

APEX Biotechnology Corp.

2025 Annual Meeting of Shareholders Minutes (Translation)

Meeting Time : 9:00 a.m. on May 23, 2025

Meeting Place : No. 7, Li-Hsin 5th Rd., Hsinchu Science Park, Hsinchu, Taiwan, ROC

Convening Method : Entity Meeting of Shareholders

Attending shareholders and proxy represented 61,320,345 shares (including 5,567,400 shares which attended through electronic voting) accounting for 61.35% of 99,950,192 shares, the Company's total outstanding shares.

Directors Present

Thomas Shen (Chairman)

Mark Yang (Director)

Sanyang Motor Co., Ltd. (Representative: R.H.Tian)

Yung-Luh, Tsaih (Independent Director & Member of the Remuneration Committee),

Chen I, Wu (Independent Director & Chairman of the Audit Committee)

Chairman: Thomas Shen

Recorder: Sharon Kang

1. Call the Meeting to Order:

The aggregate shareholding of the shareholders present constituted a quorum.

The Chairman called the meeting to order.

2. Chairperson Remarks: Omitted.

3. Report Items

(1) Business report of 2024 (see Attachment)

(2) The Audit Committee's review report of 2024 (see Attachment)

(3) Report 2024 employees' profit-sharing bonus and directors' compensation

Explanation:

I. According to Paragraph 1, Article 27 of the Article of Incorporation of the

Company, no less than 3% (for the employees) and no more than 1% (for the directors) of the profit before tax, before deduction of employee and director remuneration, shall be allocated for remuneration. However, given the situation that the Company still has accumulated losses shall be reserved first.

- II. The Company distribute the 2024 employees' profit-sharing bonus of 7% at an amount of NT\$11,649,614 and 1% at an amount of NT\$1,664,230 to Directors in cash.

(4) Report the distribution of 2024 profits

Explanation:

- I. The net income of the Company in 2024 is NT\$127,997,615. After adding the remeasurement of defined benefit plans of NT\$ 7,130,595, deducting setting aside the legal reserve of 10% at an amount of NT\$13,512,821, and adding unappropriated retained earnings as of the beginning of NT\$80,834,386, the total amount of earnings available for distribution is NT\$202,449,775. It is proposed that NT\$119,940,231 be distributed as cash dividends, and cash dividends at NT\$1.2 per share on common shares. After the proposed distribution, the unappropriated earnings at the end is NT\$82,509,544.
- II. The cash dividends shall be calculated based on the portion of distribution. The amounts shall be rounded down zero decimal places. The total of fractional amounts less than one NTD shall be distributed in descending order of the original portion and in ascending order of the shareholder account numbers, until the total distributed amount meets the cash dividends amount.
- III. Where the subsequent changes in the Company's share capital affect the number of shares outstanding and thus a change in the shareholders' cash dividend portions occurs, the Chairman of the Board shall handle the revision with sole discretion with the authorization granted in the General Shareholders' Meeting.

4. Proposal Items

Proposal I: Adoption of the 2024 Business Report and Financial Statements
(Proposed by the Board)

Explanation:

- (1) The 2024 Business Report, Individual Financial Statements and Consolidated Financial statements were prepared by the board of directors. The Individual Financial Statements and Consolidated Financial statements were audited by independent auditors, Ya Yun Chang and Yu Feng Huang of Deloitte Touche Tohmatsu Limited. Also, Business Report have been approved by the Board and

examined by the Audit Committee.
(2) For the 2024 Business Report, Independent auditors' audit report, and the Financial Statements, please refer to attachment.

Resolution: The result is as follows:

Shares represented at the time of voting: 61,320,345

Affirmative votes: 58,529,994 (including electronic voting 2,777,049) 95.44% of the total represented share present.

Dissenting votes: 10,817 (including electronic voting 10,817) 0.01% of the total represented share present.

Abstaining votes: 2,779,534 (including electronic voting 2,779,534) 4.53% of the total represented share present.

It was resolved that the above proposal be approved as proposed.

Proposal II: Adoption of the proposal for distribution of 2024 profits
(Proposed by the Board)

Explanation:

(1) Please refer to attachment for the Profit Distribution Proposal of 2024.

Resolution: The result is as follows:

Shares represented at the time of voting: 61,320,345

Affirmative votes: 58,575,987 (including electronic voting 2,823,042) 95.52% of the total represented share present.

Dissenting votes: 12,829 (including electronic voting 12,829) 0.02% of the total represented share present.

Abstaining votes: 2,731,529 (including electronic voting 2,731,529) 4.45% of the total represented share present.

It was resolved that the above proposal be approved as proposed.

5. Discussion Items

Proposal I : Amendments to the ‘Articles of Incorporation’
(Proposed by the Board)

Explanation:

(1) In accordance with the provisions of No.1130385442 of the Financial Regulatory

Commission, the Article 27-1 of the ‘‘Articles of Incorporation’’ is revised.
(2) Please refer to attachment.

Resolution: The result is as follows:

Shares represented at the time of voting: 61,320,345

Affirmative votes: 58,569,906 (including electronic voting 2,816,961) 95.51% of
the total represented share present.

Dissenting votes: 11,117 (including electronic voting 11,117) 0.01% of the total
represented share present.

Abstaining votes: 2,739,322 (including electronic voting 2,739,322) 4.46% of the total
represented share present.

It was resolved that the above proposal be approved as proposed.

6. Extempore Motions: None.

7. Meeting Adjournment: 09:15 a.m. of the same day

(There are no questions from shareholders at this shareholders’ meeting.)

Appendices

Business Report

1. 2024 Business Results:

(In Thousands of New Taiwan Dollars)

Annualized	FY2024	FY2023	Increase/Decrease	%
Operating Revenue	1,852,211	1,676,537	175,674	10.48%
Gross Profit	521,342	531,116	-9,774	-1.84%
Operating expenses	392,878	389,400	3,478	0.89%
Net Operating Income	128,464	141,716	-13,252	-9.35%
Net Income After Tax	128,104	115,714	12,390	10.71%

The Company's operating revenue in 2024 was NT\$1,852,211 thousand, compared with NT\$1,676,537 thousand in 2023, an increase of 10.48%. The net profit after tax in 2024 was NT\$128,104 thousand, an increase of NT\$12,390 thousand from the net profit after tax of NT\$115,714 thousand in 2023.

In 2024, the Company posted a 10.48% growth in revenue, mainly due to the easing of customer inventory pressure and the gradual return to normal shipment levels. However, the gross profit margin declined compared to the previous year, mainly because of a less favorable product mix and the higher recognition of project income and foreign exchange subsidies in 2023.

2. Research and Development Status

(1) Ratios of R&D expense to net operating revenue in the past three years.

(In Thousands of New Taiwan Dollars)

Year	2024	2023	2022
R&D Expense	161,519	163,325	165,448
Ratios of R&D expense to net operating revenue (%)	8.72	9.74	7.37

(2) New Product Developments :

- A. All-in-one Multi-Function Remote Transmission Instrument Set
- B. Multifunctional Blood Lipid Testing Kit
- C. Continuous Blood Glucose Monitoring Kit for Home Use
- D. Rapid Screening Test Reagents (RSV, Dengue Fever, Drug Testing)
- E. Inflammation Index Test Kit
- F. Liver Function Test Kit
- G. Creatine Liver and Kidney Function Test Kit

3. Future Development Strategies

(1) Short Term Enhancement Plan

The Company will continue to strengthen customer satisfaction and uphold its core value of quality first, further deepening partnership with existing customers, and adjusting the existing product and service portfolio. By improving operational efficiency, increasing capacity utilization, and striving for a reasonable level of profitability, we hope to achieve short-term business development goals.

(2) Mid- to Long-Term Strengthening Plan

In view of future developments, the Company has outlined the following strategic plans:

- (A) Marketing strategies such as continuing to strengthen the core capabilities in professional design and technical services, maintaining high product quality, and providing comprehensive after-sales service, etc.
- (B) Optimize the manufacturing chain by enhancing automation and gradually introducing smart digital manufacturing to improve efficiency and reduce costs.
- (C) Cultivate outstanding R&D talents and strengthen research and development capabilities to launch innovative, high value-added products and technical services.
- (D) Promote green R&D and technological innovation, increase R&D investment in green technologies and sustainable development, and integrate environmental standards into the product design and manufacturing processes, in line with global trends in energy conservation and emission reduction.
- (E) The Company will actively fulfill its corporate responsibilities, strengthen corporate governance, enhance the core technical competitiveness of its products, and build a sustainable supply chain. It will also deepen trust with customers and strengthen partnerships, growing together and continuously enhancing shareholder value.

The Company will actively strengthen its competitiveness and enhance both revenue and profitability. We sincerely thank all shareholders for their continued support and trust.

Best Regards

Chairman: Thomas Shen

President: Thomas Shen

Accounting Supervisor: James Chu

Audit Committee's Review Report

The Board of Directors has prepared the Company's Business Report, Financial Statements, and Earnings Distribution Proposal for the year of 2024. Ya Yun Chang and Yu Feng Huang, Certified Public Accountants of Deloitte & Touche, have audited the Financial Statements. The 2024 Business Report, Financial Statements and Earnings Distribution Proposal have been reviewed and determined to be correct and accurate by the Audit Committee of APEX Biotechnology Corp. Therefore, this report is duly submitted in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

APEX Biotechnology Corp.

Chairman of the Audit Committee:

Chen I, Wu

Date: February. 25, 2025

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Apex Biotechnology Corporation

Opinion

We have audited the accompanying parent company only financial statements of Apex Biotechnology Corporation (the "Company") which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including material accounting policy information.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the accompanying parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in

our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2024 is stated as follows:

Revenue Recognition

For the year ended December 31, 2024, the net operating revenue was NT\$1,692,905 thousand, refer to notes 4 and 22 to the parent company only financial statements for the details of accounting policies and the related information about the recognition of revenue. Revenue is recognized as presumed risk based on Auditing Standards. Because the Company's customers were relatively stable, for customers whose transaction amount and gross margin change over the two years are obviously abnormal, recognition of their revenue was identified as a key audit matter.

We have performed the major audit procedures as follows:

1. Understand and examine the key internal control design of the sales revenue procedures and its execution effectiveness.
2. Examine sales revenue transactions. Extract samples from the bookkeeping records concerning the receipt and payment collection to ensure the correctness of sales revenue recognition for auditing purpose.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

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

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are

based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Ya Yun Chang and Yu Feng Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 25, 2025

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

APEX BIOTECHNOLOGY CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

ASSETS	Note	December 31, 2024		December 31, 2023		LIABILITIES AND EQUITY	Note	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets						Current liabilities					
Cash	4,6	\$ 494,829	21	\$ 351,190	15	Short-term loans	16	\$ -	-	\$ 30,000	2
Financial assets at fair value through profit or loss-current	4,7	66,099	3	61,868	3	Contract liabilities-current	4,22	54,371	2	6,595	-
Notes and accounts receivable, net	4,9,22	320,746	13	260,399	11	Notes payable	17	43,207	2	27,435	1
Notes and accounts receivable from related parties, net	4,29	35,676	1	46,115	2	Accounts payable	17,29	181,298	8	120,034	5
Other receivables	9	8,044	-	5,684	-	Other payables	18	119,686	5	113,266	5
Other receivables from related parties	29	40,763	2	41,443	2	Current tax liabilities	4,24	24,436	1	46,237	2
Inventories	4,5,10	608,685	26	695,446	31	Current provisions	19	12,125	-	10,099	1
Current prepayments for investments		6,000	-	-	-	Lease liabilities-current	4,13	4,446	-	3,391	-
Other current assets	15	19,397	1	19,627	1	Other current liabilities	18	2,985	-	3,158	-
Total current assets		<u>1,600,239</u>	<u>67</u>	<u>1,481,772</u>	<u>65</u>	Total current liabilities		<u>442,554</u>	<u>18</u>	<u>360,215</u>	<u>16</u>
Non-current assets						Non-current liabilities					
Financial assets at amortized cost-noncurrent	4,8,30	6,200	-	6,200	-	Deferred tax liabilities	4,24	3,492	-	3	-
Investments accounted for using equity method	4,5,11	33,279	2	29,550	1	Lease liabilities-noncurrent	4,13	110,360	5	109,690	5
Property, plant and equipment	4,12	580,390	24	603,288	27	Guarantee deposits received		-	-	27	-
Right-of-use assets	4,13	106,725	-	106,170	-	Total non-current liabilities		<u>113,852</u>	<u>5</u>	<u>109,720</u>	<u>5</u>
Intangible assets	4,14	19,000	1	21,072	1	Total liabilities		<u>556,406</u>	<u>23</u>	<u>469,935</u>	<u>21</u>
Deferred tax assets	4,24	9,241	-	4,239	-						
Prepayments for business facilities		6,798	-	2,410	-	Equity	4,21				
Refundable deposits		3,056	-	3,092	-	Share capital		<u>999,502</u>	<u>42</u>	<u>999,502</u>	<u>44</u>
Net defined benefit asset, non-current	4,20	15,075	1	8,576	1	Capital surplus		<u>68,368</u>	<u>3</u>	<u>68,368</u>	<u>3</u>
Total non-current assets		<u>779,764</u>	<u>33</u>	<u>784,597</u>	<u>35</u>	Retained earnings					
						Legal reserve		528,094	22	516,208	23
						Unappropriated retained earnings		<u>215,963</u>	<u>9</u>	<u>202,665</u>	<u>9</u>
						Total retained earnings		<u>744,057</u>	<u>31</u>	<u>718,873</u>	<u>32</u>
						Other equity		<u>11,670</u>	<u>1</u>	<u>9,691</u>	<u>-</u>
						Total equity		<u>1,823,597</u>	<u>77</u>	<u>1,796,434</u>	<u>79</u>
Total assets		<u>\$ 2,380,003</u>	<u>100</u>	<u>\$ 2,266,369</u>	<u>100</u>	Total liabilities and equity		<u>\$ 2,380,003</u>	<u>100</u>	<u>\$ 2,266,369</u>	<u>100</u>

The accompanying notes are an integral part of the parent company only financial statements.

APEX BIOTECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	Note	2024		2023	
		Amount	%	Amount	%
NET OPERATING REVENUE	4,22,29	\$ 1,692,905	100	\$ 1,541,261	100
OPERATING COSTS	4,10,23,29	1,264,016	75	1,102,025	71
GROSS PROFIT		428,889	25	439,236	29
(UNREALIZED) REALIZED PROFIT FROM SALES	4	(1,312)	-	2,740	-
REALIZED GROSS PROFIT		427,577	25	441,976	29
OPERATING EXPENSES	9,23,29				
Selling and marketing expenses		55,243	3	56,738	4
General and administrative expenses		86,441	5	84,472	5
Research and development expenses		161,519	10	163,325	11
Expected credit loss		172	-	-	-
Total operating expenses		303,375	18	304,535	20
INCOME FROM OPERATIONS		124,202	7	137,441	9
NON-OPERATING INCOME AND EXPENSES					
Interest income	23,29	3,883	-	3,709	-
Other income	4,23,26	3,761	-	4,139	-
Other gains and losses	4,23	21,723	2	14,928	1
Finance costs	23	(3,521)	-	(4,190)	-
Share of profit (loss) of subsidiaries accounted for using equity method	4,5,11	3,062	-	(15,296)	(1)
Total non-operating income and expenses		28,908	2	3,290	-
INCOME BEFORE INCOME TAX		153,110	9	140,731	9
INCOME TAX EXPENSE	4,24	25,112	1	24,948	1

(Continued)

APEX BIOTECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	Note	2024		2023	
		Amount	%	Amount	%
NET INCOME		\$ 127,998	8	\$ 115,783	8
OTHER COMPREHENSIVE INCOME	4,20,21				
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit plans		7,131	-	3	-
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of the financial statements of foreign operations		1,979	-	184	-
Other comprehensive income for the year, net of income tax		9,110	-	3,257	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		\$ 137,108	8	\$ 119,040	8
EARNINGS PER SHARE	25				
Basic		\$ 1.28		\$ 1.16	
Diluted		\$ 1.27		\$ 1.15	

The accompanying notes are an integral part of the parent company only financial statements.

(Concluded)

APEX BIOTECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

	<u>Share Capital</u>		<u>Capital Surplus</u>	<u>Retained Earnings</u>		<u>Other Equity</u>	<u>Total Equity</u>
	<u>Shares (In Thousands)</u>	<u>Amount</u>		<u>Legal Reserve</u>	<u>Unappropriated Earnings</u>	<u>Exchange Differences on Translation of Foreign Operations</u>	
BALANCE AT JANUARY 1, 2023	99,950	\$ 999,502	\$ 68,368	\$ 497,454	\$ 242,493	\$ 9,507	\$ 1,817,324
Appropriation of 2022 earnings							
Legal reserve	-	-	-	18,754	(18,754)	-	-
Cash dividends – \$1.4 per share	-	-	-	-	(139,930)	-	(139,930)
Net income in 2023	-	-	-	-	115,783	-	115,783
Other comprehensive income (loss) in 2023, net of Income tax	-	-	-	-	3,073	184	3,257
Total comprehensive income (loss) in 2023	-	-	-	-	118,856	184	119,040
BALANCE AT DECEMBER 31, 2023	99,950	999,502	68,368	516,208	202,665	9,691	1,796,434
Appropriation of 2023 earnings							
Legal reserve	-	-	-	11,886	(11,886)	-	-
Cash dividends – \$1.1 per share	-	-	-	-	(109,945)	-	(109,945)
Net income in 2024	-	-	-	-	127,998	-	127,998
Other comprehensive income (loss) in 2024, net of Income tax	-	-	-	-	7,131	1,979	9,110
Total comprehensive income (loss) in 2024	-	-	-	-	135,129	1,979	137,108
BALANCE AT DECEMBER 31, 2024	<u>99,950</u>	<u>\$ 999,502</u>	<u>\$ 68,368</u>	<u>\$ 528,094</u>	<u>\$ 215,963</u>	<u>\$ 11,670</u>	<u>\$ 1,823,597</u>

The accompanying notes are an integral part of the parent company only financial statements.

APEX BIOTECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 153,110	\$ 140,731
Adjustments for:		
Depreciation expense	52,567	60,638
Amortization expense	3,462	3,681
Expected credit loss	172	-
Net (gain) loss on financial assets at fair value through profit or loss	(4,231)	3,961
Finance costs	3,521	4,190
Interest income	(3,883)	(3,709)
Dividend income	(2,279)	(1,421)
Share of (gain) loss of subsidiaries accounted for using equity method	(3,062)	15,296
Property, plant and equipment transferred to expenses	716	223
Impairment loss on non-financial assets	16,860	9,500
Unrealized (realized) loss from sales	1,312	(2,740)
Unrealized foreign exchange gain	(11,122)	(3,627)
Changes in operating assets and liabilities		
Notes receivable and accounts receivable	(60,830)	198,279
Notes receivable and accounts receivable from related parties	12,995	(24,169)
Other receivables	(2,360)	4,348
Other receivables from related parties	4,477	1,024
Inventories	69,901	(13,916)
Other current assets	230	(434)
Contract liabilities	47,776	(21,328)
Notes payable	15,772	(35,790)
Accounts payable	62,185	(87,047)
Other payables	5,327	(15,875)
Provisions	2,026	(802)
Other current liabilities	(173)	133
Net defined benefit assets	632	654

(Continued)

APEX BIOTECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	<u>2024</u>	<u>2023</u>
Cash generated from operations	\$ 365,101	\$ 231,800
Interest received	2,462	2,213
Dividend received	2,279	1,421
Interest paid	(3,527)	(4,228)
Income taxes paid	(48,426)	(18,895)
Net cash generated from operating activities	<u>317,889</u>	<u>212,311</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in prepayments for investments	(6,000)	-
Acquisition of property, plant and equipment	(23,788)	(21,886)
Decrease (Increase) in refundable deposits	36	(24)
Acquisition of intangible assets	(1,390)	(3,065)
Decrease (Increase) in prepayments for business facilities	(4,388)	2,507
Net cash used in investing activities	<u>(35,530)</u>	<u>(22,468)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	15,000	250,000
Decrease in short-term loans	(45,000)	(270,000)
Decrease in guarantee deposits received	(27)	-
Payments of lease liabilities	(4,331)	(4,194)
Cash dividends paid	(109,945)	(139,930)
Net cash used in financing activities	<u>(144,303)</u>	<u>(164,124)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH	<u>5,583</u>	<u>11,280</u>
NET INCREASE IN CASH	143,639	36,999
CASH, BEGINNING OF YEAR	<u>351,190</u>	<u>314,191</u>
CASH, END OF YEAR	<u>\$ 494,829</u>	<u>\$ 351,190</u>

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the combined financial statements of Apex Biotechnology Corporation as of and for the year ended December 31, 2024, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, “Consolidated Financial Statements”. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Apex Biotechnology Corporation and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

APEX BIOTECHNOLOGY CORPORATION

By

Yen Shih Shen
Chairman

February 25, 2025

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Apex Biotechnology Corporation

Opinion

We have audited the accompanying consolidated financial statements of Apex Biotechnology Corporation and its subsidiaries (the “Company”), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's consolidated financial statements for the year ended December 31, 2024 is stated as follows:

Revenue Recognition

For the year ended December 31, 2024, the net operating revenue was NT\$1,852,211 thousand, refer to notes 4 and 22 to the consolidated financial statements for the details of accounting policies and the related information about the recognition of revenue. Revenue is recognized as presumed risk based on Auditing Standards. Because the Company's customers were relatively stable, for customers whose transaction amount and gross margin change over the two years are obviously abnormal, recognition of their revenue was identified as a key audit matter.

We have performed the major audit procedures as follows:

1. Understand and examine the key internal control design of the sales revenue procedures and its execution effectiveness.
2. Examine sales revenue transactions. Extract samples from the bookkeeping records concerning the receipt and payment collection to ensure the correctness of sales revenue recognition for auditing purpose.

Other Matter

We have also audited the parent company only financial statements of Apex Biotechnology Corporation as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is

necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Ya Yun Chang and Yu Feng Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 25, 2025

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

ASSETS	Note	December 31, 2024		December 31, 2023		LIABILITIES AND EQUITY	Note	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%		
Current assets						Current liabilities					
Cash	4,6	\$ 532,685	22	\$ 382,046	17	Short-term loans	16	\$ -	-	\$ 30,000	1
Financial assets at fair value through profit or loss - current	4,7	66,099	3	61,868	3	Contract liabilities-current	4,22	58,278	2	6,595	-
Notes and accounts receivable, net	4,9,22,29	346,636	14	288,390	13	Notes payable	17	43,207	2	27,435	1
Other receivables	9	8,080	-	5,717	-	Accounts payable	17,29	195,820	8	128,782	6
Inventories	4,5,10	662,491	28	747,714	32	Other payables	18	131,603	6	123,721	6
Current prepayments for investments		6,000	-	-	-	Current tax liabilities	4,24	24,517	1	46,237	2
Other current assets	15	21,070	1	20,906	1	Current provisions	19	12,125	1	10,099	1
Total current assets		<u>1,643,061</u>	<u>68</u>	<u>1,506,641</u>	<u>66</u>	Lease liabilities-current	4,13	9,026	-	7,200	-
						Other current liabilities	18	3,199	-	3,285	-
						Total current liabilities		<u>477,775</u>	<u>20</u>	<u>383,354</u>	<u>17</u>
Non-current assets						Non-current liabilities					
Financial assets at amortized cost - non-current	4,8,30	6,200		6,200		Deferred tax liabilities	4,24	3,535	-	43	-
Property, plant and equipment	4,12	581,184	24	604,355	26	Lease liabilities - non-current	4,13	113,929	5	116,196	5
Right-of-use assets	4,13	114,624		116,234		Guarantee deposits received		465	-	477	-
Intangible assets	4,5,14	39,596		44,219		Total non-current liabilities		<u>117,929</u>	<u>5</u>	<u>116,716</u>	<u>5</u>
Deferred tax assets	4,24	9,241		4,239							
Prepayments for business facilities		6,798		2,410		Total liabilities		<u>595,704</u>	<u>25</u>	<u>500,070</u>	<u>22</u>
Refundable deposits		4,156		4,130							
Net defined benefit asset, non-current	4,20	15,075	1	8,576	1	Equity attributable to shareholders of the parent	4,21				
Total non-current assets		<u>776,874</u>	<u>32</u>	<u>790,363</u>	<u>34</u>	Share capital		999,502	41	999,502	44
						Capital surplus		68,368	3	68,368	3
						Retained earnings					
						Legal reserve		528,094	22	516,208	22
						Unappropriated earnings		215,963	9	202,665	9
						Total retained earnings		<u>744,057</u>	<u>31</u>	<u>718,873</u>	<u>31</u>
						Other equity		11,670	-	9,691	-
						Equity attributable to shareholders of the parent		1,823,59	75	1,796,434	78
						Non-controlling interests	21	634	-	500	-
						Total equity		<u>1,824,231</u>	<u>75</u>	<u>1,796,934</u>	<u>78</u>
Total assets		<u>\$ 2,419,935</u>	<u>100</u>	<u>\$ 2,297,004</u>	<u>100</u>	Total liabilities and equity		<u>\$ 2,419,935</u>	<u>100</u>	<u>\$ 2,297,004</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	Note	2024		2023	
		Amount	%	Amount	%
NET OPERATING REVENUE	4,22,29	\$ 1,852,211	100	\$ 1,676,537	100
OPERATING COSTS	4,10,23,29	1,330,869	72	1,145,421	69
GROSS PROFIT		521,342	28	531,116	31
OPERATING EXPENSES	9,23,29				
Selling and marketing expenses		106,343	6	104,269	6
General and administrative expenses		124,971	7	119,989	7
Research and development expenses		161,519	8	163,325	10
Expected credit loss		45	-	1,817	-
Total operating expenses		392,878	21	389,400	23
INCOME FROM OPERATIONS		128,464	7	141,716	8
NON-OPERATING INCOME AND EXPENSES					
Interest income	23	2,064	-	1,782	-
Other income	4,23,26	4,114	-	4,383	-
Other gains and losses	4,5,23	22,127	1	(2,531)	-
Finance costs	23	(3,642)	-	(4,388)	-
Total non-operating income and expenses		24,663	1	(754)	-
INCOME BEFORE INCOME TAX		153,127	8	140,962	
INCOME TAX EXPENSE	4,24	25,023	1	25,248	1
NET INCOME		128,104	7	115,714	7

(Continued)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	Note	2024		2023	
		Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME	4,20,21				
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit plans		\$ 7,131	-	\$ 3,073	-
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of the financial statements of foreign operations		2,007	-	184	-
Other comprehensive income for the year, net of income tax		9,138	-	3,257	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>\$ 137,242</u>	<u>7</u>	<u>\$ 118,971</u>	<u>7</u>
NET INCOME ATTRIBUTABLE TO :					
Shareholders of the parent		\$ 127,998	7	\$ 115,783	7
Non-controlling interests		106	-	(69)	-
		<u>\$ 128,104</u>	<u>7</u>	<u>\$ 115,714</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :					
Shareholders of the parent		\$ 137,108	7	\$ 119,040	7
Non-controlling interests		134	-	(69)	-
		<u>\$ 137,242</u>	<u>7</u>	<u>\$ 118,971</u>	<u>7</u>
EARNINGS PER SHARE	25				
Basic		<u>\$ 1.28</u>		<u>\$ 1.16</u>	
Diluted		<u>\$ 1.27</u>		<u>\$ 1.15</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

	Equity Attributable to Shareholders of the Parent						Other Equity Exchange Differences on Translation of Foreign Operations	Total	Non-controlling Interests	Total Equity
	Share Capital		Capital Surplus	Retained Earnings		Unappropriated Earnings				
	(In Thousands) Shares	Amount		Legal Reserve						
BALANCE AT JANUARY 1, 2023	99,950	\$ 999,502	\$ 68,368	\$ 497,454	\$ 242,493	\$ 9,507	\$ 1,817,324	\$ 569	\$ 1,817,893	
Appropriation of 2022 earnings										
Legal reserve	-	-	-	18,754	(18,754)	-	-	-	-	
Cash dividends -\$1.4 per share	-	-	-	-	(139,930)	-	(139,930)	-	(139,930)	
Net income (loss) in 2023	-	-	-	-	115,783	-	115,783	(69)	115,714	
Other comprehensive income (loss) in 2023, net of Income tax	-	-	-	-	3,073	184	3,257	-	3,257	
Total comprehensive income (loss) in 2023	-	-	-	-	118,856	184	119,040	(69)	118,971	
BALANCE AT DECEMBER 31, 2023	99,950	999,502	68,368	516,208	202,665	9,691	1,796,434	500	1,796,934	
Appropriation of 2023 earnings										
Legal reserve	-	-	-	11,886	(11,886)	-	-	-	-	
Cash dividends -\$1.1 per share	-	-	-	-	(109,945)	-	(109,945)	-	(109,945)	
Net income in 2024	-	-	-	-	127,998	-	127,998	106	128,104	
Other comprehensive income (loss) in 2024, net of Income tax	-	-	-	-	7,131	1,979	9,110	28	9,138	
Total comprehensive income (loss) in 2024	-	-	-	-	135,129	1,979	137,108	134	137,242	
BALANCE AT DECEMBER 31, 2024	99,950	\$ 999,502	\$ 68,368	\$ 528,094	\$ 215,963	\$ 11,670	\$ 1,823,597	\$ 634	\$ 1,824,231	

The accompanying notes are an integral part of the consolidated financial statements.

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 153,127	\$ 140,962
Adjustments for:		
Depreciation expense	57,314	65,153
Amortization expense	7,496	10,557
Expected credit loss	45	1,817
Net (gain) loss on financial assets at fair value through profit or loss	(4,231)	3,961
Finance costs	3,642	4,388
Interest income	(2,064)	(1,782)
Dividend income	(2,279)	(1,421)
Property, plant and equipment transferred to expenses	716	223
Impairment loss on non-financial assets	17,612	9,500
Impairment loss on intangible assets	-	17,778
Unrealized foreign exchange gain	(6,273)	(5,192)
Changes in operating assets and liabilities		
Notes receivable and accounts receivable	(58,602)	188,867
Other receivables	(2,363)	4,369
Inventories	67,611	(17,962)
Other current assets	(164)	(100)
Contract liabilities	51,683	(22,448)
Notes payable	15,772	(35,790)
Accounts payable	67,959	(96,221)
Other payables	6,821	(16,330)
Provisions	2,026	(802)
Other current liabilities	(86)	259
Net defined benefit assets	632	654
Cash generated from operations	<u>376,394</u>	<u>250,440</u>
Interest received	2,064	1,813

(Continued)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	<u>2024</u>	<u>2023</u>
Dividend received	\$ 2,279	\$ 1,421
Interest paid	(3,642)	(4,388)
Income taxes paid	(48,426)	(18,895)
Net cash generated from operating activities	<u>328,669</u>	<u>230,391</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in prepayments for investments	(6,000)	-
Acquisition of property, plant and equipment	(23,856)	(21,914)
Decrease (Increase) in refundable deposits	36	(25)
Acquisition of intangible assets	(1,390)	(3,065)
Decrease (Increase) in prepayments for business facilities	(4,388)	2,507
Net cash used in investing activities	<u>(35,598)</u>	<u>(22,497)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	29,450	281,155
Decrease in short-term loans	(59,450)	(301,155)
Decrease in guarantee deposits received	(27)	(16)
Payments of lease liabilities	(8,697)	(8,195)
Cash dividends paid	(109,945)	(139,930)
Net cash used in financing activities	<u>(148,669)</u>	<u>(168,141)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH	<u>6,237</u>	<u>10,588</u>
NET INCREASE IN CASH	150,639	50,341
CASH, BEGINNING OF YEAR	<u>382,046</u>	<u>331,705</u>
CASH, END OF YEAR	<u>\$ 532,685</u>	<u>\$ 382,046</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

APEX Biotechnology Corp.
2024 Profit Distribution Proposal

(New Taiwan Dollars)

Beginning Balance of retained earnings	80,834,386
Add: 2024 Net profit after tax	127,997,615
Recognition of remeasurement of defined benefit plans	7,130,595
-Less: 10% Legal Reserve	(13,512,821)
2024 Unappropriated retained earnings	202,449,775
-Less: Distributable items:	
Cash Dividends to shareholders (NT\$1.2 per share)	(119,940,231)
Ending Balance of Undistribution Earning	82,509,544

Note 1. Priority distribution of year 2024.

Note 2. The Total dividend distribution to shareholders is calculated based on the 99,950,192 outstanding shares on January. 31th, 2025.

Apex Biotechnology Corporation

Comparison table for the amendments of the “Articles of Incorporation”

Original Article	Amended Article	Reason for Amendment
<p>Article 27-1 The company deducts employee remuneration and directors' The net profit before tax of the current period before remuneration shall be Less than 3% for employee remuneration and no more than 1% Remuneration for directors. However, the company still has accumulated losses When making an advance payment, a compensation amount should be reserved. The employee compensation referred to in the preceding paragraph may be in the form of stocks or cash, and the recipients thereof may include employees of affiliated companies who meet the conditions set by the board of directors. The director's remuneration referred to in the preceding paragraph shall only be paid in cash. The first two items shall be implemented by resolution of the board of directors and reported to the shareholders' meeting.</p>	<p>Article <u>27-1</u> The company deducts employee remuneration and directors' The net profit before tax of the current period before remuneration shall be Less than 3% for employee remuneration and no more than 1% Remuneration for directors. However, the company still has accumulated losses When making an advance payment, a compensation amount should be reserved. <u>The employee remuneration ratio in the preceding paragraph shall be not less than 50% of the remuneration is distributed to grassroots employees.</u> Employee compensation may be in the form of stock or cash, and may be paid to employees of affiliated companies who meet the conditions set by the board of directors. Directors' remuneration may be paid in cash only. <u>The distribution of employee remuneration and directors' remuneration shall be decided by the board of directors and reported to the shareholders' meeting.</u></p>	
<p>Article 31 These Articles of Association were adopted on November 14, 1997 The first amendment on April 28, 1998 (slightly) 23rd amendment on May 27,2022.</p>	<p>Article 31 Article 31 These Articles of Association were adopted on November 14, 1997 The first amendment on April 28, 1998 (slightly) 23rd amendment on May 27,2022. <u>24rd amendment on May 23,2025.</u></p>	