the Chungli Industrial Park Service Center, Industrial Development Bureau, MOEA, for the wastewater (effluent) from the industrial park users to be included in the sewage sewer system of the industrial park on February 12, 2025. Text No.: Northli Zi No. 1145140544.
Water Pollution Control Permit	Zhongli Plant 1 applied for the Water Pollution Prevention Plan and Water Pollution Prevention Permit from the Taoyuan City Government Environmental Protection Bureau on March 17, 2023 (Permit Numbers: Taoyuan Environmental Discharge Letter No. H4198-01, Taoyuan Environmental Water Letter No. 1120212406), valid until April 18, 2028. Zhongli Plant 2 applied for the Water Pollution Prevention Plan and Water Pollution Prevention Permit from the Taoyuan City Government Environmental Protection Bureau on September 11, 2023 (Permit Numbers: Taoyuan Environmental Discharge Letter No. H3334-02, Taoyuan Environmental Water Letter No. 1120361883), valid until October 14, 2028.
Business waste removal plan	Zhongli Plant 1's business waste cleanup plan modification application was approved by the Taoyuan City Government Environmental Protection Bureau on September 18, 2024 (Control Number: H4314363), with the approval number for the cleanup plan being H09512270001. Zhongli Plant 2's business waste cleanup plan modification application was approved by the Taoyuan City Government Environmental Protection Bureau on September 27, 2021 (Control Number: H43B8800), with the approval number for the cleanup plan being H10208120003.
Toxic chemical substance approval	Zhongli Plant 2 obtained the Toxic Chemical Substances Approval Document on November 28, 2024, with Approval Number: Taoyuan City Toxic Core Letter No. 000142, valid until January 12, 2025. The permitted operations and the managed toxic chemical substances are listed with codes and serial numbers: 03801, 04301, 04501, 04601, 04602, 05201, 05301, 05301, 05401, 05501, 05502, 05518, 06101, 06401, 06601, 07102, 07201, 07301, 07501, 07901, 08001, 08002, 08101, 08201, 08301,

Item	License and content
documentation	08601, 09001, 09301, 09501, 09701, 09801, 09802, 10401, 10501, 10501, 10501, 10601, 10801, 11201, 11501, 11601, 11701, 11901, 12101, 12301, 13401, 13402, 14201, 14301, 14601, 16001, 16502, 17601, 17801, 17901, 18501, totaling 55 types. Zhongli Plant 2 obtained the Chemicals of Concern Approval Document on February 16, 2024, with Approval Number: Taoyuan City Concern Core Letter No. 000156, valid until February 19, 2028. The permitted operations and the managed chemicals of concern are listed with codes and serial numbers: E00103, E00301, F00101, L00201, totaling 4 types.

(3) Our company indirectly owns the subsidiary Bora Pharmaceuticals Ophthalmic Inc. (hereinafter referred to as 'Bora Ophthalmic'):

Item	License and content
Water Pollution Control Permit	Bora Ophthalmic applied for a Water Pollution Prevention Plan and Water Pollution Prevention Permit from the Taoyuan City Government Environmental Protection Bureau on June 2, 2020 (Permit Number: Taoyuan Environmental Discharge Permit No. H3397-02), valid until June 1, 2025.
Business waste removal plan	Bora Ophthalmic obtained approval from the Taoyuan City Government Environmental Protection Bureau on November 9, 2023, for a modification to the Business Waste Cleanup Plan (Control Number: H46A8571). The approved number for the cleanup plan is H10303030007, valid until November 8, 2028.
Toxic chemical substance approval documentation	Bora Ophthalmic obtained the Toxic Chemical Substances Approval Document on December 20, 2023, with Approval Number: Taoyuan City Toxic Core Letter No. 000158, valid until February 5, 2025. The permitted operations and the managed toxic chemical substances are listed with codes and serial numbers: 03801, 04501, 04602, 05201, 05301, 05401, 05502, 05518, 06401, 06601, 07102, 07301, 07501, 07901, 08201, 08301, 08901, 09301, 09501, 09701, 09801, 09802, 10401, 10501, 10601, 11201, 11401, 11501, 11701, 11901, 12101, 12601, 12901, 14401, 16001, 17601, 17801, totaling 37 types. Bora Ophthalmic obtained the Chemicals of Concern Approval Document on October 2, 2023, with Approval Number: Taoyuan City Concern Core Letter No. 000082, valid until February 6, 2026. The permitted operations and the managed chemicals of concern are listed with codes and serial numbers: E00101, E00103, E00201, F00101, F00401, L00201, total 6 types.

2. Payment of pollution prevention and control costs:

Unit: NTD thousands

Year / Category	2023	2024
Sewage Usage Fee	849	1,499
Business Waste Disposal Fee	9,088	12,528
Air Pollution Fee	436	491

V. Labor Relations

(I) The Company's employee various benefits for studying, training, the pension system and its implementation status as well as labor agreements and employee rights maintenance measures

1. Employee welfare measures and implementation

The following benefits are provided by the Company, in addition to the general benefits such as labor insurance, health insurance, group insurance and pension benefits: Year-end and festival bonuses, wedding and funeral subsidies, the employee stock option system, and other welfare measures, as well as performance bonuses depending on operating conditions.

2. Staff education and training status

The Company and its subsidiaries plan annual training programs and provide training budgets according to the training needs of employees and the future development of the Company. This enables our employees to improve their professional skills and understand the functions required by the industry in which the Company is located, help them develop their potential and achieve their best, thereby creating an environment in which they can coexist and prosper with the Company.

3. Retirement system and implementation status

In accordance with the Labor Pension Act, the Company and its subsidiaries make monthly contributions of 6% of the employees' monthly wages to the employees' individual accounts at the Labor Insurance Bureau corresponding the wage grading scale prescribed by the government, and employees may voluntarily make additional contributions within 6% of their monthly wages.

4. Agreement between labor and management

The Company and its subsidiaries emphasize rationalized and humanized management, and establish smooth communication channels to maintain good relations between employers and employees, create productivity, share profits, and to establish

stable and harmonious labor relations.

5. Employee rights protection measures

The Company and its subsidiaries shall protect the rights and interests of employees and implement the welfare system in accordance with laws and regulations and the Company's management rules.

(II) For the most recent year and up to the date of printing of the annual report, the losses suffered by the Company as a result of labor disputes, the estimated amount for now and in the future and any response measures, and state the items that cannot be reasonably estimated: None.

VI. Information Security Management

1. State the information security risk management framework, information security policy, the specific management plan and the resources implemented in the security management:

(1) Information security management management framework

To continuously improve the information security system and strengthen protection capabilities, the Company has established the position of Chief Information Security Officer and formed an "Information Security Department," responsible for information security governance, cross-departmental coordination, promotion, and supervision of information security management matters, formulating unified information security policies, planning group-wide information security operations, and integrating security awareness and controls into the daily operations of each department.

(2) Information security policy

a. Enterprise information security management strategy and framework

To maintain the normal operation of the information system, the company ensures the system can be restored in the shortest time when it suffers from human error or natural disasters. To ensure the safety of employees and each operating department can effectively manage its related computer software and hardware and to ensure the security of information systems and data, the Company has set up the operational procedures and reporting procedures for various information security incidents to ensure the related department personnel can take the correct action when a system-threatening incident occurs. The plan aims to reduce the threat and the impact. The company has formulated the following operations and control in accordance with information security risks:

(a) Operation on system development and program revision

(b) Operation on access control of program and data

(c) Operation on data input and output

(d) Operation on data processing

(e) Operation on file and equipment security

(f) Operation on system restorage plan and testing procedure

(g) Operation on information security inspection

b. Enterprise information security risk managemenat and continuous improvement framework

To ensure the Company continue improve the information security management, the company has formulated a corresponding management mechanism. The main management key items are as follows:

(a) Setup the contract information for related personnel

(b) Report on information security incident

(c) Report on information security weakness

(d) Report on ill function software

(e) Resource needed for continue operation: including ensure information server can continue to provide service and backup the necessary data

(3) Management plan

To implement information security policies, the Company has established “Information and Communication Security Policy” and the “Information Security Risk Management Framework.” Related methods will be updated and continuously modified in response to changes in information security risks. To fully plan and promote the execution of various information security policies, the Company has appointed Vice President Chen Chia-Chu as the highest information security officer (Chief Information Security Officer), elevating the information security control level of the entire Group. Information Security Manager Ku Lin-Chieh leads the Information Security Department staff, responsible for promoting and maintaining various information security initiatives. The main responsibilities are as follows:

(a) Formulate the information security policy

(b) Plan on information security framework in accordance to Bora Pharmaceuticals development and change on information security

(c) Monitor, analyze and manage on information security. Check the information environment periodically and evaluate if update and upgrade is needed to lower the security risk

(d) Ongoing evaluation, recommendation and implementation on information security solution

(e) Promotion on information security training to enhance the employee’s awareness on information security

(f) Knowledge on information security trend, and report to the management team on related information

(4) Resource invested on information security management

The Company’s actual implementation results in 2024 are as follows, which were reported to the Board of Directors on November 13, 2024:

- Completed endpoint protection upgrade for the Group: In response to the latest security threats and ransomware attacks, the Group has successfully completed the endpoint protection system upgrade at multiple locations throughout Taiwan,

providing effective protection for critical systems. We will continue to monitor and update protection measures.

- Completed Group Email Protection Upgrade: After assessment testing, the original email protection system's defensive capabilities were insufficient to address new attack trends. Therefore, in 2024, the Group completed email protection upgrade operations for all domestic and overseas operations, adopting an industry-leading brand which has successfully isolated numerous malicious emails since implementation.
- Expanded Implementation of Multi-Factor Authentication Mechanism: In light of recent security incidents where initial intrusions often involve employee credential theft, coupled with the company's business expansion, multi-factor authentication mechanisms have been expanded in 2024.
- Strengthening Daily Operations Monitoring: In addition to utilizing automated defense tools, personnel analysis system capabilities and alerts have been strengthened to timely evaluate, adjust, and optimize information security control measures.
- Optimizing Integration of Existing Defense Tools: To effectively enhance overall real-time monitoring and response efficiency, the Group completed the integration of multiple defense equipment with the central control platform in 2024.
- Education, Training and Promotion: Information security protection is the responsibility of all employees. Through continuous education and training, employees' information security literacy and security awareness have been improved. In 2024, a total of 22,000 attendees participated in education and training sessions totaling 3,854 hours.

2. List the loss incurred for major information security incident, possible loss and counter measure for the most recent year and up to the annual report date. If the loss cannot be reasonably measured, please explain it:

For 2024 and as of the annual report date, the Company has not incurred loss for major information security incident.

VII. Important Contracts

Contract Nature	Parties	Contract Start and End Dates	Main Content	Restrictive Clauses
Financing Contract	Chang Hwa Bank	August 26, 2024–July 31, 2025	Short-term Credit Contract	None
Financing Contract	Chang Hwa Bank	December 23, 2019–December 23, 2034	Long-term Secured Borrowings	None
Financing Contract	CTBC Bank	March 28, 2024–March 28, 2029	Long-term Credit Contract	None
Financing Contract	Hwa Nan Bank	December 19, 2023–December 19, 2026	Mid-term Credit Contract	None
Financing Contract	Hwa Nan Bank	March 29, 2024–March 29, 2029	Long-term Credit Contract	None
Financing Contract	KGI Bank	March 14, 2024–March 14, 2027	Mid-term Credit Contract	During the borrowing period, drawdowns and repayments shall comply with the financial ratio covenant provisions.
Financing Contract	O-Bank	July 31, 2024–July 30, 2027	Mid-term Credit Contract	None
Contract Manufacturing and Inspection Contracts	Company C	January 1, 2024–December 31, 2028	Commissioned Manufacturing and Inspection Services for Specific Human Pharmaceutical Products	This pertains to a five-year long-term manufacturing agreement, with an arrangement with Company C specifying annual target volume requirements, batch sizes, and minimum order quantities.
Distribution Contract	Company C	April 1, 2024–March 31, 2026	The Company distributes the Zhenmei Series, Shwan Wei Wang, Sha Nai, and I Tai Co series.	None
Distribution Contract	Eisai Co.Ltd	April 1, 2024–March 31, 2026	Bora Health distributes the Zhenmei Series, Shwan Wei Wang, Sha Nai, and I Tai Co series.	None

Contract Nature	Parties	Contract Start and End Dates	Main Content	Restrictive Clauses
Distribution Contract	SSI Co., Ltd. (SSP)	July 15, 2020–July 14, 2025	Bora Health has signed a joint contract with SSP, Chin Teng Pharmaceutical Industry Co., Ltd., and Best Ocean Pharmaceutical Co., Ltd., whereby the Company obtains the distribution rights for SSP in Taiwan, distributing ES-FLEET, ES-COLLAN, ES-BRONCH, ES-JINLER, and BESHULER.	The contract is valid for three years and will be automatically renewed and extended every two years unless notification of termination is given in writing 180 days before the expiration of the validity period.
Distribution Contract	Lundbeck Export A/S (“Lundbeck”)	July 1, 2023–December 31, 2025	The Company distributes neurological disease medications under Lundbeck.	Upon expiration, the agreement shall be automatically renewed 2 years, unless in writing of non-renewal at least 6 months prior to expiration.
Distribution Contract	Shionogi Healthcare Co., Ltd. (“Shionogi”)	September 15, 2023–September 14, 2025	Bora Health Inc. distributes health supplements and OTC series products under Shionogi.	Minimum purchase requirement. Upon expiration, the agreement shall be automatically renewed annually, unless in writing of non-renewal at least 3 months prior to expiration.
Contract Manufacturing Contract	Impax Laboratories Inc. (Amneal)	December 19, 2017–December 31, 2025	Commissioned Bora Pharmaceutical Laboratories to manufacture human pharmaceutical products as a contract manufacturing business.	Upon expiration, the agreement shall be automatically renewed annually.

Contract Nature	Parties	Contract Start and End Dates	Main Content	Restrictive Clauses
Authorization Contract	Impax Laboratories Ireland Limited	March 6, 2018–March 5, 2028	Authorized the Company to distribute RYTARY, a brand medication for the treatment of Parkinson's disease.	None
Contract Manufacturing Contract	GlaxoSmith Trading Services Limited;	December 1, 2020–December 31, 2025	Entrusting our Canadian subsidiary with the manufacturing of prescription and health product OEM business	None
Contract Manufacturing Contract	PF Consumer Healthcare Canada ULC	December 1, 2020–December 31, 2025	Entrusting our Canadian subsidiary with the manufacturing of non-prescription and health product OEM business	None
Contract Manufacturing Contract	3T Technology Co., Ltd Formosa Television Co., Ltd. Chen Run Marketing Co., Ltd.	January 1, 2025–December 31, 2030	Entrusting SunWay Biotech with the manufacturing of Nian Chia Monascus purpureus health food products	Minimum purchase requirement.
Re-authorization Distribution Contract	Bright Future Pharmaceutical Trading Ltd. ("BF")	March 10, 2022 – Numient (US product name: RYTARY) received Chinese drug license and marketing authorization for 10 years thereafter.	The Company has sub-licensed distribution rights to BF in China (including Hong Kong and Macau).	BF may terminate this agreement by providing written notice to the Company 6 months in advance.
Contract Manufacturing Contract	Bright Future Pharmaceutical Trading Ltd. ("BF")	Numient's Chinese drug license and marketing authorization is valid for 10 years from the date of issuance.	BF entrusts Bora Health Inc. with manufacturing.	Both parties may terminate by mutual agreement, effective 180 days after signing the written termination agreement.

Contract Nature	Parties	Contract Start and End Dates	Main Content	Restrictive Clauses
Supply Contract	Celltrion Asia Pacific Pte., Ltd.	March 31, 2023–December 31, 2027	Celltrion commissioned its subsidiary, Bora Pharmaceutical Laboratories, for contract manufacturing.	Transfer is prohibited without prior written consent from the other party. Upon expiration, the agreement shall be automatically renewed annually, unless in writing of non-renewal at least 6 months prior to expiration.
Sales and Supply Licensing Contract	Scinopharm Taiwan Ltd.	Valid from January 28, 2022 until 7 years after the first product supply	Licensing for Sales and Supply	Transfer is prohibited without prior written consent from the other party.
Sales and Service Contract	McKesson Corporation	May 01, 2018-April 30, 2026	Sales and Service Contract	The agreement shall be automatically renewed annually, unless either party notifies the other party in writing at least 90 days prior to expiration.
Sales Contract	Cencora Global Procurement Ltd.	January 1, 2024–December 31, 2026	Sales contract	Minimum purchase requirement. Upon expiration, it shall be automatically renewed annually, unless either party decides to terminate.
Sales Contract	Cencora Global Procurement Ltd.	January 1, 2025–December 31, 2026	Sales Contract	Minimum purchase requirement. Upon expiration, it shall be automatically renewed annually, unless either party decides to terminate.

Contract Nature	Parties	Contract Start and End Dates	Main Content	Restrictive Clauses
Sales and Service Contract	Pantherx Specialty, LLC	April 11, 2018–April 10, 2027	Sales and Service Contract	The agreement shall be automatically renewed annually, unless either party notifies the other party in writing of 2 years-renewal at least 90 days prior to expiration.
Asset Purchase and Sales Contract	Alvogen Pharma US, Inc., Alvogen, Inc.and Almatica Pharma LLC	Effective from August 16, 2023	Purchase of the assets in the US market related to six drugs.	None
Lease Contract	House Rental Contract	January 1, 2023–December 31, 2027	Laboratory Lease	If either party does not wish to continue the lease upon expiration, written notice must be given to the other party 6 months in advance.

E. Review, Analysis, and Risks of Financial Conditions and Performance

I. Review and Analysis Table of Financial status

Unit: NTD thousands

Year / Accounting Titles	2024	2023	Discrepancies	
			Amount	%
Current assets	23,565,691	10,604,347	12,961,344	122.23
Property, plant and equipment	11,684,248	6,651,348	5,032,900	75.67
Intangible assets	7,444,179	5,675,014	1,769,165	31.17
Other assets	2,904,816	2,203,464	701,352	31.83
Total assets	45,598,934	25,134,173	20,464,761	81.42
Current liabilities	13,808,597	8,229,061	5,579,536	67.80
Non-current liabilities	16,778,772	5,139,301	11,639,471	226.48
Total liabilities	30,587,369	13,368,362	17,219,007	128.80
Share capital	1,033,119	1,014,981	18,138	1.79
Capital reserve	4,408,236	3,318,350	1,089,886	32.84
Retained earnings	7,106,920	4,728,617	2,378,303	50.30
Other equity	362,308	73,807	288,501	390.89
Treasury stock	-43,181	-50,968	7,787	-15.28
Non-controlling interests	2,144,163	2,681,024	(536,861)	-20.02
Total shareholders' equity	15,011,565	11,765,811	3,245,754	27.59

Year / Accounting Titles	2024	2023	Discrepancies	
			Amount	%

Main Reasons and Effects of Significant Changes in Assets, Liabilities, and Equity in the Past Two Years (Analysis for items with changes of 20% or more between periods and amounts exceeding NT$10 million)

(1) Increase in Total Assets: Mainly due to the acquisition of US pharmaceutical companies (USL, BPII, and Pyros) in 2024, resulting in a significant increase in consolidated amounts.

(2) Increase in current liabilities, non-current liabilities, and total liabilities: Mainly due to bank loans and issuance of overseas corporate bonds to fund acquisitions, capital injections into subsidiaries, and other operational needs.

(3) Capital reserve increase: Mainly due to the capital reserve recognized from the issuance of overseas convertible corporate bonds in 2024, partial conversion of convertible corporate bonds, and the share exchange for the minority equity of the subsidiary Bora Biologics.

(4) Retained earnings increase: Mainly due to the continuous expansion of the Group's operations, with operating revenue contributing to net income.

(5) Other equity increase: Mainly due to fluctuations in exchange differences on translation of foreign operations' financial statements.

(6) Decrease in non-controlling interests: Mainly due to the reduction in non-controlling interests resulting from Bora Pharmaceuticals' issuance of new shares in exchange for the minority equity of Bora Biologics.

(7) Increase in total shareholders' equity: Mainly due to the accumulation of earnings from the continuous expansion of the Group's operations.

Future response plans: The above changes do not have any significant adverse impact on the Company and its subsidiaries.

II. Review and Analysis Table of Financial Performance

(I) Comparative financial performance analysis table

Unit: NTD thousands

Year / Accounting Titles	2024	2023	Discrepancies	
			Amount	%
Operating revenue	19,245,907	14,200,068	5,045,839	35.53
Operating cost	11,535,632	7,208,830	4,326,802	60.02
Operating gross profit	7,710,275	6,991,238	719,037	10.28
Operating expenses	4,327,654	1,742,099	2,585,555	148.42
Operating income	3,382,621	5,249,139	(1,866,518)	-35.56
Non-operating income and expenses	1,572,360	(1,184,993)	2,757,353	-232.69
Net income before tax from continuing operations	4,954,981	4,064,146	890,835	21.92
Income tax (expenses)	(914,578)	(992,225)	77,647	-7.83
Net income after tax from continuing operations	4,040,403	3,071,921	968,482	31.53

1. Main reasons for significant changes in profit and loss items in the last two years:
(Analysis of items with changes exceeding 20% between periods and amounts exceeding NT$10 million)

(1) Operating revenue, operating costs, and operating expenses increased: This is mainly due to the acquisition of a US pharmaceutical company in 2024, which relatively increased consolidated revenue and operating costs. Operating expenses rose significantly due to one-time expenses associated with the acquisition.

(2) Non-operating income and expenses increased: This is mainly due to the bargain purchase gain from the pharmaceutical company acquisition in 2024, and the early settlement of contingent consideration arising from the TWi Pharmaceutical acquisition in 2023.

(3) Net income before tax and net income after tax increased: This is mainly due to profit contributions from the acquired pharmaceutical subsidiary in 2024 and the bargain purchase gain from the acquisition.

Future response plans: The above changes do not have any significant adverse impact on the Company and its subsidiaries.

(II) Expected sales volume and basis, possible impact on the Company's future financial operations and response plans:

Based on the Company's major customers and forecasts for their downstream customers, as well as the Company's many years of experience in the industry, we have established a plan to ensure that our procurement, outsourcing and production can be coordinated based on circumstances. The Company continues to develop new markets and customers and expects to continue to grow sales and improve profitability in the future.

III. Cash flow ratio analysis

(I) Analysis of annual cash flow changes in the most recent year

Unit: NTD thousands

Item \ Year	2024	2023	Percentage of increase (decrease) %
Operating activities	980,808	4,613,657	(78.74)
Investing activities	(10,680,386)	(2,457,585)	334.59
Financing activities	12,070,618	(2,440,223)	(594.65)

Analysis of proportion changes:

1. Operating Activities: The increase in interest expenses and income tax expenses in 2024, along with increases in accounts receivable at the end of the period due to the acquisition of US pharmaceutical companies (USL, BPII, and Pyros), were the main factors.
2. Investing Activities: In 2024, the acquisition of US pharmaceutical companies (USL, BPII, and Pyros) and capital injections into subsidiaries caused significant cash outflows, resulting in increased cash outflows compared to the previous year.
3. Financing Activities: In 2024, the Company successively borrowed bank loans and issued corporate bonds, resulting in a significant increase in cash inflows from financing activities.

(II) Improvement plan for lack of liquidity: There is no liquidity shortfall in 2023

(III) Cash Flow Analysis for the Following Year (2024)

Unit: NTD thousands

Cash balance at beginning of the period A	Net cash flow from operating activities for the year B	Cash flows from investments and financing for the year C	Cash surplus (Shortfall) Amount A+B+C	Cash Shortfall Remedial measures	
				Investment plan	Financing plan
5,829,197	4,805,758	(6,584,123)	4,050,832	—	—

Cash Flow Analysis:

1. Operating Activities: The decrease in net cash inflow from operating activities in 2024 was mainly due to the increase in the amount of accounts receivable at the end of the period as a result of the addition of the subsidiary in the US. As 2024, US subsidiary significantly increasing the amount of accounts receivable at the end of the period. It is expected that the Company'soperationsin 2025 willmaintaina stable net cash inflow.
2. Investing Activities: Mainly due tolong-termcapital expenditures such as purchasingoperatingfacilities or equipment and paying investment pricesetc., etc.
3. Financing Activities: Cash outflows primarily occurred due to the distribution of cash dividends, repayment of bank borrowings, and payment of interest.
4. Remedial Measures for Expected Cash Shortfall and Liquidity Analysis: Not applicable.

IV. Effect of Major Capital Spending on Financial Position and Business Operation in the Most Recent Year:

In addition to the normal operation equipment maintenance and replacement, the significant capital expenditures in the most recent year were the Group's formal incorporation of Upsher-Smith Laboratories, LLC in Minnesota, USA, on April 1, 2024 (EDT). This move will help to optimize the sales product combination and increase the competitiveness. On August 20, 2024, the subsidiary, Bora Pharmaceuticals Injectives Co., Ltd. officially started its operation in Maryland, USA, which significantly increased the Group's terminal filling manufacturing capacity, expanded the technology (Scope) and production capacity (Scale), and refined the CDMO business market with various types of products. In Taiwan, the subsidiary Bora Pharmaceutical Laboratories, on January 2, 2024, by resolution of the Board of Directors, purchased a batch of operating equipment for NTD 112 million, and carried out the relevant factory renovation. The subsidiary, TWi Pharmaceuticals and Bora Pharmaceutical Laboratories, implemented the internal professional division of labor strategy, and both the boards of directors set the base date of the split and transfer as January 1, 2025, to establish a long-term competitive advantage for CDMO.

Apart from these significant capital expenditure projects, the company and its subsidiaries will continue to evaluate the purchase or replacement of machinery and equipment or the expansion of facilities based on order conditions. However, as of the printing date of the annual

report, there are no specific plans for expanding facilities.

V. Reinvestment policy in the Most Recent Year, profit/loss and main reasons, improvement plan, and investment plan for the coming year:

(I) The Company's Reinvestment Policy

Based on factors such as operational needs or future growth considerations, the Company has completed the integration of the industry value chain from marketing, channel, R&D to production within a few years to ensure that each business area has access to comprehensive resources and mutual support from each other, forming the core strength of the Company. The Company also keeps track of the operating status and analyzes the effectiveness of its invested businesses for post-investment tracking and evaluation by management decision-making.

(II) Profit or loss on reinvestment and improvement plan for fiscal 2023:

December 31, 2023; Unit: NTD thousands

Reinvestment company	Recognized (loss) gain	Main reasons for gain or loss	Improvement Plan
Bora Health Inc.	36,547	Steady growth in operations	Our subsidiary,Bora Health, continues to generate steady profits as its operations grow steadily.
Bora Biologics Co., Ltd	3,187	Set up in December 2021	Bora Biologics serves as our primary biopharmaceutical CDMO facility, maintaining stable growth in operations and continuous profitability.
Bora Pharmaceutical Laboratories Inc.	441,775	Steady growth in operations	Bora Pharmaceutical is one of our main generic drug CDMO manufacturing facilities, operating steadily and consistently profitable.
Bora Pharmaceuticals USA Inc.	2,179,149	No economies of scale at the initial stage of establishment	With the increase in investment in the United States, future revenue is expected to continue growing and profitability to improve.
Bora Pharmaceuticals Services Inc.	505,984	Steady growth in operations	In the future, with stable growth in revenue from formal operations, sustainable profitability can be achieved.
TWi Pharmaceuticals Inc.	2,351,324	Steady growth in operations	Steady revenue growth and sustained profitability.
Synpac-Kingdom Pharmaceutical Co.,Ltd.	(109,368)	Steady growth in operations	As one of the few domestic manufacturers specializing in eye drop formulations, we received approval from the US FDA following an inspection at the end of 2022. This enables us to contract manufacture and sell ophthalmic products in the US market. We anticipate steady growth and sustained profitability in our operations.
TWi Pharmaceuticals Usa, Inc.	(97,581)	Steady growth in operations	Steady revenue growth and sustained profitability.

SunWay Biotech Co., Ltd.	43,158	Steady growth in operations	Since November 2023, it has been consolidated into our financial statements, demonstrating stable growth in operations and continued profitability.
Bora Pharmaceutical Holdings, Inc.	1,592,295	Continuous growth in operations	The Company acquired the equity of Upsher-Smith and other two companies through Bora Pharmaceutical Holdings, and has been included in the consolidated financial statements since April 2024. Bora Pharmaceutical Holdings is the actual overall operating result of the consolidated operations of Upsher-Smith and Pyros, and the future operations will continue to grow.
Upsher-Smith Holdings Inc.	670,190	Continuous growth in operations	
Upsher-Smith America LLC	(984,695)	Continuous growth in operations	
Upsher-Smith Laboratories, LLC	(1,446,193)	Continuous growth in operations	
Pyros Pharmaceuticals Inc.	(155,552)	Continuous growth in operations	The Company is focused on the research and development of rare diseases. Its "VIGAFYDE" is a ready-to-use liquid formula. In recent years, the first batch of products have been approved by the US FDA to be used to treat infantile headwinds. Since October 2024, it has been merged with Upsher-Smith, and its operations will continue to grow and make profits.

Note 1: The above list shows cases where the original investment amount exceeded five percent of the paid-in capital as of 2024.

As of the present, the operating status of the affiliated investment ventures remains stable. These investment companies are all related to our core business, and we will continue to focus on our core operations in the future, aiming to create maximum benefits for the company and all shareholders.

(III) Investment plan for the coming year:

As of the date of printing of the annual report, there are no specific plans for acquiring other companies. If there are any future merger plans, we will follow relevant regulations and proceed with a cautious approach, conducting assessments of various benefits and risk management to achieve the maximization of overall operational profit and the minimization of risks for the company.

VI. Risks for the latest year and up to the date of printing of the annual report

(I) Impacts of interest rates, exchange rate fluctuation and inflation situation on the company's profit and loss, and the future countermeasures

(1) Interest Rate Changes

The interest expenses of the Company and its subsidiaries in 2023 and 2024 were NT$141,238 thousand and NT$367,405 thousand, accounting for 3.48% and 7.41%

of the net income before tax for the respective years. The increase in proportion was mainly due to the impact of global interest rate hikes in 2024, resulting in increased interest expenses. However, the overall interest expenses as a proportion of net income before tax remained very low. In addition, with the continued growth in operations and profitability of the Company and its subsidiaries, the impact of interest rate fluctuation risks on the Company's profit and loss was minimal.

The Company and its subsidiaries are conservative and prudent in the use of capital. Most of the idle funds are placed in demand deposits and time deposits with banks, which have relatively stable market interest rates. The Company and its subsidiaries regularly evaluate bank borrowing rates and closely liaise with banks to obtain more favorable borrowing rates in order to reduce the impact of changes in interest rates on the Company's profit or loss.

(2) Exchange Rate Changes

The Company and its subsidiaries had exchange gains (losses) of NT$(67,505) thousand and NT$163,519 thousand in 2023 and 2024 respectively. The exchange gains (losses) represented (1.66)% and 3.30% of pre-tax net income respectively, which mainly resulted from export sales to foreign countries and some raw material purchases denominated in foreign currencies. The current ratio is still low, therefore exchange rate fluctuations should not have a significant impact on the Company.

The Company and its subsidiaries adopt the principle of prudent management of foreign currency capital and collect international financial information related to exchange rates, in order to fully grasp the trend of exchange rates and adjust its foreign exchange holdings in a timely manner, corresponding to the changes in exchange rates in order to reduce the impact caused by exchange rate changes.

(3) Inflationary scenarios

At present, the Company and its subsidiaries do not import large quantities of raw materials or ship large quantities of finished products. Therefore, inflation has no significant impact on the Company's profit or loss due to the inflation.

In the future, the Company and its subsidiaries will continue to closely monitor changes in the price index, maintain good interaction with suppliers and customers, and adjust their purchasing and sales strategies in a timely manner. Therefore, the Company and its subsidiaries should be able to respond to potential inflation and other changes in the economic situation without significant impact on their operations.

(II) Policies of engaging in high-risk, high-leverage investments, lending to others, providing endorsement and guarantee, derivatives transactions, profit/loss analysis, and future response measures:

(1) The policy of engaging in high-risk, highly leveraged investments, the main reasons for profits or losses, and future measures to address them

A. The main reason for engaging in high-risk, highly leveraged investments

For the most recent year and as of the date of the annual report, the Company and its subsidiaries have maintained their focus on their businesses and have not engaged in high-risk, highly leveraged investments.

B. Response Measures

The Company and its subsidiaries focus on the operation of their businesses and operate on a conservative and prudent financial basis, with no funds used for high-risk, high-leverage investments.

(2) Loan of funds to other parties and endorsement guarantee

A. Reasons for loaning funds to others and endorsement guarantee

(A) Fund loans to others

The Company and its subsidiaries have loaned funds to subsidiaries for the purpose of maintaining the subsidiaries' operations, transactions, or enhancing the overall use of capital. These subsidiaries include 100%-owned subsidiaries, Bora Pharmaceutical Co., Ltd. and Bora Pharmaceutical Holdings, LLC, which the Company has acquired all the equity of in the US$210,000 thousand. The funds were used for the purpose of merging and acquiring Bora Pharmaceutical Holdings, which the Company has resolved to pass the loan of US$52,000 thousand to Bora Pharmaceutical Holdings, and US$70,000 thousand to Upsher-Smith, which the Company has repaid in full in August - September and April 2024. The Company has also resolved to pass the loan of US$67,000 thousand to Upsher-Smith, a 100%-owned subsidiary, for the purpose of repaying the principal and interest to the subsidiary, Upsher-Smith, which the Company has indirectly held. As of the date of publication of the annual report, except for the loan of funds of the subsidiary, Bora Pharmaceuticals USA Inc., to Upsher-Smith for US$67,000 thousand, the Company and its subsidiaries have not loaned any other funds to others.

(B) Endorsements and guarantees

The company and its subsidiaries provide endorsement guarantees, mainly to ensure the smooth operation of the subsidiaries and the smooth flow of funds, and to provide necessary shipment guarantees or bank financing. The company provides a shipment guarantee of CAD$120,000 to its Canadian subsidiary, Bora Pharmaceutical Services Inc. In addition, in order to pay for the full equity purchase price of Upsher-Smith Laboratories, LLC and

other companies in Minnesota, the United States, and the financing guarantee required for the acquired subsidiary to apply for local banks. In March 2024, the board of directors of the Company approved the provision of a bank financing guarantee of USD 120,000,000 to Bora Pharmaceutical Holdings, Inc. After the completion of the equity transfer in April 2024, the board of directors of the Company approved the provision of a bank financing guarantee of USD 70,000,000 to its subsidiary Upsher-Smith and reduced the guarantee for Bora Pharmaceutical Holdings, Inc. to USD 50,000,000. In addition, in order to ensure that Bora Pharmaceutical Holdings, Inc. has sufficient working capital to repay the loan from our company, our company's board of directors passed a resolution in May 2014 to provide Bora Pharmaceutical Holdings, Inc. with a bank financing guarantee of USD 82,000,000. As of the date of publication of the annual report, the Company has provided a bank financing guarantee of USD 70,000,000 to its subsidiary Upsher-Smith, which is still within the effective guarantee period. After the Company completed the first overseas unsecured convertible corporate bond raising, it has repaid the loan of its US subsidiary to the local bank in full in accordance with the declared purpose of funds. After the loan was repaid, the Company has cancelled the various bank financing guarantees provided to Bora Pharmaceutical Holdings, Inc. On June 20, 2024, the board of directors of our company passed a resolution to acquire the US sterile injection operating assets through its 100% indirect subsidiary Bora Pharmaceuticals Injectables Inc. According to the contract signed by both parties, our company provided a performance guarantee of USD 40,000,000 before the closing. After the closing on August 20, 2024, the guarantee amount was reduced to USD 30,000,000. In addition, our subsidiary Bora Pharmaceutical Laboratories provided a written guarantee for its subsidiary Jingde Pharmaceutical Co., Ltd., which specializes in ophthalmic preparations, with a guarantee amount of NT$260,000,000. The above transactions were all carried out in accordance with the "Endorsement Guarantee Operating Procedures" of the company and its subsidiaries and were approved by the board of directors. The uses were reasonable and necessary. As of the date of publication of the annual report, the actual expenditure amounts endorsed and guaranteed by the Company for each subsidiary are: Canadian subsidiary Bora Pharmaceutical Services Inc. actual expenditure amount is CAD 120,000,000, Upsher-Smith actual expenditure amount is USD 10,000,000 and Bora Pharmaceuticals Injectables Inc. actual expenditure amount is USD 30,000,000; Bora Pharmaceutical Laboratories endorsed and guaranteed the actual

expenditure amount of NT$260,000,000 for its subsidiary Bora Pharmaceuticals Ophthalmic.

B. Response Measures

The Company and its subsidiaries engage in lending of funds to others and endorsement guarantees based on operational risk considerations. The Company will set single and total limits for overall risk control according to different targets and specify them in the procedures. The Company and its subsidiaries comply with the "Procedures for Lending of Funds to Others" and "Procedures for Endorsement and Guarantee".

(3) The Company's policy on derivative transactions, the main reasons for profit or loss, and future measures

A. The main reasons for the policy, profit or loss of engaging in derivatives trading

For the most recent year and as of the date of the annual report, Bora Pharmaceuticals, a subsidiary of the Company, has engaged in derivative commodity hedging transactions for export sales, which are necessary for operational purposes. The resulting gain or loss is attributable to the above hedging operations.

B. Response Measures

Based on operational risk considerations, the Company and its subsidiaries have established "Procedures for Handling Derivative Transactions" and strictly follow its regulations to manage the risks that may arise from such transactions. The Company will immediately coordinate its various departments to formulate relevant countermeasures if there is a possibility of significant impact on the Company's operations.

(III) Future R&D Programs and Expected R&D expenditure

(1) Future R&D Programs

Main project development’s production technologies and new products are as follows:

(A) New dosage forms

(B) Special generic drug products development

(C) Self owned OTC product

(D) Self owned health product

(2) Estimated Research Costs

The Company and its subsidiaries’ research and development expense budget for

2025 is approximately NT$1,079,540 thousand, which will be primarily used for materials and equipment needed for drug development. For future product development, the Company and its subsidiaries will select special generic drugs and new dosage forms with market demand; In addition, in order to effectively develop each product, the Company and its subsidiaries intend to file patent applications for technological novelties or key core technologies that arise during development to avoid the risk of imitation or duplication of the developed products.

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

The Company and its subsidiaries operate in compliance with relevant domestic and foreign laws and regulations and keep track of domestic and foreign policy developments and regulatory changes. We closely monitor and update the latest information on tax incentives and subsidies related to biotechnology industry. For the most recent year and as of the date of the annual report, the Company and its subsidiaries had no significant domestic or foreign policy or legal changes that would have affected the Company's financial operations.

(V) Effects of and Response to Changes in Technology and in Industry Relating to Corporate Finance and Sales

The Company and its subsidiaries keep abreast of changes in technology and technological development in the biotechnology industry. The market outlook for the pharmaceutical industry is growing steadily due to the aging population and the expansion of medical care for citizens by the governments of various countries. The Company and its subsidiaries keep abreast of industry trends and sales dynamics so as to make proper planning and response measures, and continuously invest in technology R&D and technology enhancement to consolidate their competitive advantages. In addition, the Company complies with laws and regulations on information risk, and has set up a dedicated department to control and mitigate possible risks. For the most recent year and as of the printing date of the annual report, there were no technological changes or industrial changes that had a significant impact on the financial operations of the Company and its subsidiaries.

(VI) Impact of Changes in Corporate Image on the Corporate Risk Management, and the Company's Response Measures

Since its establishment, the Company and its subsidiaries have been committed to maintaining the image of the Company and have not engaged in any conduct that would lead to a poor corporate image or create a corporate crisis. In addition, as the Company continues to grow, we will continue to pursue the best interests of our shareholders, while at the same time providing care to all employees, their families and disadvantaged groups in society, fulfilling our corporate social responsibility. For the most recent year and up to the printing

date of the annual report, there has not been any impact on the Company's crisis management due to the change in corporate image.

(VII) Expected Benefits and Possible Risks in Mergers and Acquisitions (M&A) and Countermeasures

On January 16, 2024, the board of directors of our company approved that our wholly-owned subsidiary, Bora Pharmaceutical Holdings, Inc., would acquire all the shares of Upsher-Smith Laboratories, LLC located in Minnesota, USA, for USD 210 million. After approval by relevant competent authorities, the Company successfully completed the takeover on April 1, 2024 (EST). In the future, the Company will use Upsher-Smith's commercial drug license and specialty drug sales channels to integrate with the existing drug sales business, rapidly expand the product portfolio and reduce sales concentration risks, thereby increasing the growth momentum of global drug sales in the future. On June 20, 2024, the board of directors of the Company approved the acquisition of the CDMO sterile injection plant in Baltimore, Maryland, USA, for USD 30 million through its subsidiary Bora Pharmaceuticals Injectables Inc. Our company officially took over the operation on August 20, 2024. The plant can support the lyophilization, filling and pre-filled injection and other OEM services required for experimental trial production and commercial mass production. Our company will be able to provide customers with more complete CDMO services. On August 27, 2024, the board of directors of the subsidiary Bora Biologics passed a resolution to merge the two companies in accordance with the Corporate Merger and Acquisition Act, with Tanvex Biologics Corporation (Tanvex -KY) as the surviving company and Bio-Tech as the eliminated company. Through this strategic alliance, we can quickly respond to the increased OEM demand under the BIOSECURE Act of the United States. This merger has been approved by the shareholders' extraordinary meeting of both parties on October 15, 2024 and has been approved by the Taiwan Stock Exchange Corporation. January 20, 2025 is the base date for the merger. On October 25, 2024, the Company's Board of Directors resolved to acquire the entire equity of Pyros Pharmaceuticals Inc., a rare disease drug development company located in New Jersey, USA, for US$27.25 million through its subsidiary Bora Pharmaceutical Holdings, Inc., further consolidating the Company's key position in the pediatric rare disease drug market.

The Company carefully evaluates the potential benefits and risks of various mergers and acquisitions based on its existing business operations. As of the date of printing of publication the annual prospectus, the Company has no other acquisition plans. In the future, the Company will continue to adhere to relevant regulations, adopt a prudent attitude in evaluating various benefits and risk management measures, with the aim of maximizing profitability and minimizing risks in the overall operation of the company.

(VIII) Expected Benefits and Potential Risks of Capacity Expansion and Response Measures

In consideration of the Group's long-term development plan and to enhance its

competitive advantages, the Company is actively planning to expand the production lines of different dosage forms of pharmaceutical products. At present, the existing product lines of the Tainan Guantian Plant include tablets, capsules, granules, liquids, semi-solid dosage forms, etc., and has obtained PIC/S GMP certification from the Food and Drug Administration of the Ministry of Health and Welfare. In addition, the Company acquired 100% of equity, plant and equipment of Bora Pharmaceuticals (hereinafter known as Bora), owned by Impax Laboratories Inc., a U.S. listed company, for USD18.5 million in 2018 and obtained an CDMO contract with Impax for the brand-name drug RYTARY, used for the treatment of Parkinson's disease. The plant is located in the Zhunan Science Park and occupies an area of 36,133 square meters. The plant is equipped with pilot processes, standard production areas, laboratories, offices, cafeterias, mechanical rooms and warehouses. The Company’s main focus is on the production of oral solid dosage forms. At present, all of our pharmaceutical products are supplied to the US pharmaceutical market, and we are the only pharmaceutical production plant in Taiwan that supplies the US market. In addition to the production of generic drugs, the Company also produces brand name drugs, which are orally administered special controlled release drugs. Pilot production and scale-up production technology development are all performed in the Company's plant, which is the production center of global supply at present. In addition, on December 01, 2020, the Company acquired the pharmaceutical manufacturing facility from GlaxoSmithKline in Mississauga, Canada. The new Bora facility, located in Ontario, Canada, has 183,000 square feet of space and is approved by USFDA, Health Canada, EMA of the EU, Japan’s PMDA and satisfies the PIC/S world class standards. The facility specializes in the manufacture of tablets, capsules, semi-solids and liquids, and is equipped with chemical analysis and microbiology laboratories. In addition, this facility has a complete packaging line for tablets, capsules, liquids, nasal sprays, aluminum foil bags, blisters, high-speed tube filling, and has the ability to serialize products in bottles and tubes. The products are exported to many countries, including North America, South America, Asia, Russia, Middle East, Europe and Africa. Mississauga produces and packages a wide range of semi-finished and finished pharmaceutical and healthcare products in a variety of dosage forms, with the ability to manufacture a variety of complex products, including expertise in handling highly active pharmaceutical ingredients (HPAPI) and technology transfer, on a scale that allows for clinical and volume production needs. The facility is currently equipped with 18 types of production equipment modules (including three pilot facilities) and can provide various production scales according to customer requirements.

Our subsidiary, Bora Biologics, acquired the operational assets (technology, equipment, and talent) located in the Hsinchu Biomedical Park of Eden Biopharma Co., Ltd., specializing in the development and production of biopharmaceuticals, particularly monoclonal antibody protein drugs. This marks a significant milestone for the Company's entry into the biopharmaceutical CDMO sector. Additionally, our subsidiary, TWi, and

Bora Pharmaceuticals Ophthalmic' existing operations in the Zhongli and Taoyuan plants respectively, focus on manufacturing various oral solid dosage forms, laser-drilled controlled-release dosage forms, suspensions, and sterile ophthalmic preparations, primarily for export. Our group currently operates a variety of production pharmaceutical factories with different dosage forms, capacities, and production volumes to meet the needs of clients. Our highly flexible scheduling allows us to accommodate laboratory batch production, batch scale-up research, and registration batch production, along with specialized project management departments, providing exceptional production flexibility to meet the diverse needs of global customers for drug development, batch production, or diverse packaging requirements.

In addition to acquiring assets for capacity enhancement through equity investments or acquisitions, our 100% invested subsidiary, Bora Pharmaceutical Laboratories, completed an organizational restructuring in conjunction with the professional division of the group. On June 6, 2023, Bora Pharmaceutical Laboratories's board of directors resolved to purchase all shares of Bora Pharmaceuticals Ophthalmic held by TWi. This transaction will help centralize CDMO resources and leverage management synergies. On November 25, 2024, the Board of Directors of TWi Pharmaceuticals and Bora Pharmaceutical Laboratories, two subsidiaries of our company that hold 100% of its shares, approved the split and transfer of Baosheng's Zhongli plant to Bora Pharmaceutical Laboratories in accordance with the Corporate Merger and Acquisition Act, in order to further organize and reorganize the company to achieve the effect of professional division of labor.

The Company resolved by the board of directors on January 16, 2024, to acquire all shares of Upsher-Smith Laboratories, LLC. located in Minnesota, USA. Through this acquisition, the Company rapidly acquired Upsher-Smith's portfolio of 48 marketed products, including 38 owned drug licenses, 10 distributed products, and 12 pipeline products. Upsher-Smith operates two manufacturing facilities in Plymouth and Maple Grove, Minnesota, covering a total area of 92,654 and 612,396 square feet respectively. The Maple Grove facility is a newly expanded plant area with a total investment of approximately USD 130 million, estimated to have a total production capacity of 5 billion doses. The products include oral solids, powders (for oral and topical use), and liquids, with packaging lines and warehouse and logistics centers. The Company officially took over the operation of Upsher-Smith on April 1, 2024, to rapidly acquire significant production capacity advantages, directly supporting the expansion and growth of global CDMO business. Through the integration of acquired assets, we aim to provide more comprehensive contract manufacturing services to global CDMO customers and extend logistics management services to the entire US market. In order to build a more complete CDMO production technology, the board of directors of our company passed a resolution on June 20, 2024 to acquire the CDMO sterile injection plant in Baltimore, Maryland, USA

for US$30 million through its subsidiary Bora Pharmaceuticals Injectables Inc. and officially took over the operation on August 20, 2024. This newly added sterile injection plant occupies approximately 87,000 square feet and has four sterile injection production lines. It can support various technical processes and foundry services required for experimental trials and commercial mass production, such as freeze drying, glass bottle (Vials) filling, and pre-filled syringe filling, to assist customers in biopharmaceutical development and commercial product mass production.

As of the date of publication of the annual report, the Company and its subsidiaries, except for the above-mentioned acquisition of the sterile injection plant and the purchase of business equipment by its subsidiaries, are not subject to this assessment.

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

(1) Sales

The Company and its subsidiaries' major customers in the most recent fiscal year were Company C, Company D, Company A, and Company B with sales amounts accounting for 15.00%, 11.55%, 11.36%, and 9.56% of the annual revenue respectively. Company B was mainly due to the fulfillment of CDMO business, while Companies C, D, and A are major pharmaceutical distributors in the United States. In 2024, no single sales target reached more than 20% of total sales, and overall sales were relatively diversified.

(2) Purchases

The Company and its subsidiaries' largest supplier in the past year was NEMERA, accounting for 6.29% of net purchases, thus the Company's overall purchase concentration risk is limited.

(3) Response Measures

The Company adopts a dual-axis operational strategy, aiming to sustain growth in both global pharmaceutical contract manufacturing and sales. Through different operational models, we mitigate the risk of concentration on a single customer/supplier or product in our sales and purchases. Additionally, we implement other relevant measures, including the continuous development of proprietary drug licenses, proactive expansion into new product lines of health and wellness products, increasing the representation of products and sales channels, and fostering stable and positive partnerships with upstream and downstream manufacturers.

(X) Impacts and Risks Arising from Major Exchange or Transfer of Shares by Directors, Supervisors, or Shareholders with Over 10 Percent of Stake in the Company and Countermeasures

In the most recent year and as of the date of printing of the annual report, the corporate director of the Company, Eminent II VC Corp, was relieved of its position on 2019/03/11 due to the transfer of more than one-half of the amount of the Company's shares held, during its term of office. The director is a venture capital company and has its own internal plan for the use of funds. The Company's current management team and operational activities have not been affected by this, and a replacement director was elected at the shareholders' meeting on June 10, 2019, so there is no significant impact on the Company's financial and business conditions.

(XI) Impact, Risk, and Response Measures Related to Any Change in the Administrative Authority Towards the Company's Operations

For the most recent year and as of the date of the annual report, there was no change in the Company's operating team that would have resulted in a material impact on the Company.

(XII) In terms of litigation or non-litigation matters, the company and the company's directors, supervisors, president, actual responsible person, shareholders holding more than 10% of the company shares, and a subsidiary company who is involved in a major lawsuit that has either been decided or is still pending whereby the results of the case may have a significant impact to shareholder interests or market prices of securities, must be specified. The status of the disputed facts, bid amount, litigation commencement date, and the primary parties involved in such litigations up to the publication date of this annual report shall be disclosed.

1. The Company should disclose any litigation, non-litigation, or administrative disputes that have been decided or are currently pending as of the date of the annual report, and whose outcomes may have a significant impact on shareholder equity or securities prices. This disclosure should include the disputed facts, the amount involved, the date the litigation commenced, the main parties involved in the litigation, and the current status of the proceedings.

Litigation case involving Bora Pharmaceuticals Co., Ltd.

On April 23, 2018, the Company signed a supplementary agreement to the manufacturing contract with Fanoya Biotechnology Co., Ltd. (hereinafter referred to as "Fanoya") to stipulate that if the drugs produced by the Company as commissioned by Fanoya involve intellectual property rights litigation, Formosa should compensate the Company for the legal expenses incurred for this. In 2018, the Company and Ford jointly received a lawsuit from KilSci Corporation for infringement of patents. Although the three parties reached a settlement in October 2019, the Company has spent more than NTD 590,000 in legal fees for this case. After deducting the guarantee of NTD 240,000 from the amount of NTD 240,000 previously provided by Fanoya, the Company still had an insufficient amount of NTD 374,501. Fanoya failed to pay for this case, and Fanoya also defaulted the Company's OEM fee of NTD 220,000 in

October 2022. As of now, the Company has not yet paid for this case. Therefore, the Company filed a lawsuit in the Taipei District Court for the claim of the legal fees and goods for the case. The case is still pending.

Litigation case involving Bora Pharmaceuticals Ophthalmic

The lawsuit between Bora Pharmaceuticals Ophthalmic (hereinafter referred to as Jingde Company) and KGI Life Insurance Co., Ltd. (hereinafter referred to as KGI Company) (hereinafter referred to as the KGI Litigation) and the subsequent lawsuit between Bora Pharmaceuticals Ophthalmic and Yun Cheng Investment Corporation (hereinafter referred to as the Yuncheng Litigation):

(1) Dispute over the Determination of Repurchase Price of Dissenting Shares (Original Case No.: 2017 Administrative Case No. 548): In order to enhance competitiveness and operational performance, as well as to focus on developing core businesses, Bora Pharmaceuticals Ophthalmicadjusted its organizational operations by separating its real estate development and related investment businesses. As of September 28, 2017, a new company, Yuncheng Investment Co., Ltd. (hereinafter referred to as "Yuncheng Company"), was established separately. Bora Pharmaceuticals Ophthalmicfocused on the business of pharmaceutical research, production, and sales. During the aforementioned operational split, one of the shareholders, KGI Company, objected to the split and requested Bora Pharmaceuticals Ophthalmicto repurchase its shares in Bora Pharmaceuticals Ophthalmic (accounting for approximately 4.98% of the total shares of Jinde at the time, totaling 3,493,500 shares). In accordance with Article 12, Paragraph 6 of the Company Merger Act, Bora Pharmaceuticals Ophthalmicfiled a petition for price determination with the Taipei District Court on October 3, 2017 (Administrative Case No. 548 of 2017). The first-instance ruling in this case was issued by the Taipei District Court on August 6, 2020, determining that the acquisition price should be NTD 34.6 per share. Bora Pharmaceuticals Ophthalmicdisagreed with this ruling and filed an appeal on August 19, 2020 (Appeal Case No. 437 of 2020). The Taipei District Court rejected the appeal on July 30, 2021. Subsequently, Bora Pharmaceuticals Ophthalmicfiled a second appeal on August 13, 2021, and the case was transferred to the Taiwan High Court on September 3, 2023 (Non-Appeal Case No. 98 of 2021). The case was dismissed by the Taiwan High Court on February 14, 2022, and remanded to the Taipei District Court for proper handling (Non-Appeal Case No. 1 of 2022). The Taipei District Court ruled to revoke its original decision dated August 6, 2020, on December 9, 2022. Bora Pharmaceuticals Ophthalmicfiled another appeal on December 23, 2022, but it was rejected by the Taiwan High Court on July 31, 2023 (Non-Appeal Case No. 19 of 2023).

(2) Joint Payment of Repurchase Price for Dissenting Shares Case (Civil Case No. 294 of 2020): Following the above, on December 12, 2019, China Life Company applied to

the Taipei District Court for mediation in the joint payment of repurchase price for dissenting shares with Bora Pharmaceuticals Ophthalmicand the newly established Yuncheng Company. However, the parties failed to reach a settlement agreement. Therefore, on March 12, 2020, KGI Company filed a lawsuit against Bora Pharmaceuticals Ophthalmicand and Yuncheng Company in the Taipei District Court (Civil Case No. 294 of 2020) regarding the joint payment of repurchase price for dissenting shares. KGI Company claimed the repurchase price to be NTD 120,875,100 (based on NTD 34.6 per share and a total of 3,493,500 shares) plus statutory interest calculated from July 6, 2017. The Taipei District Court ruled in the first instance that Bora Pharmaceuticals Ophthalmicshould repurchase the shares from China Life Company according to the price claimed by KGI Company. Bora Pharmaceuticals Ophthalmic appealed on December 18, 2023. Since May 14, 2024, Bora Pharmaceuticals Ophthalmic, Yuncheng Company and KGI Company have agreed to conduct mediation and reached a mediation agreement on November 12, 2024, whereby Bora Pharmaceuticals Ophthalmic Company will pay KGI Company NT$130,000,000. KGI Company also acknowledges that since September 28, 2017, the base date for the split of Bora Pharmaceuticals Ophthalmic, it shall not exercise any rights with respect to the shares of Yuncheng Company and Bora Pharmaceuticals Ophthalmic after the split. The share of the joint and several liabilities between Bora Pharmaceuticals Ophthalmic and Yuncheng Company and the shares of Yuncheng Company currently registered under the name of KGI Company shall be resolved separately by Yuncheng Company and Bora Pharmaceuticals Ophthalmic.

(3) Case concerning the internal sharing of the purchase price of dissenting shares (Re-appeal No. 100, 2025): As mentioned above, Bora Pharmaceuticals Ophthalmic and the mediation record of the case of paying the purchase price of the dissenting shares in accordance with joint and several payment, in December 2024, alone paid the full purchase price of the dissenting shares to KGI Company, and then in January 2015, filed a lawsuit with the Taipei District Court of Taiwan, with Yuncheng Company as the defendant, requesting Yuncheng Company to pay the share of 108,446,000 yuan and interest from the time of exemption, and claiming that Yuncheng Company should bear joint and several liability with Bora Pharmaceuticals Ophthalmic for the debt of paying the purchase price of the dissenting shareholders' shares before the division. The case is currently under trial.

(4) Registration of share change of Yuncheng Company: As mentioned above, Bora Pharmaceuticals Ophthalmic has already paid the full amount of the purchase price of the objected shares to KGI Company in accordance with the mediation record of the joint payment of the purchase price of the objected shares. Therefore, in December 2014, it filed a lawsuit with the Taipei District Court of Taiwan, requesting Yuncheng

Company to change the shares held by KGI Company on its shareholder list to those owned by Bora Pharmaceuticals Ophthalmic. The case is still under trial.

(5) As mentioned above, although the parties to the KGI lawsuit have reached a settlement, and the Yuncheng lawsuit is still under trial .in the above cases between Bora Pharmaceuticals Ophthalmicand KGI Company, if the court determines the repurchase obligation of the dissenting shares, according to the share purchase and sale agreement between Protect Pharmaceuticals and TWi Pharmaceuticals, the selling party of the share purchase and sale agreement will pay the amount to acquire the shares held by China Life Company in Bora Pharmaceuticals Ophthalmicand Yuncheng Company. The acquired shares of Bora Pharmaceuticals Ophthalmicwill be transferred to Protect Pharmaceuticals at a price of NTD 12.69 per share, and all related expenses and liabilities, such as reasonable attorney's fees and interest incurred by TWi Pharmaceuticals or Bora Pharmaceuticals Ophthalmicin this case, will be borne by the selling party. Therefore, regardless of the outcome, it will not have a significant impact on the financial or business of the Company.

Litigation case involving TWi Pharmaceuticals and its US subsidiary

On June 14, 2024, Merck KGaA, Merck Serono SA and Ares Trading SA (collectively referred to as Merck) filed a lawsuit in the United States District Court for the District of Delaware against TWi Pharmaceuticals, Inc. and its US subsidiaries (collectively referred to as TWi Pharmaceuticals). The lawsuit alleges that TWi Pharmaceuticals filed an application with the U.S. Food and Drug Administration (FDA) seeking approval to manufacture and sell a generic version of Merck's MAVENCLAD product, infringing Merck's U.S. patents Nos. 7,713,947 and 8,377,903. On August 6, 2024, TWi Pharmaceuticals submitted a reply and filed a counterclaim, requesting the court to make a ruling of invalidity and non-infringement of the disputed patent claimed by Merck. The case is currently under trial.

Upsher-Smith Laboratories, LLC (USL) Litigation:

(1) In re Generic Pharmaceuticals Pricing Antitrust Litigation, No. 2:16-md-02724-CMR (E.D. Pa.)

In 2016, multiple plaintiffs filed civil lawsuits against USL and numerous other generic drug manufacturers and individuals, alleging that USL and the other defendants violated antitrust laws by conspiring to fix prices and allocate customers for certain generic drugs. The case is currently in the U.S. District Court for the Eastern District of Pennsylvania, and discovery is ongoing. The court decided on the next phase of bellwether trials in October 2024, one of which involved USL as a defendant. The expert witness reports for that case are scheduled to be submitted by May 2025.

The court is currently deciding on another bellwether trial.

(2) Kathryn Eaton v Teva Canada Limited, et al. (Court File No. T-607-20)

Several plaintiffs filed civil lawsuits in Canada against USL and numerous other generic drug manufacturers, alleging that the defendants violated the Competition Act by conspiring to allocate the market to manipulate the prices of generic drugs in North America, causing harm to Canadian purchasers. A class action certification hearing is expected to take place in October 2025.

(3) Connecticut v. Teva Pharmaceuticals USA, Inc. et. al., No. 3:19-cv-00710-MPS (D. Conn.)

On May 10, 2019, attorneys general from multiple states and some territories in the United States filed a civil lawsuit against USL and 34 other generic drug manufacturers and individuals in the United States District Court for the District of Connecticut, claiming that USL and other defendants violated antitrust laws by conspiring to manipulate drug prices and allocate customers. On June 4, 2019, the case was transferred to the United States District Court for the Eastern District of Pennsylvania. On April 19, 2024, the case was transferred back to the United States District Court for the State of Connecticut for continued pretrial proceedings. In November 2024, the court allowed California to bring new antitrust-related claims against all defendants (including USL), and the defendants, including USL, filed a motion with the court in December 2024 to dismiss the additional claims. The discovery of facts and evidence in this case is expected to be completed in April 2025.

(4) Tishman v. USL, et al.

In September 2021, a Wisconsin resident (hereinafter referred to as the plaintiff) filed a lawsuit in the New Jersey Supreme Court of the United States, claiming that the powdered products produced by several defendants including USL contained asbestos, causing him to develop mesothelioma after exposure. The plaintiff died in 2022, and the case is currently under trial.

(5) USL v. Xiamen

In February 2023, USL filed a patent infringement lawsuit against Xiamen LP Pharmaceutical Co., Ltd. (hereinafter referred to as Xiamen), claiming that the products in the simplified new drug application No. 215638 filed by Xiamen infringed USL's patents. USL reached a settlement with Xiamen in July 2024 and withdrew the lawsuit.

(6) USL v. AMTA Labs Limited

In January 2024, USL filed a patent infringement lawsuit against AMTA Labs Ltd. (hereinafter referred to as AMTA), claiming that the products in AMTA's Abbreviated New Drug Application No. 218695 infringed USL's patents. USL reached a settlement

with AMTA in July 2024 and withdrew the lawsuit

(7) USL v. Zydus Pharmaceuticals (USA) Inc.

Zydus Pharmaceuticals (USA) Inc. (hereinafter referred to as Zydus) is the first filing entity (filer) of the generic drug application (ANDA) for Qudexy® XR under USL. USL filed a lawsuit against Zydus pursuant to the Hatch-Waxman Act, and the two parties subsequently signed a settlement and authorization agreement to settle the lawsuit. The agreement stipulated that Zydus, as the first registrant of the generic drug in question, would enjoy a 180-day exclusive sales period. However, Zydus subsequently gave up the exclusive sales period ahead of schedule. USL claimed that Zydus's behavior violated the settlement and licensing agreement between the two parties and filed a lawsuit against Zydus. USL reached a settlement with Zydus and withdrew the lawsuit in August 2024. The aforementioned matters will not have a significant impact on the financial operations of the Company.

(8) USL v. ChRi Laboratories, Inc.

ChRi Laboratories, Inc. (hereinafter referred to as ChRi) claimed that it had signed a Statement of Work (hereinafter referred to as SOW) with USL, and that USL had not paid a sum of US$233,069 in accordance with the SOW. However, USL claimed that it had not signed the SOW with ChRi Lab and therefore had no obligation to pay the amount. ChRi filed a lawsuit against USL in the U.S. District Court for Hennepin County, Minnesota, in January 2025, claiming that USL should pay the amount. The case is currently under trial.

In summary, although the Company is involved in the above-mentioned pending lawsuits, the amounts involved in these cases do not have a significant impact on the shareholders' equity or securities prices of Protect Pharmaceuticals.

2. Directors, supervisors, general managers, actual responsible persons, major shareholders holding more than ten percent of the shares, and subsidiary companies have not been involved in any lawsuits, non-litigation disputes, or administrative litigations that have been finally adjudicated or are currently pending in the past two years or up to the date of this annual report, the outcomes of which may have a significant impact on the shareholders' equity or securities prices of the Company:None

3. Directors, supervisors, managers, and major shareholders holding more than ten percent of the shares have not been involved in any circumstances as stipulated in Article 157 of the Securities and Exchange Act in the past two years or up to the date of this annual report: None

(XIII) Other Significant Risks and Response Measures: None.

VII. Other Critical Matters: None

F. Special Notes

I. Profiles of Subsidiaries:

The Company has reported related party information on the Market Observation Post System on March 31, 2025. Please refer to details there.https://mopsov.twse.com.tw/mops/web/index

II. Private Placement of Securities in the Recent Year and up to the Date of the Annual Report:

There have been no private placements of securities conducted by the Company during the recent year and up to the date of the annual report.

III. Other necessary supplemental information:

None.

G. Matters that have a significant effect on shareholders' equity or the price of securities under Paragraph 2 of Article 36 of the Securities and Exchange Act, for the most recent year and as of the date of printing of the annual report:

Significant Events Impacting Shareholders' Equity or Securities Prices in 2023 and up to the Date of the Annual Report:

(I) The Company has long been focusing on international pharmaceutical contract development and manufacturing organization (CDMO) services. In order to strengthen and expand the company's large molecule CDMO business layout, the board of directors passed a resolution on August 27, 2014 to form a strategic alliance with Tanvex BioPharma, Inc. Tanvex BioPharma will issue new common shares to acquire Bora Biologics Co., Ltd., which is responsible for the large molecule CDMO business of Bora Biologics, and will exchange 1 Tanvex BioPharma common share for every 1 Bora Biologics common share as consideration. The resolution will be submitted to the extraordinary shareholders' meeting of Tanvex BioPharma and Bora Biologics to be held on the same day. Through this resource integration, Bioray will become Taiwan's first large molecule CDMO company with the ability to provide a complete one-stop service from the earliest cell line screening, process development, analytical methods to new biologics development, extending to drug production and final finished product filling. This transaction is a merger of both parties in accordance with the Corporate Merger and Acquisition Act. The subsidiary Bora Biologics will be the eliminated company and Taifu will be the surviving company. From the merger base date, the shares of Bora Biologics directly held by the Company will be converted into Tanvex BioPharma shares. The exchange ratio will be determined based on the third-party external appraisal report and the accountant's reasonableness opinion, and will be submitted to the board of directors for approval. All procedures and exchange ratios will be handled in accordance with relevant laws and regulations.

(II) In order to expand the product channels of Pyros Global Sales in the U.S. market and reduce the revenue mix that was originally too concentrated on generic drugs, the Company’s Board of Directors approved on October 25, 2014 that Bora Pharmaceutical Holdings, Inc., a subsidiary of the Company, would acquire the entire equity of Pyros Pharmaceuticals Inc., a rare disease drug development company located in New Jersey, U.S., for US$27.25 million, further consolidate the Company's key position in the pediatric rare disease drug market. It will also help transform brand channels with patent protection advantages and lay the foundation for the long-term competitive niche of the global sales business. The aforementioned assets acquired this time are mainly for the company's use, and the acquisition procedure will be handled in accordance with the "Guidelines for the Acquisition or Disposal of Assets by Public Companies".

Bora Pharmaceuticals Co., Ltd.

Person in charge: Sheng Pao-Shi