Stock Code: 6872

NaviFUS Corp.

2024 Annual Report

Notice to readers

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

Taiwan Stock Exchange Market Observation Post System: http://newmops.twse.com.tw
NaviFUS Annual Report is available at: https://navifus.com
Printed on April 30, 2025

I. Spokesperson, Deputy Spokesperson's Name, Title, Contact Telephone Number and Email Address

	Spokesperson	Deputy Spokesperson
Name	Ting-Kuang Chang	Chang-Hsin Chen
Title	Senior Assistant General Manager of Management Department	Assistant General Manager of Finance Department
Contact number	+886 2-2586-0560	+886 2-2586-0560
Email address	tkchang@navifus.com	jameschen@navifus.com

II. Address and telephone number of Headquarters, branches, and factories

1. Headquarters
   Address: 16F, No. 508, Sec. 7, Zhongxiao E. Rd., Nangang Dist., Taipei City
   TEL: +886 2-2586-0560
2. Branch: None
3. Factory: 16F-1, No. 508, Sec. 7, Zhongxiao E. Rd., Nangang Dist., Taipei City

III. Name and Address of Stock Transfer Agent, Website and Telephone
Name: Capital Securities Corporation Stock Transfer Agency Department
Address: B2, No. 97, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City
TEL: +886 2-2703-5000
Website: https://www.capital.com.tw

IV. Name of Certified Public Accountant who Audited the Most Recent Annual Financial Report, Name of Accounting Firm, Address, Website and Telephone
Certified Public Accountants: CPA Hsiao-Tzu Chou, CPA Kuan-Hung Lin
Name of CPA firm: PwC Taiwan
27F, No. 333, Sec. 1, Keelung Rd., Taipei City
TEL: +886 2-2729-6666
Website: https://www.pwc.tw/

V. Name of Overseas Securities Exchange Where the Company is Listed and Method of Accessing Information on These Overseas Securities: None

VI. Website of the Company: https://navifus.com/

Contents

One. Letter to Shareholders

Dear shareholders,

Thank you for your support and encouragement for the Company in the past year. I would like to hereby report to all shareholders on the business results of 2024, the summary of the 2025 business plan, and future company development strategies as follows:

I. Review of 2024 business performance

A. Results from Implementation of 2024 Operational Plan, Research and Development Status, and Future Outlook

This year (2025) marks a significant milestone—the 10th anniversary of NaviFUS's establishment. The dedicated efforts of our employees and investors are beginning to bear fruit, with the first signs of success emerging. Our NaviFUS product, designated by Taiwan's Ministry of Health and Welfare as a special advisory and guidance project for its combination therapy with Avastin for recurrent glioblastoma (rGBM), has entered the pivotal trial phase at the end of last year and is now advancing toward final market approval. Additionally, the Phase IIb clinical trial (treatment optimization) for drug-resistant epilepsy using the NaviFUS system for neuromodulation therapy commenced patient enrollment in the third quarter of last year. Our international exploratory market trials are also progressing steadily. In the U.S., the multi-center clinical trials for Avastin and drug-resistant epilepsy received IRB approval last year, and the NaviFUS trial equipment has been fully delivered to clinical sites. Furthermore, in collaboration with Genovate Biotechnology, we have launched a joint venture in Australia to conduct epilepsy clinical trials and explore other leasing and sales opportunities. This year, we anticipate 5 to 10 medical institutions worldwide will initiate or conduct NaviFUS-related clinical trials. Beyond clinical development achievements, we continue to invest in R&D to enhance the performance of the "NaviFUS® Focused Ultrasound System". Our efforts include continuous optimization in collaboration with strategic partners to refine structural and functional designs, the development of transcranial monitoring capabilities, and the expansion of our patent portfolio. These innovations are integrated into existing products to further strengthen our competitive edge in the market.

In the capital markets, after obtaining an official opinion from Industrial Development Administration, Ministry of Economic Affairs last year affirming that our company qualifies as a "technology enterprise with market potential", we submitted our listing application for TPEx in August. Subsequently, we successfully passed the listing review committee and board of directors' approval in November. On March 7 of this year, we officially entered the new capital market by listing as a "Taiwan Bio-ICT Benchmark Enterprise". Through the pre-listing cash capital increase, we raised NT$220 million, which not only strengthens our operating capital to support domestic and international clinical trials but also provides ample funding to expand into additional indications globally, such as pediatric brain tumor DIPG and metastatic brain tumors.

To enhance the company's global visibility, our founder, Professor Hao-Li Liu, actively secured the opportunity to host the International Symposium of Therapeutic Ultrasound (ISTU)—one of the most prestigious events in the global ultrasound community—for the first time in Taipei. During the symposium, the company invited internationally renowned clinical key opinion leaders (KOLs) to present updates on clinical trials related to our products, leveraging this platform to widely promote our technology and product advantages. Additionally, we arranged hands-on product demonstrations and

company site visits, showcasing the high potential for widespread adoption of our non-invasive focused ultrasound medical solutions. Our initial market focus targets research needs in European and American medical institutions and industry players, aiming to promote the NaviFUS research-use system through sales, leasing, or collaborative research projects. By applying a “profit center” marketing approach, we plan to expand the range of indications for our product. Furthermore, we intend to operate in a CDMO-like model, undertaking preclinical trials for advanced medical projects under contract, thereby generating additional revenue streams. Moving forward, the company will continue to actively participate in domestic and international exhibitions and symposiums, promoting high-end biomedical products designed for precision therapy, diagnostics, and prevention. Our vision is to establish ourselves as a world-class biomedical R&D company specializing in the treatment of neurological diseases.

The key operational achievements and progress are outlined as follows:

NaviFUS System for Blood-Brain Barrier Opening in Brain Tumor Treatment

At Linkou Chang-Gung Memorial Hospital and National Taiwan University Hospital, the pivotal trial involving 26 patients for blood-brain barrier (BBB) opening combined with Avastin is progressing at the fastest pace. By the end of last year, patients had already begun receiving treatment. The primary efficacy endpoint of this trial is progression-free survival at six months (PFS-6). Unlike conventional large-scale, blinded trials required for new drug development, this highly anticipated Phase III clinical trial follows an “active control and open-label” design, allowing the company to assess clinical data trends in real-time and make necessary adjustments.

Simultaneously, a pilot trial at the University of Virginia (UVA) in the United States has obtained IRB approval, and patient enrollment will begin once the equipment is delivered. Since this U.S. trial runs in parallel with the Taiwan pivotal study and shares a similar design (without a control group requirement in the U.S.), it will help lower regulatory barriers for overseas approvals and facilitate the advancement of a U.S. pivotal trial. This approach accelerates global market entry for NaviFUS in the recurrent brain tumor treatment space, benefiting more patients worldwide. The project aims to complete approximately half of the patient enrollment in both Taiwan and the U.S. by the end of this year. At that stage, the company plans to simultaneously apply for Breakthrough Device Designation (BDD) from the U.S. FDA and Compassionate Use approval from Taiwan's Ministry of Health and Welfare, expediting the commercialization of the NaviFUS System.

NaviFUS System for Neuromodulation in Epilepsy Treatment

The Phase IIa clinical trial for drug-resistant epilepsy, previously conducted in Taiwan (results pending), has shown preliminary positive outcomes, with several patients experiencing significant improvement 2 to 6 months post-treatment. Based on these encouraging observations, the principal investigator has initiated a Phase IIb pilot clinical trial with a similar design but utilizing a different NaviFUS treatment protocol and an extended 24-week observation period. Patient enrollment for this trial began at the end of last year, and ongoing monitoring will assess whether the observed benefits from the previous study can be replicated.

On the international front, the clinical trial conducted by our joint venture subsidiary in Melbourne, Australia, is actively enrolling patients. In the United States, multi-center clinical trials are being conducted at Harvard Medical School’s Brigham and Women’s Hospital, Stanford University, and University of Virginia. All trial equipment has been delivered, and IRB approvals have been obtained, allowing for patient recruitment.

By employing a multi-center trial strategy, the company aims to optimize treatment protocols as early as possible to pave the way for a pivotal trial while also accelerating the overall trial process, enabling an earlier market approval. If the trial results meet expectations, we will proceed with pivotal clinical trial applications in selected regions and actively seek international collaborations to expedite regulatory approvals for this promising high-potential market.

NaviFUS System for Enhancing Radiotherapy in Brain Tumor Treatment

The clinical trial combining NaviFUS with radiotherapy to enhance treatment efficacy has completed patient enrollment and treatment at Linkou Chang-Gung Memorial Hospital. To further evaluate therapeutic outcomes, the study plans to enroll two additional patients for follow-up efficacy assessments, and recruitment for these cases is currently underway.

Refinement and Development of the NaviFUS System

In the refinement of the NaviFUS system, the company collaborated with strategic partner Brainlab last year to integrate and develop user software, achieving real-time feedback control and transcranial correction, which enhances the current FUS system's skull penetration performance. This also optimizes the user experience and expands indications and patient management models. This new functionality was showcased and presented at the ISTU held in September, and it has since been applied in clinical operations.

In terms of hardware, the company established the production process last year and completed the trial production of multiple NaviFUS Model 101 research units, which are now being used in clinical settings. This year, in addition to continuing to enhance production stability, the company plans to develop on-site repair and testing procedures to support upcoming global clinical collaboration projects.

Furthermore, the company is continuing to develop a simplified focused ultrasound treatment device, which will be used alongside the existing NaviFUS product as a convenient alternative. The company aims to complete the preclinical documentation and conduct large animal trials by the end of this year.

Promotion and Application of the NaviFUS Research System

After relocating to the Taipei Bioinnovation Park, the company has implemented standardized research and production processes, increasing output to meet the needs of various clinical centers. Last year, the company assembled five NaviFUS research units, which were shipped to clinical hospitals. An additional seven units are currently being assembled, and once validated, they will be shipped. These numbers include two research units that have been leased (one unit's lease began at the end of last year). By selling or leasing NaviFUS research systems, the company promotes the use of low-energy focused ultrasound for treating brain diseases at medical or academic institutions, both domestically and internationally. This approach not only generates short-term cash flow but also attracts doctors and research organizations to invest funds or resources (following the Profit Center concept) into the development of ultrasound treatment or applications, helping to expand clinical uses and reduce product development risks. Moreover, it enables the company to expand its market and gradually build a customer base for the NaviFUS system.

In addition to leasing and selling NaviFUS research units, the company also accepted a CDMO role last year to conduct a drug evaluation trial combining NaviFUS with a pharmaceutical product for an international drug company. This trial was successfully completed, demonstrating that the company has entered a phase of diverse and concurrent application development.

In 2024, the company continued to advance clinical trial progress while

simultaneously exploring additional indications for the NaviFUS system. The company also focused on improving both the quality and quantity of its products. On the other hand, we actively promoted the leasing and sales of research units, as well as executing various application projects in the global market. The company sought partnerships with both domestic and international strategic collaborators and increased its international visibility by actively hosting or participating in international conferences. In this gradually emerging low-energy focused ultrasound treatment market, the company aims to maintain the leading position.

B. Budget Performance

According to the "Regulations Governing the Publication of Financial Forecasts of Public Companies", the company did not disclose a financial forecast for 2024, therefore this section is not applicable.

C. Financial Performance and Profitability Analysis

The company's core technology product, the focused ultrasound system, is still in the clinical trial phase and has not yet been officially commercialized. However, there were already leased research units in 2024 and sales of research units in 2023. The operating revenue was NT$27,530 thousand in 2024, an increase of NT$5,049 thousand compared to the revenue of NT$22,481 thousand in 2023, marking two consecutive years of revenue growth. The increase in revenue in 2024 was primarily due to the rental income and the contracted preclinical services for treating rare diseases with NaviFUS, which generated labor income based on the execution progress.

However, the net loss after tax was NT$97,962 thousand in 2024, an increase of NT$28,397 thousand compared to the NT$69,565 thousand net loss after tax in 2023. This increased loss was mainly due to continued investments in the clinical indications and FUS system development projects, leading to a higher loss compared to the previous year.

1. Financial Performance

Unit: NT$Thousand

Items	2024	2023
Sales revenue	27,530	22,481
Net operating margin	9,682	11,827
Operating expenses	(120,564)	(88,253)
Non-operating income and expenses	12,920	6,861
Profit (Loss) before income tax	(97,962)	(69,565)
Profit (Loss) for the year	(97,962)	(69,565)
Total comprehensive income (loss) for the year	(98,478)	(69,414)
Earnings (Loss) per share (in dollars)	(1.56)	(1.17)

2. Profitability

Unit: %

Items	2024	2023
Return on assets	(18.79)	(13.64)
Return on equity	(21.07)	(14.80)
Profit Before Tax to Paid-in Capital Ratio	(15.70)	(12.34)

Earnings (Loss) per share (in dollars)	(1.56)	(1.17)

II. Overview of 2025 Business Plan

The company's core technology is centered around the enhancement of four key therapeutic values: “non-invasive”, “precise”, “effective”, and “convenient”. The goal is to develop therapeutic products that address urgent and unmet medical needs. The company will continue to develop innovative products using its two core technologies, “transcranial focused ultrasound” and “therapeutic guidance and tracking”. These technologies aim to address challenges in treating the central nervous system or other indications requiring precise treatment. Actively exploring concrete applications of its core technologies is the driving force behind the company’s continuous innovation. Supported by solid operational strategies, the company strives to become a biotechnology medical company with a strong platform technology. The following outlines the company's development strategies, operational goals, and future development plans:

A. Business policy

1. Continue Seeking Strategic Partners

The company is continuously exploring various business models and has already introduced international strategic partners such as Brainlab, a leader in navigation systems, and Bracco, a major contrast agent manufacturer. The company relies on the future contributions of these partners in terms of market intelligence and networks. Additionally, the company is mitigating commercialization uncertainties by executing preclinical trials for advanced medical projects in collaboration with international pharmaceutical companies. For larger, more accessible clinical conditions with easier regulatory approval, the company is also negotiating partnerships with large hospitals through strategic partners. Through various forms of close collaboration, the company aims to deepen relationships with these strategic partners, creating a mutually beneficial industry ecosystem to face the challenges of developing innovative products and shaping emerging markets together.

2. Expand Operational Objective

To reduce product development risks, the company continues to optimize the NaviFUS system specifications and strategically selects indications that can leverage the product’s advantages. Resources will be allocated accordingly, focusing on high-potential or fast-track indications such as pediatric brain tumors (DIPG) or metastatic brain tumors, with closer collaborations with hospitals or pharmaceutical companies. Additionally, the company will further expand its reach to more medical centers through equipment sales and leasing, opening new avenues for research into unsolved central nervous system medical challenges. The company will also continue to leverage external partnerships to develop products that meet various usage needs, benefiting patients, generating revenue, and providing returns to shareholders.

3. Strengthen Core Values and Technology

In addition to continuously investing efforts in upgrading existing equipment, the company will also develop new equipment models to meet the needs of different clinical indications. The company aims to differentiate usage scenarios and extend product patent protection by adding new features or optimizing the performance of existing equipment. Furthermore, anticipating the trend of widespread market adoption, the company has invested in the development of a simplified version of the focused ultrasound treatment device, aiming to penetrate the clinical market for rapid, large-scale usage with minimal space requirements, and even extend into the veterinary market. This development strategy will allow the company to realize the

unique value of its technology for mass usage, differentiate from competitors, and set higher entry barriers for later entrants through the establishment of technical specifications as a first mover.

4. Increase International and Market Visibility

The company will continue to enhance its visibility and industry impact by organizing and participating in major international symposiums. For instance, following the 2024 ISTU event, numerous inquiries and collaboration opportunities emerged, including visits from hospitals and research centers highly interested in ultrasound therapy to discuss potential partnerships. This further demonstrates the therapeutic potential and commercial opportunities of "non-invasive and low-energy focused ultrasound neuromodulation".

B. Estimated sales volume and basis

Since the establishment in 2015, the company has remained dedicated to its core value of innovation and continuous advancement. In 2025, it will continue to follow the objectives approved by the Board of Directors, actively enhancing and advancing the research, development, and market promotion of its key product, the "Focused Ultrasound System".

C. Material production and sales policy

1. Continue selling or leasing FUS research devices to generate short-term cash flow and support the development of additional clinical applications.
2. Continue maintaining ISO 13485 (design and development) certification to meet international requirements. Additionally, expand the scope of manufacturing processes and undergo GMP site inspections during registration applications to establish a compliant and suitable production facility.
3. Continue refining the NaviFUS system's structure and performance design to accommodate future treatment needs in general clinical settings.

III. Future Development Strategy

A. As the company transitions into the pre-commercialization stage, international market entry and expansion have become critical focal points for corporate structuring. While the company has already entered the OTC Capital Market, granting access to additional fundraising tools to support significant R&D expenditures, the scale of capital required for global market expansion remains insufficient. To address this, the company will seek regional strategic partners for both financial and operational support. Depending on the characteristics of each market, flexible collaboration models such as joint ventures and licensing agreements will be adopted. These partnerships will facilitate regional regulatory approvals, sales, and maintenance operations. Through revenue-sharing, licensing fees, and royalty arrangements, the company aims to secure long-term returns from global markets while minimizing initial resource investment. This approach is expected to enable broader market access, accelerate sales growth, and ensure earlier financial returns. Compared to a solely independent expansion strategy, this model better safeguards shareholder interests and supports sustainable growth.

B. The company's core technology and product development have always benefited from the clustering effect of electronics, information, and medical industries in Taiwan, combined with the diligent local R&D workforce. This has gradually accumulated the company's current R&D capabilities, which are used to support ongoing R&D and production efforts. In the long term, the company will continue to leverage this local advantage by focusing

on core R&D and manufacturing operations, while partnering with international collaborators to handle global marketing and maintenance services. The company will continue to utilize the long-established industry-academia collaborations, using Taiwan as an innovation and R&D base to enhance core technologies and product performance. We will actively seek international alliances and partnerships to promote the global market, and establish manufacturing capacity through local outsourcing networks to meet the expected strong global sales demand. By focusing on these development priorities, the company can achieve the greatest growth results with limited resources, maximizing the return on investment for shareholders.

C. In response to the company's development strategy of "rooted in Taiwan, looking to the international market", in addition to continuing to attract and cultivate ultrasound therapy technology talent, the company will gradually build manufacturing and maintenance capabilities to meet future global sales and customer needs. At the same time, to establish a mutually beneficial local development framework with international partners, the company will focus on planning capital cooperation strategies tailored to specific regions. Additionally, the company will recruit international talent to assist local Taiwanese core development teams in driving global marketing, regulations, market entry, and distribution efforts, thereby reducing capital investment and risks associated with multinational operations. Through these adjustments to the workforce and the alignment of the global capital structure centered in Taiwan, the company aims to expand its existing scale and enable shareholders to benefit from profits generated by overseas growth.

IV. Impact of External Competitive Environment, Regulatory Environment, and Overall Business Environment

A. External Competitive Environment

The company is a biotech medical company dealing with high-risk medical devices. The medical technology industry has high entry barriers, long product development periods, high professional technical requirements, and high added value, but it also involves significant risks. As a result, it is difficult to experience drastic changes in a short period of time. Therefore, the company places great emphasis on the investment and cultivation of R&D talent, as well as the development of product technologies. We also constantly monitor trends in related technological industries, assess potential impacts, and make necessary adjustments to our strategies or directions to respond flexibly to technological or industry changes and effectively avoid potential disruptions.

B. Regulatory Environment

The products planned for market launch by the company must comply with the clinical regulations of each country's medical and pharmaceutical laws. However, in recent years, due to the rapid advancements in medical technology, an increasing number of countries have introduced innovative regulatory review pathways for medical products in order to promote the healthy development of the industry. As a result, the company has chosen to conduct clinical trials in countries that encourage emerging medical products, leveraging policy advantages to seek favorable regulatory paths. This approach will help shorten time to market and serve as a regulatory model for other countries worldwide, which will be beneficial for the company's product dissemination in the global medical market.

C. Overall Business Environment

The products developed by the company are all related to medical products. While they are not highly correlated with the overall economic environment, we still maintain close connections with our customers, suppliers, and partners to effectively monitor market

changes. Additionally, our daily operations are conducted in accordance with relevant domestic and international laws and regulations, and we consistently keep an eye on domestic and international policy developments and regulatory changes to fully understand and respond to shifts in the market environment.

Chairman: Jen Chen

General Manager: Chen-Yu Lung

Chief Accountant: Chang-Hsin Chen

Two. Corporate Governance Report

I. Information on Directors, Supervisors, General Manager, Deputy General Manager, Assistant General Manager, Department and Branch Heads

(I) Directors

1. Director Information

Unit: Thousand shares; % on April 13, 2025

Title	Nationality or place of registration	Name	Gender and Age	Date of First Appointment	Date of Appointment	Term of office	Shares Held at Time of Appointment		Shares Currently Held		Shares Currently Held by Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions at the Company and Other Companies	Managers, Directors or Supervisors who are Spouses or within Second-degree Relatives			Remarks
							Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Title	Name	Relationship	
Chairman	Republic of China	Genovate Biotechnology Co., LTD.	-	August 12, 2016	March 18, 2022	3 years	8,749	15.52	9,587	13.55	-	-	-	-	-	-	None	None	None	
	Republic of China	Representative: Jen Chen	Male 66-70 years old	September 9, 2017	March 18, 2022	3 years	470	0.83	420	0.59	-	-	-	-	• Master's and Ph.D. in Chemistry from the University of Rochester, USA • Bachelor's degree in Chemistry from National Tsing Hua University • Lead Investigator of New Drug Development Programs at Novartis International AG • Deputy General Manager of Asia Operations at Genelabs Technologies, Inc. • Chairman of QPS-QUALITIX CLINICAL RESEARCH CO., LTD • Independent Non-Executive Director of ENM Holdings Limited • General Manager of Genovate Biotechnology Co. LTD.	• CSO of NaviFUS Corp. • Director of GENOVATE-NAVIFUS (AUSTRALIA) PTY LTD. • Chairman of Genovate Biotechnology Co., LTD. • Legal Representative (Director) of QUEST PHARMACEUTICAL SERVICES TAIWAN CO., LTD. • Chairman of Uni Pharma Co., Ltd. • Legal Representative (Director) of Reber Genetics Co. Ltd. • Legal Representative (Director) of Savior Lifetec Corporation • Director of Lin En Ru Co., Ltd.	None	None	None	
Director	Republic of China	Hao-Li Liu	Male 46-50 years old	April 24, 2015	March 18, 2022	3 years	2,759	4.89	2,709	3.83	-	-	-	-	• Ph.D. and Master's degrees from the Institute of Electrical Engineering, National Taiwan University • Bachelor's degree in Electrical Engineering from National Taipei University of Technology • Researcher, Division of Medical Engineering Research, National Health Research Institutes • Distinguished Professor, Department of Electrical Engineering, Chang Gung University	• Technical Consultant of NaviFUS Corp. • Legal Representative (Director) of Genovate-NaviFUS Inc. • Director of GENOVATE-NAVIFUS (AUSTRALIA) PTY LTD. • Professor, Department of Electrical Engineering, National Taiwan University	None	None	None	
Director	Republic of China	Chen-Yu Lung	Male 56-60 years old	August 1, 2018	March 18, 2022	3 years	430	0.76	395	0.56	-	-	-	-	• Ph.D. in Medical Engineering from National Yang-Ming University • Master's degree from the Department of Mechanical Engineering, University of Wisconsin-Madison, USA • Bachelor's degree in Mechanical Engineering from National Taiwan University • Senior Manager at United Orthopedic Corporation • Senior Marketing Manager at Medtronic (Taiwan) Ltd. • Research and Development Director at the Orthopedic Device Research and	• General Manager of NaviFUS Corp. • Director of Genovate NaviFus (Australia) Pty. Ltd. • General Manager of NaviFUS US LLC	None	None	None	

															Development Center, National Yang Ming Chiao Tung University ・Head of Blue Ocean Innovation Limited					
Director	Republic of China	Chung-Chih Huang	Male 61-65 years old	March 18, 2022	March 18, 2022	3 years	-	-	-	-	100	0.14	-	-	・EMBA Master's Program, National Yang Ming Chiao Tung University ・Bachelor's degree in Computer Engineering from National Yang Ming Chiao Tung University ・CEO of BLUEPACKET COMMUNICATIONS CO., LTD. ・General Manager of the Technology Business Group at Syscom Computer Engineering Co Ltd. ・Director and CEO of Spring Foundation of NCTU	・CEO and Chief Executive Officer and Director of HEALTHY U INC. ・Director and Representative of purple CO., LTD. ・Chairman of YONG JIE INVESTMENT CO., LTD. ・Chairman of YI MAN NI INVESTMENT CO., LTD.	None	None	None	
Director	Republic of China	TOP TAIWAN X VENTURE CAPITAL CO., LTD.	-	August 12, 2016	March 18, 2022	3 years	613	1.09	613	0.87	-	-	-	-	-	-	None	None	None	
	Republic of China	Representative: Yueh-Hsuan Chan	Female 41-45 years old	March 5, 2021	March 18, 2022	3 years	-	-	-	-	-	-	-	-	・Doctor of the Institute of Life Sciences, National Defense Medical Center ・Master of the Institute of Microbiology and Immunology, National Yang Ming Chiao Tung University ・Bachelor of the Department of Life Sciences, National Yang Ming Chiao Tung University ・Postdoctoral Researcher, Genomics Research Center, Academia Sinica ・Team Leader of New Drug Research and Development Section 3, Fountain Biopharma Inc. ・Associate Manager of the Research Department, Fuh Hwa Securities Investment Trust Co., Ltd. ・Business Associate, TOP TAIWAN VENTURE CAPITAL CO., LTD.	・Legal Representative (Director) of TaiHao Medical Inc. ・Legal Representative (Director) of ARCE THERAPEUTICS, INC.	None	None	None	
Director	Republic of China	Uni Pharma Co., Ltd.	-	August 16, 2018	March 18, 2022	3 years	2,300	4.08	2,520	3.56	-	-	-	-	-	-	None	None	None	
	Republic of China	Representative: Chia-Chen Chu	Female 51-55 years old	August 12, 2016	March 18, 2022	3 years	180	0.32	197	0.28	-	-	-	-	・Master's degree from the Harvard University Institute for Healthcare Policy and Management, USA ・Bachelor of Science in Nursing, National Taiwan University ・Deputy Researcher, National Health Insurance Group, Department of Health ・Director of International Affairs and Deputy General Manager of New Drug Development, Genovate Biotechnology Co., LTD.	・Legal Representative (Director) of Genovate-NaviFus Inc. ・Director of Genovate NaviFus (Australia) Pty. Ltd. ・General Manager of Genovate Biotechnology Co., LTD. ・Legal Representative (Director) of UNI PHARMA CO., LTD.	None	None	None	
Independent Director	Republic of China	Hann-Tarn Jeng	Male 66-70 years old	March 18, 2022	March 18, 2022	3 years	-	-	-	-	-	-	-	-	・Ph.D. in Finance and Financial Management, University of Alabama, USA ・Master's degree in Accounting and Statistics, University of Alabama, USA ・Bachelor's degree in Accounting, National Chengchi University ・Director of General Affairs and Executive Director of EMBA, National Central University ・Director of the Graduate Institute of Accounting and Associate Professor, National Central University	・Chairman of AWESOME BUSINESS MODEL INNOVATION CO., LTD. ・Independent Director of JDV CONTROL VALVES CO., LTD. ・Independent Director of BioLASCO Taiwan Co., Ltd.	None	None	None	

Independent Director	Republic of China	Chia-Lin Chen	Male 56-60 years old	March 18, 2022	March 18, 2022	3 years	-	-	-	-	-	-	-	-	・Ph.D. in Business Administration, University of Illinois, USA ・Master's degree in Civil and Environmental Engineering, Massachusetts Institute of Technology (MIT), USA ・Bachelor's degree in Mechanical Engineering, National Taiwan University ・Associate Dean of the College of Management, National Taiwan University, Professor of the Department of Business Administration and Graduate Institute of Business, Executive Director of EMBA	・Independent Director of H.H. GALAXY CO., LTD.	None	None	None	
Independent Director	Republic of China	Jia-Jin Chen	Male 61-65 years old	March 18, 2022	March 18, 2022	3 years	-	-	-	-	-	-	-	-	・Ph.D. and Master's in Biomedical Engineering, Vanderbilt University, USA ・Bachelor's degree in Medical Engineering, Chung Yuan Christian University ・Committee Member of the Biotechnology Industry Strategy Advisory (BTC), Executive Yuan ・Professor and Chair of the Department of Biomedical Engineering, National Cheng Kung University ・Chief Technology Officer, Taiwan Biotechnology Incubation Center ・Convenor, Medical Engineering Division, Ministry of Science and Technology ・General Manager, Chinese Society of Biomedical Engineering	-	None	None	None	

Note 1: The Company has established the position of Chief Strategy Officer, which is concurrently held by the Chairman. This arrangement stems from the Company's gradual diversification of operations, including some international and cross-domain operational deployments that require dedicated strategic planning. Chairman Chen has accumulated nearly 40 years of experience in multinational new drug development and pharmaceutical industry management. Therefore, leveraging his exceptional business vision and extensive practical experience, he concurrently serves as Chief Strategy Officer to lead the formulation of various development and operational strategies for the Company, actively participate in company operations, implement business decisions, enhance company value, and ultimately provide returns to shareholders. Currently, only 1/3 of the Company's board members concurrently serve as employees or managers. The Company engages international accounting firms for auditing and certification, and has established independent Audit Committee and Remuneration Committee to strengthen corporate governance, continuously reducing operational risks through rigorous internal control mechanisms. In addition, to further enhance corporate governance, the Company has planned to increase the number of independent directors by electing one more independent director at the 2025 Annual Shareholders' Meeting to improve board functions.

Note 2: The Chief Strategy Officer's main responsibilities include: 1. Company development strategy planning, 2. Research and development orientation and topic planning, and 3. Coordination of investment partnerships.

2. Major Shareholders of Corporate Shareholders

April 13, 2025

Legal Entity Shareholder Name	Major Shareholders of Corporate Shareholders
GENOVATE BIOTECHNOLOGY CO., LTD.	National Development Fund, Executive Yuan (26.72%) Taiwan Chinachem Investment Co., Ltd. (1.31%) Wang, Cheng-Hsiung (0.91%) Lin, Tso-Yen (0.73%) Lien Sheng Investment Co., Ltd. (0.45%) Citigroup in custody of Berkley Capital SBL/PB Investment Account (0.42%) Tsai, Tsan-Huang (0.30%) Fu, Hui-Chung (0.29%) Yen, Peng-Chin (0.28%) Yu, Yi (0.25%)
TOP TAIWAN X VENTURE CAPITAL CO., LTD.	SIRTEC INTERNATIONAL CO., LTD. (36%) ELAN MICROELECTRONICS CORP (30%) Taiwan Fire & Marine Insurance Co., Ltd (24.75%) Taiming Assurance Broker Co., Ltd. (6.75%) Taiwan Ling Hang Asset Investment Co., Ltd. (2.5%)
UNI PHARMA CO., LTD.	GENOVATE BIOTECHNOLOGY CO., LTD. (17.66%) Po-hsin Chou (3.26%) Mei-Chuan Chen (2.59%) Chen-Shan Wei (2.55%) NaviFUS Corporation (2.25%) Jen Chen (1.46%) Yen-Che Chiang (1.42%) Chia-Hui Wu (1.03%) Hui-Chung Fu (0.93%) Chih-Hung Su (0.89%)

3. Major Shareholders of Legal Entity Shareholders that are Legal Entities

April 13, 2025

Company Name	Major Shareholders of the Company
National Development Fund, Executive Yuan	Executive Yuan (100%)
Taiwan Chinachem Investment Co., Ltd.	Wei-Tang Chen, Jih-Chieh Chuang, and Te-Wei Huang (Joint and Individual Estate Administrators) (99.9998%) Gabriel Agency Limited (0.00011%) Chien-Sheng Lee (0.00003%) Yen-Kun Chang (0.00003%) Tien-I Wang (0.00003%)
Lien Sheng Investment Co., Ltd.	L.C. Lee(16.69%) Hsiu-Chuan Lee (15.65%) Meng-Fen Lee (14.24%) Wei-Chen Lee (13.86%) Yen-Te Lee (7.08%) Po-I Lee (5.63%) Ying-Tsun Lee (4.26%) Ting-Yi Lee (4.24%) Yueh-Hsun Lee (4.22%) I-Chen Lee (3.65%)
Citigroup in custody of Berkley Capital SBL/PB Investment Account	N/A

SIRTEC INTERNATIONAL CO., LTD.	Taiwan Fire and Marine Insurance Co., Ltd. (9.71%) Yong Xin Development Co., Ltd. (5.22%) Taiwan Ling Hang Asset Investment Co., Ltd. (3.13%) Ling Hang Investment Development Co., Ltd. (2.95%) Li,Ching-Jiang (2.80%) Ling Hang Jia Investment & Development Co., Ltd. (2.73%) Cheng Jin-Hung (2.60%) Ton Shen Development Co., Ltd. (1.79%) Li,Ching-Shan (1.60%) Zheng Rong Industrial Co., Ltd. (1.28%)
ELAN MICROELECTRONICS CORP	ELAN Investment Corp., (4.09%) HSBC (Taiwan) Commercial Bank Custody Morgan Stanley International Co., Ltd. (3.41%) New Labor Pension Fund (3.00%) Yulong Investment Co., Ltd. (2.33%) YEH, I-Hau (2.06%) Citi-Bank Taiwan Ltd. in custody for Norges Bank (1.66%) JP Morgen Chase Bank N.A. Taipei Branch in custody for Vanguard International Equity Index Funds (1.57%) HSBC (Taiwan) Commercial Bank manages a special investment account for British businessman Goldman Sachs International Company (1.45%) Nan Shan Life Insurance Co., Ltd. (1.43%) Chase Managed Advanced Starlight Advanced Aggregate International Stock Index (1.28%)
Taiwan Fire & Marine Insurance Co., Ltd	Bank of Taiwan Co., Ltd. (17.84%) Ling Hang Investment Development Co., Ltd. (6.95%) Yong Xin Development Co., Ltd. (6.67%) CHOW NOBBY ENTERPRISES CO., LTD. (3.04%) Taichung Commercial Bank Co., Ltd. (2.94%) Ling Hang Construction Co., Ltd. (2.93%) Land Bank of Taiwan Co., Ltd. (2.83%) Chia Teh Investment Co., Ltd. (2.20%) Tai-Hung Lee (2.07%) Ton Shen Development Co., Ltd. (1.91%)
Taiming Assurance Broker Co., Ltd.	Taiwan Navigator Asset Investment Co., Ltd. (36.07%) Han-Chieh Li (7.40%) Ching Chung Interior Decoration Design Co., Ltd (6.27%) Taiwan Fire and Marine Insurance Co., Ltd. (5.08%) Cheng-Chih Li (3.57%) Chen-Jou Ko (3.02%) Chen-Han Ko (2.93%) Yuan-Fang Tien (2.72%) Yang-Lung Kuo (2.41%) Hsiu -Chen Lin (1.54%)
Taiwan Navigator Asset Investment Co., Ltd.	Ling Hang Construction Co., Ltd. (28.12%) Jia De Investment, Co., Ltd. (23.43%) Mayer Steel Pipe Corporation (14.06%) Top Taiwan X Venture Capital Co., Ltd. (10.16%) Sincere Department Store (9.38%) Wan Shun Investment Co., Ltd. (4.69%) Yu Hsiu-Hsiu (4.69%) Xin Liang Investment Co., Ltd., (4.69%) De An Development Co., Ltd. (0.78%)

4. Professional Qualifications and Independence Status of Directors

(1) Disclosure of Directors' Professional Qualifications and Independence of Independent Directors:

Name \ Criteria		Professional Qualifications and Experience	Independence Status (Note 2)	Number of Independent Director Positions Concurrently Held at Other Public Companies
Chairman	Genovate Biotechnology Co., Ltd Representative: Jen Chen	1. Board leadership experience (for work experience, please refer to p.9) 2. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market perspective, and leadership decision-making 3. Does not have any of the conditions specified in Article 30 of the Company Act	(3)(4)(6)(9)(10)(11)	0
Director	Hao-Li Liu	1. Board leadership experience (for work experience, please refer to p.9) 2. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market perspective, and leadership decision-making 3. Does not have any of the conditions specified in Article 30 of the Company Act	(2)(4)(6)(7)(8)(9)(10)(11)(12)	0
Director	Chen-Yu Lung	1. Board leadership experience (for work experience, please refer to p.9~10) 2. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market perspective, and leadership decision-making 3. Does not have any of the conditions specified in Article 30 of the Company Act	(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	0
Director	TOP TAIWAN X VENTURE CAPITAL CO., LTD. Representative: Yueh-Hsuan Chan	1. Board leadership experience (for work experience, please refer to p.10) 2. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market perspective, and leadership decision-making 3. Does not have any of the conditions specified in Article 30 of the Company Act	(1)(2)(3)(4)(6)(7)(8)(9)(10)(11)	0
Director	Chung-Chih Huang	1. Board leadership experience (for work experience, please refer to p.10) 2. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market perspective, and leadership decision-making 3. Does not have any of the conditions specified in Article 30 of the Company Act	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	0
Director	UNI PHARMA CO., LTD. Representative:	1. Board leadership experience (for work experience, please refer to p.10) 2. Professional experience in operational	(3)(4)(6)(7)(9)(10)(11)	0

	Chia-Chen Chu	judgment, business management, crisis management, industry knowledge, international market perspective, and leadership decision-making 3. Does not have any of the conditions specified in Article 30 of the Company Act		
Independent Director	Hann-Tarn Jeng	1. Leadership experience in Compensation Committee, Audit Committee, and Board of Directors (for work experience, please refer to p.10) 2. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market perspective, and leadership decision-making 3. Does not have any of the conditions specified in Article 30 of the Company Act	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	2
Independent Director	Chia-Lin Chen	1. Leadership experience in Compensation Committee, Audit Committee, and Board of Directors (for work experience, please refer to p.11) 2. Lecturer or above at public or private universities in departments relevant to business, law, finance, accounting, or company operations 3. Does not have any of the conditions specified in Article 30 of the Company Act	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	1
Independent Director	Jia-Jin Chen	1. Lecturer or above at public or private universities in departments relevant to business, law, finance, accounting, or company operations 2. Does not have any of the conditions specified in Article 30 of the Company Act	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	0

Note 1:

(1) Not an employee of the company or its affiliated enterprises.

(2) Not a director or supervisor of the company or its affiliated enterprises (except in cases where the independent director concurrently serves as an independent director of the company and its parent company, subsidiary, or another subsidiary of the same parent company as appointed in accordance with this Act or local laws and regulations).

(3) Not a natural person shareholder who holds more than 1% of the total issued shares of the company or ranks among the top ten shareholders, either in the person's own name or in the name of a spouse, minor child, or others.

(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of any manager mentioned in (1) or any person mentioned in (2) or (3).

(5) Not a director, supervisor, or employee of a corporate shareholder that directly holds more than 5% of the total issued shares of the company, ranks among the top five shareholders, or has appointed representatives to serve as directors or supervisors of the company in accordance with Paragraph 1 or 2, Article 27 of the Company Act (except in cases where the independent director concurrently serves as an independent director of the company and its parent company, subsidiary, or another subsidiary of the same parent company as appointed in accordance with this Act or local laws and regulations).

(6) Not a director, supervisor, or employee of another company where more than half of the director seats or voting shares are controlled by the same person (except in cases where the independent director concurrently serves as an independent director of the company or its parent company, subsidiary, or another subsidiary of the same parent company as appointed in accordance with this Act or local laws and regulations).

(7) Not a director (council member), supervisor (inspector), or employee of another company or institution where the chairman, general manager, or person holding an equivalent position is the same person as, or is the spouse of, the chairman, general manager, or person holding an equivalent position of the company (except in cases where the independent director concurrently serves as an independent director of the company and its parent company, subsidiary, or another subsidiary of the same parent company as appointed in accordance with this Act or local laws and regulations).

(8) Not a director (council member), supervisor (inspector), manager, or shareholder holding more than 5% of shares of a specific company or institution that has financial or business dealings with the company (except in cases where the specific company or institution holds more than 20% but not more than 50% of the total issued shares of the company, and the independent director concurrently serves as an independent director of the company and its parent company, subsidiary, or another subsidiary of the same parent company as appointed in accordance with this Act or local laws and regulations).

(9) Not a professional who provides audit services, or commercial, legal, financial, accounting, or related services to the company or its affiliated enterprises, for which the provider has received cumulative compensation not exceeding NT$500,000 in the past two years, and not an owner, partner, director (council member), supervisor (inspector), manager, or spouse of a sole proprietorship, partnership, company, or institution that provides such services to the company or its affiliated enterprises. However, this restriction does not apply to members of the compensation committee, public tender offer review committee, or special merger and acquisition committee who perform their functions in accordance with the Securities and Exchange Act or related laws and regulations for business mergers and acquisitions.

(10) Not having a spousal relationship or a relationship within the second degree of kinship with any other director.

(11) Not having any of the conditions specified in Article 30 of the Company Act.

(12) Not having been elected as a government, corporate representative, or their proxy as specified in Article 27 of the Company Act.

(2) Board Diversity and Independence:

A. Board Diversity:

The company respects and promotes a policy of board diversity. To strengthen corporate governance and promote the sound development of board composition and structure, the company has established Article 24 of the "Corporate Governance Practice Principles": The composition of the board of directors should take diversity into consideration, and appropriate diversity guidelines should be formulated based on the company's operations, business model, and development needs. These include basic conditions and values, professional knowledge and skills: professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills and industry experience, etc. Board members should generally possess the knowledge, skills, and qualities necessary to perform their duties.

The company has a total of 9 directors, including 3 independent directors; 2 of these directors are female. The professional backgrounds of board members cover management, science and engineering, and financial analysis, etc. The board includes technology industry executives who possess the industry knowledge, operational judgment, international market perspective, leadership ability, and decision-making ability needed by our company. They can provide professional opinions from different perspectives, enhancing the company's operational performance and management effectiveness. The company values the independence of board members. The goal of our diversity management policy is that directors who concurrently serve as company managers should not exceed 1/3 of the board seats. Currently, only 3 directors concurrently serve as managers.

The diversity policy and implementation status of the company's current board members are as follows:

Diversity Core Items / Director's Name	Basic Composition										Possessed Capabilities					
	Nationality	Gender	Concurrent Position as Company Employee	Age						Independent Director Years of Service		Operational Judgment	Financial Accounting	Business Management	Industry Knowledge	International Market Perspective	Leadership Decision-Making
				41-45	46-50	51-55	56-60	61-65	66-70	0-3 Years	4-6 Years						
Genovate Biotechnology Co., Ltd Representative: Jen Chen	Republic of China	Male	V						V	-		V		V	V	V	V
Hao-Li Liu		Male	V			V						V		V	V	V	V
Chen-Yu Lung		Male	V				V					V		V	V	V	V
TOP TAIWAN X VENTURE CAPITAL CO., LTD. Representative: Yueh-Hsuan		Female		V								V		V	V	V	V

Chan																	
Chung-Chih Huang		Male							V			V		V	V	V	V
UNI PHARMA CO., LTD. Representative: Chia-Chen Chu		Female				V						V		V	V	V	V
Hann-Tarn Jeng		Male							V		V	V	V	V	V	V	V
Chia-Lin Chen		Male					V				V	V	V	V	V	V	V
Jia-Jin Chen		Male							V		V	V		V	V	V	V

B. Board Independence:

The company's board consists of 9 directors, including 3 independent directors, which represents 1/3 of the board membership. For more details on board independence, please refer to the directors' information and the disclosure of directors' professional qualifications and independent directors' independence. As shown in the directors' information table above, the company has established an Audit Committee to replace the role of supervisors. Among the 9 board members, none have spousal relationships or are relatives within the second degree of kinship. Therefore, there are no circumstances as described in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

(II) General Manager, Deputy General Managers, Assistant General Managers, Department Heads, and Branch Managers

Unit: Thousand shares; % on April 13, 2025

Title	Name	Gender	Nationality	Selection (Appointment) Date	Shares Held		Shares Held by Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions Held in Other Companies	Managers with Spousal Relationship or within Second-degree Kinship			Remarks
					Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Title	Name	Relationship	
Chairman and Chief Strategy Officer	Jen Chen	Male	R.O.C.	September 15, 2017 (Note 1)	420	0.59	-	-	-	-	• Master's and Ph.D. in Chemistry from the University of Rochester, USA • Bachelor's degree in Chemistry from National Tsing Hua University • Lead Investigator of New Drug Development Programs at Novartis International AG • Deputy General Manager of Asia Operations at Genelabs Technologies, Inc. • Chairman of QPS-QUALITIX CLINICAL RESEARCH CO., LTD • Independent Non-Executive Director of ENM Holdings Limited • General Manager of Genovate Biotechnology Co. LTD.	• CSO of NaviFUS Corp. • Director of GENOVATE-NAVIFUS (AUSTRALIA) PTY LTD. • Chairman of Genovate Biotechnology Co., LTD. • Legal Representative (Director) of QUEST PHARMACEUTICAL SERVICES TAIWAN CO., LTD. • Chairman of Uni Pharma Co., Ltd. • Legal Representative (Director) of Reber Genetics Co. Ltd. • Legal Representative (Director) of Savior Lifetec Corporation • Director of Lin En Ru Co., Ltd.	-	-	-	
General Manager	Chen-Yu Lung	Male	R.O.C.	August 1, 2018 (Note 1)	395	0.56	-	-	-	-	• Ph.D. in Medical Engineering from National Yang-Ming University • Master's degree from the Department of Mechanical Engineering, University of Wisconsin-Madison, USA • Bachelor's degree in Mechanical Engineering from National Taiwan University • Senior Manager at United Orthopedic Corporation • Senior Marketing Manager at Medtronic (Taiwan) Ltd. • Research and Development Director at the Orthopedic Device Research and Development Center, National Yang Ming Chiao Tung University • Head of Blue Ocean Innovation Limited	• General Manager of NaviFUS Corp. • Director of Genovate NaviFus (Australia) Pty. Ltd. • General Manager of NaviFUS US LLC	-	-	-	
Technical Advisor	Hao-Li Liu	Male	R.O.C.	October 19, 2016	2,709	3.83	-	-	-	-	• Ph.D. and Master's degrees from the Institute of Electrical Engineering, National Taiwan University • Bachelor's degree in Electrical Engineering from National Taipei University of Technology • Researcher, Division of Medical Engineering Research, National Health Research Institutes • Distinguished Professor, Department of Electrical Engineering, Chang Gung University	• Technical Consultant of NaviFUS Corp. • Legal Representative (Director) of Genovate-NaviFUS Inc. • Director of GENOVATE-NAVIFUS (AUSTRALIA) PTY LTD. • Professor, Department of Electrical Engineering, National Taiwan University	-	-	-	
Management and Clinical Research Senior	Ting-Kuang Chang	Male	R.O.C.	March 12, 2015	358	0.51	-	-	-	-	• Master's Degree in Life Sciences, National Sun Yat-sen University • Bachelor's Degree in Biology, National Sun Yat-sen University • Project Manager, Talent Cultivation Division,	-	-	-	-	

Assistant General Manager											Taiwan Supra Integration and Incubation Center (Si2C) • Project Manager/Business Development Division Leader, National Science and Technology Program for Biotechnology and Pharmaceuticals (NSTPBP) / Academia-Industry Bridging Program for Biotechnology and Pharmaceuticals (AIBP_NRPB)					
Business Senior Deputy General Manager	Hsien-Jung Chen (Note 2)	Male	R.O.C.	June 1, 2021	36	0.05	-	-	-	-	• Master's Degree in Business Administration, San Diego State University, USA • Bachelor's Degree in Medical Engineering, Chung Yuan Christian University • Senior Business Unit Manager, Medtronic (Taiwan) Ltd. • Product and Marketing Manager, Philips Taiwan Ltd. • National Account Sales Manager, Agilent Technologies Taiwan Ltd. • Sales Representative, Hewlett-Packard Taiwan Ltd.	-	-	-	-	
Quality Assurance Assistant General Manager	Chao-Tan Wang	Female	R.O.C.	October 16, 2017	180	0.25	-	-	-	-	•Master's Degree in Pharmaceutical Regulatory Affairs, Northeastern University, USA •Bachelor's Degree in Pharmacy, Jinan University, China •Regulatory and Quality Assurance Department Manager, MicroBase Technology Corp.	-	-	-	-	
Audit Senior Manager	Yuan-Shiang Chang	Male	R.O.C.	September 13, 2016	110	0.16	-	-	-	-	• Master's Degree in Biotechnology, Chinese Culture University • Bachelor's Degree in Biology, Chinese Culture University • Project Manager, National Biotechnology and Pharmaceutical Technology Program • Deputy Manager, Project Management Department, Bestat Pharmaservices Corp. • Executive Assistant to the General Manager, MERIBANK BIOTECH CO., LTD	-	-	-	-	
Research and Development Assistant General Manager	Chun-Hao Chen	Male	R.O.C.	November 8, 2018	107	0.15	-	-	-	-	• Master's Degree in Biomedical Engineering, National Taiwan University • Bachelor's Degree in Mechanical Engineering, National Taiwan University • Project Engineer, Scandinavian Health Ltd. • Senior Engineer, Safety Laboratory, SGS Taiwan Limited	-	-	-	-	
Finance and Accounting Assistant General Manager	Chang-Hsin Chen	Male	R.O.C.	June 1, 2021	32	0.05	-	-	-	-	• Bachelor's Degree in Accounting, Fu Jen Catholic University • Manager, Audit Department, PricewaterhouseCoopers (PwC) Taiwan	-	-	-	-	
Manufacturing Assistant General Manager	Chih-Pin Lee	Male	R.O.C.	April 17, 2023	-	-	-	-	-	-	• Master's Degree in Mechanical Engineering, National Taiwan University • Bachelor's Degree in Mechanical Engineering, National Taiwan University • Manager, Assembly Division, Shin Puu Technology Co., Ltd.	-	-	-	-	

Corporate Governance Officer	Tzu-Yun Chou	Female	R.O.C.	April 1, 2024	10	0.01	-	-	-	-	・Master's Degree in Accounting, National Taiwan University ・Bachelor's Degree in Accounting, Soochow University ・Associate Manager, Audit Department, PwC Taiwan ・Senior Specialist, Accounting Department, Cathay United Bank Co., Ltd.	-	-	-	-	

Note 1: Refers to the date when the Board approved the appointment of the Chief Strategy Officer and General Manager.
Note 2: Resigned in February 2025; the company is still searching for an appropriate successor.

(III) If the Chairman and General Manager or equivalent position (highest executive officer) are the same person, spouses, or first-degree relatives, the company should explain the reason, reasonableness, necessity, and response measures: No such situation exists.

II. Compensation paid to Directors, Supervisors, General Manager, and Deputy General Managers in the most recent year.

1. Compensation paid to Directors (including Independent Directors) - 2024

Unit: NT$ Thousand; %

Title	Name	Director Compensation								Total of A, B, C, and D and ratio to after-tax net profit		Relevant compensation for concurrent employment								Total of A, B, C, D, E, F, and G and ratio to after-tax net profit		Compensation received from invested businesses other than subsidiaries or from parent company
		Compensation (A)		Retirement Pension (B)		Director's Remuneration (C)		Business Execution Expenses (D)				Salary, Bonuses, and Special Disbursements (E)		Retirement Pension (F)		Employee Remuneration (G)						
		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	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		The Company	All companies in the financial report	
																Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chairman	GENOVATE BIOTECHNOLOGY CO., LTD. Representative: Jen Chen	-	-	-	-	-	-	-	-	-	-	1,607	1,607	-	-	-	-	-	-	1,607 (1.69)	1,607 (1.69)	301
Director	Hao-Li Liu	-	-	-	-	-	-	-	-	-	-	1,967	1,967	80	80	-	-	-	-	2,047 (2.15)	2,047 (2.15)	None
Director	Chen-Yu Lung	-	-	-	-	-	-	-	-	-	-	3,656	3,656	108	108	-	-	-	-	3,764 (3.96)	3,764 (3.96)	None
Director	TOP TAIWAN X VENTURE CAPITAL CO., LTD. Representative: Yueh-Hsuan Chan	120	120	-	-	-	-	20	20	140 (0.15)	140 (0.15)	-	-	-	-	-	-	-	-	140 (0.15)	140 (0.15)	None
Director	Chung-Chih Huang	120	120	-	-	-	-	10	10	130 (0.14)	130 (0.14)	-	-	-	-	-	-	-	-	130 (0.14)	130 (0.14)	None
Director	UNI PHARMA CO., LTD. Representative: Chia-Chen Chu	120	120	-	-	-	-	20	20	140 (0.15)	140 (0.15)	-	-	-	-	-	-	-	-	140 (0.15)	140 (0.15)	25
Independent Director	Hann-Tarn Jeng	240	240	-	-	-	-	40	40	280 (0.29)	280 (0.29)	-	-	-	-	-	-	-	-	280 (0.29)	280 (0.29)	None
Independent Director	Jia-Jin Chen	240	240	-	-	-	-	15	15	255 (0.27)	255 (0.27)	-	-	-	-	-	-	-	-	255 (0.27)	255 (0.27)	None
Independent Director	Chia-Lin Chen	240	240	-	-	-	-	15	15	255 (0.27)	255 (0.27)	-	-	-	-	-	-	-	-	255 (0.27)	255 (0.27)	None

1. Please describe the independent directors' compensation policy, system, standards, and structure, and explain the relationship between the amount of compensation paid and factors such as responsibilities, risks, and time invested:
The company's compensation policy for directors and independent directors is based on the company's articles of incorporation and relevant compensation regulations approved by the Compensation Committee and the Board of Directors. The directors' self-evaluation of performance is us as a reference, which is submitted to the Compensation Committee and then to the Board of Directors for resolution.
2. Apart from the disclosures in the above table, compensation received by company directors in the most recent year for providing services to all companies in the financial report (such as serving as non-employee consultants, etc.): None.
3. The salary for those concurrently serving as employees includes the cost of employee stock options as compensation.

Note 1: The complete re-election of directors was held at the Extraordinary Shareholders' Meeting on March 18, 2022. Their term is from March 18, 2022, to March 17, 2025, for a total of 3 years. A complete re-election of ten directors (including four independent directors) is proposed for the Annual Shareholders' Meeting on June 11, 2025.

Compensation Range Table (Note)

Compensation ranges paid to each director of the company	Director's Name			
	Total remuneration of the first four items (A+B+C+D)		Total remuneration of the first seven items (A+B+C+D+E+F+G)	
	The Company	All companies H in the financial report	The Company	All companies I in the financial report
less than NT$1,000,000	Jen Chen, Hao-Li Liu, Chen-Yu Lung, Yueh-Hsuan Chan, Chia-Chen Chu, Chung-Chih Huang, Hann-Tarn Jeng, Jia-Jin Chen, Chia-Lin Chen	Jen Chen, Hao-Li Liu, Chen-Yu Lung, Yueh-Hsuan Chan, Chia-Chen Chu, Chung-Chih Huang, Hann-Tarn Jeng, Jia-Jin Chen, Chia-Lin Chen	Yueh-Hsuan Chan, Chia-Chen Chu, Chung-Chih Huang, Hann-Tarn Jeng, Jia-Jin Chen, Chia-Lin Chen	Yueh-Hsuan Chan, Chia-Chen Chu, Chung-Chih Huang, Hann-Tarn Jeng, Jia-Jin Chen, Chia-Lin Chen
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	-	-	Jen Chen	Jen Chen
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	-	-	Hao-Li Liu	Hao-Li Liu
NT$3,500,000 (inclusive) - NT$5,000,000 (exclusive)	-	-	Chen-Yu Lung	Chen-Yu Lung
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	-	-	-	-
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	-	-	-	-
NT$15,000,000 (inclusive) - NT$30,000,000 (exclusive)	-	-	-	-
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	-	-	-	-
NT$50,000,000 (inclusive) - NT$100,000,000 (exclusive)	-	-	-	-
More than NT$100,000,000	-	-	-	-
Total	9 people	9 people	9 people	9 people

Note: Remuneration includes the cost of employee stock options.

2. Remuneration paid to supervisors

Not applicable as our company elected independent directors at the extraordinary shareholders' meeting on March 18, 2022 and established an audit committee to replace the supervisory function.

3. Remuneration paid to the General Manager and Deputy General Manager - 2024

Unit: NT$ Thousand; %

Title	Name	Salaries (A) (Note)		Retirement Pension (B)		Bonus and special expenditure (C)		Amount of employee remuneration (D)				The sum of A, B, C and D and as a percentage of net income (%)		Compensation received from invested businesses other than subsidiaries or from 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		The Company	All companies in the financial report	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chief Strategy Officer	Jen Chen	7,230	7,230	188	188	-	-	-	-	-	-	7,418 (7.80)	7,418 (7.80)	301
General Manager	Chen-Yu Lung													
Technical Advisor	Hao-Li Liu													

Remuneration brackets table (Note)

Remuneration brackets for the Company's General Manager and Deputy General Managers	Name of the General Manager and Deputy General Manager	
	The Company	All companies in the financial report
less than NT$1,000,000	-	-
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	Jen Chen	Jen Chen
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	Hao-Li Liu	Hao-Li Liu
NT$3,500,000 (inclusive) - NT$5,000,000 (exclusive)	Chen-Yu Lung	Chen-Yu Lung
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	-	-
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	-	-
NT$15,000,000 (inclusive) - NT$30,000,000 (exclusive)	-	-
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	-	-
NT$50,000,000 (inclusive) - NT$100,000,000 (exclusive)	-	-
More than NT$100,000,000	-	-
Total	3 people	3 people

Note: Remuneration includes the cost of employee stock options.

4. The remuneration of the top five department heads with the highest remuneration paid - 2024

Unit: NT$ Thousand; %

Title	Name	Salaries (A) (Note)		Retirement Pension (B)		Bonus and special expenditure (C)		Amount of employee remuneration (D)				The sum of A, B, C and D and as a percentage of net income (%)		Compensation received from invested businesses other than subsidiaries or from 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	Stock Amount	Cash Amount	Stock Amount	The Company	All companies in the financial report	
Chief Strategy Officer	Jen Chen	1,607	1,607	-	-	-	-	-	-	-	-	1,607 (1.69)	1,607 (1.69)	301
General Manager	Chen-Yu Lung	3,656	3,656	108	108	-	-	-	-	-	-	3,764 (3.96)	3,764 (3.96)	-
Technical Advisor	Hao-Li Liu	1,967	1,967	80	80	-	-	-	-	-	-	2,047 (2.15)	2,047 (2.15)	-
Senior Assistant General Manager of Management and Clinical Research	Ting-Kuang Chang	2,144	2,144	87	87	-	-	-	-	-	-	2,231 (2.35)	2,231 (2.35)	-
Manufacturing Assistant General Manager	Chih-Pin Lee	1,733	1,733	87	87	-	-	-	-	-	-	1,820 (1.91)	1,820 (1.91)	-

Note: Remuneration includes the cost of employee stock options.

5. Comparative analysis of the total remuneration paid by the Company and all companies in the consolidated statements to the Company's directors, supervisors, General Manager, and Deputy General Manager in the last two fiscal years as a percentage of net profit after tax in the individual or separate financial reports. This includes explanation of the remuneration policy, standards and composition, procedures for determining remuneration, and its relationship with business performance and future risks:

(1) Analysis of the percentage of total remuneration paid to directors, supervisors, General Manager, and Deputy General Manager in the last two fiscal years as a proportion of net profit after tax:

Unit: %

Title	2023 Total remuneration as a percentage of net income after tax		2024 Total remuneration as a percentage of net income after tax	
	The Company	All companies in the financial report	The Company	All companies in the financial report
Directors	(1.81)	(1.81)	(1.26)	(1.26)
Supervisor	Not applicable	Not applicable	Not applicable	Not applicable
General Manager and Deputy General Manager	(10.89)	(10.89)	(7.80)	(7.80)

Note: The Company's individual financial reports showed losses after tax of NT$65,729 thousand and NT$95,125 thousand for fiscal years 2023 and 2024 respectively.

(2) Remuneration policy, standards and composition, procedures for determining remuneration, and its relationship with business performance and future risks:

The remuneration for the Company's directors and supervisors is clearly stipulated in the Company's Articles of Incorporation and is distributed only after resolution by the shareholders' meeting.

The remuneration for the General Manager and Deputy General Manager includes salary, bonuses, and employee profit-sharing bonuses. Salaries and bonuses are determined by referencing salary levels in the same industry, the scope of responsibilities for the position, individual performance achievement, and contribution to the Company's operational goals, resulting in reasonable compensation. Employee bonuses are resolved by the Board of Directors based on profit conditions and the distribution ratio stipulated in the Company's Articles of Incorporation, and are reported to the shareholders' meeting. This is positively correlated with business performance.

III. Corporate Governance Operations

(I) Board of Directors Operations

1. Operational Status

In the most recent year (2024), the Company's Board of Directors met 8 times (A), with directors' attendance as follows:

Title	Name	Number of Actual Attendance (B)	Number of Attendance by Proxy	Actual Attendance Rate (%) [B/A]	Remarks
Chairman and Chief Strategy Officer	Jen Chen (Representative of GENOVATE BIOTECHNOLOGY CO., LTD.)	8	0	100%	
Director and General Manager	Chen-Yu Lung	8	0	100%	
Director	Hao-Li Liu	8	0	100%	
Director	TOP TAIWAN X VENTURE CAPITAL CO., LTD. (Representative: Yueh-Hsuan Chan)	8	0	100%	
Director	UNI PHARMA CO., LTD. (Representative: Chia-Chen Chu)	8	0	100%	
Director	Chung-Chih Huang	8	0	100%	
Independent Director	Hann-Tarn Jeng	8	0	100%	
Independent Director	Chia-Lin Chen	7	1	88%	
Independent Director	Jia-Jin Chen	8	0	100%	

Note: Re-election of directors took place on March 18, 2022. The term of the newly elected directors is 3 years, from March 18, 2022 to March 17, 2025; a complete re-election is proposed at the regular shareholders' meeting on June 11, 2025.

Other matters to be recorded:

I. If any of the following circumstances exist in the operation of the Board of Directors, the date of the Board meeting, session, content of the proposal, opinions of all independent directors, and the company's handling of the opinions of independent directors shall be specified:

(I) Matters listed in Article 14-3 of the Securities and Exchange Act:
Please refer to the operation of the Audit Committee in this annual report. All independent directors unanimously approved all proposals.

(II) In addition to the above matters, other resolutions of the Board of Directors that have been opposed or reserved by independent directors and have been recorded or stated in writing: None.

II. Regarding the implementation of recusal by directors from proposals with conflicts of interest, the name of the director, content of the proposal, reasons for recusal due to conflicts of interest, and participation in voting should be specified.

Board of Directors	Proposal Content	Director's Name	Reasons of recusal	Participation in voting
January 30, 2024	The Company intends to sign an agreement with related party UNI PHARMA CO., LTD. for the transfer of product design, improvement, and contract manufacturing of the universal NAVIRFA Needle Tracking System (NAVIRFA)	Chairman, Jen Chen Director, Chia-Chen Chu	Due to some directors being the same individuals on both sides of the contract signing	After recusal of interested parties, the proposal was unanimously approved by the remaining attending directors upon inquiry by the acting chairman
April 8, 2024	The Company's salary adjustment proposal for managers in 2024	Director, Chen-Yu Lung Director Hao-Li Liu	Company managers, with conflicts of interest	After recusal of interested parties, the proposal was unanimously approved by the remaining attending directors upon inquiry by the chairman
	Establishing the issuance	Chairman, Jen	Company managers,	After recusal of interested

	and subscription measures for the 1st employee stock option certificates of 2024, and approving the issuance conditions for the Company's employee stock option certificates	Chen Director, Chen-Yu Lung Director Hao-Li Liu	with conflicts of interest	parties, the proposal was unanimously approved by the remaining attending directors upon inquiry by the acting chairman
May 10, 2024	Proposal for ratification of the pharmaceutical label production and quality assurance contract signed between the Company and related party GENOVATE.	Chairman, Jen Chen Director, Chia-Chen Chu Director, Chen-Yu Lung Director Hao-Li Liu	Due to some directors being the same individuals on both sides of the contract signing	After recusal of interested parties, the proposal was unanimously approved by the remaining attending directors upon inquiry by the acting chairman
	Proposal for ratification of the ultrasound tracking system design and development contract signed between the Company and related party UNI PHARMA	Chairman, Jen Chen Director, Chia-Chen Chu Director, Chen-Yu Lung Director Hao-Li Liu	Due to some directors being the same individuals on both sides of the contract signing	After recusal of interested parties, the proposal was unanimously approved by the remaining attending directors upon inquiry by the acting chairman
November 11, 2024	Proposal for the salary compensation (including year-end bonuses) of the Company's managers for year 2024	Chairman, Jen Chen Director, Chen-Yu Lung Director Hao-Li Liu	Company managers, with conflicts of interest	After recusal of interested parties, the proposal was unanimously approved by the remaining attending directors upon inquiry by the acting chairman

III. Goals and implementation assessment for strengthening the functions of the Board of Directors in the current and recent years (such as establishing an Audit Committee, enhancing information transparency, etc.):

(I) The company's Board of Directors operates in accordance with the "Rules of Procedure for Board Meetings" and other relevant regulations. At the extraordinary shareholders' meeting on March 18, 2022, a complete re-election of directors was conducted. The 5th Board of Directors consists of 9 members, including 3 independent directors. Following the re-election, the Audit Committee and Remuneration Committee were established simultaneously, enhancing the Board's management functions and strengthening audit supervision. Furthermore, to enhance corporate governance, the company has planned to increase the number of independent directors by electing 1 additional independent director at the 2025 annual shareholders' meeting to enhance the Board's functions.

(II) The company has revised the "Rules Governing the Scope of Responsibilities of Independent Directors" with reference to the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies," enabling independent directors to effectively fulfill their functions regarding the Board and company operations.

(III) The company periodically arranges professional development courses for directors to maintain their professional competencies and regulatory knowledge.

(IV) To implement corporate governance and enhance Board functions, the company has established the "Board Performance Evaluation Measures" to conduct performance evaluations of the Board and functional committees. The evaluation results are reported to the Board for review and improvement. The performance evaluation results of the Board and functional committees for 2024 were reported to the Board on January 20, 2025.

(V) Important regulations and corporate governance-related norms have been disclosed on the company's website or the Market Observation Post System as required.

(VI) The company has obtained directors' liability insurance to provide protection for directors in executing their duties.

2. Implementation of Board evaluation:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Conducted once a year	January 1, 2024 - December 31, 2024	Performance evaluation of the overall Board of	Self-evaluation of the Board of Directors, functional	The "Board Member Self-evaluation Questionnaire" is self-evaluated by all Board members, with assessment

		Directors, individual Board members, and functional committees (Audit Committee and Remuneration Committee)	committees, and Board members	dimensions including: Understanding of company goals and missions, awareness of directors' responsibilities, level of participation in company operations, internal relationship management and communication, directors' professional development and continuing education, and internal control. These six major dimensions comprise a total of 23 items. The "Functional Committee Performance Self-evaluation Questionnaire" is evaluated by each functional committee, with assessment dimensions including: Level of participation in company operations, awareness of functional committee responsibilities, improvement of functional committee decision-making quality, functional committee composition and member selection, and internal control. These five major dimensions. The "Board Performance Self-evaluation Questionnaire" is self-evaluated by all Board members, with assessment dimensions including: Level of participation in company operations, improvement of Board decision-making quality, Board composition and structure, director selection and continuing education, and internal control. These five major dimensions comprise a total of 45 items.

(II) Operation of the Audit Committee or supervisors' participation in Board operations:

Audit Committee

The company established the Audit Committee on March 18, 2022, composed of all independent directors to replace the functions of supervisors. In the most recent year (2024), the Audit Committee held 8 meetings (A), with independent directors' attendance as follows:

Title	Name	Number of Actual Attendance (B)	Number of Attendance by Proxy	Actual Attendance Rate (%) [B/A]	Remarks
Independent Director	Hann-Tarn Jeng	8	0	100%	
Independent Director	Chia-Lin Chen	7	1	88%	
Independent Director	Jia-Jin Chen	8	0	100%	

Other matters to be recorded:

I. If the operation of the audit committee has any of the following situations, it should specify the date of the audit committee meeting, the period, the content of the proposal, the content of independent directors' objections, reservations or major recommendations, the resolution results of the audit committee, and the company's handling of the audit committee's opinions:

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

Audit Committee (Session)	Proposal Content	The resolution of the Audit Committee	The company's handling of the Audit Committee's opinions
January 30, 2024 (1st Term, 11th Meeting)	The Company intends to sign an agreement with related party UNI PHARMA CO., LTD. for the transfer of product design, improvement, and contract manufacturing of the universal NAVIRFA Needle Tracking System (NAVIRFA)	Approved without objection	None
April 8, 2024 (1st Term, 12th Meeting)	The Company's 2023 Business Report, Individual Financial Statements, and Consolidated Financial Statements	Approved without objection	None
	The Company's 2023 loss allocation proposal		
	The Company's 2023 Internal Control System Statement		
	Amendment to certain provisions of the Company's "Rules of Procedure for Board Meetings" and "Management Measures for Board Meeting Operations"		
	Amendment to certain provisions of the Company's "Audit Committee Charter"		
	Establishment of the Company's "Regular Consultant Appointment Management Measures"		
	Amendment to certain provisions of the Company's "Sales and Collection Cycle," "Procurement and Payment Cycle," "Salary and Labor Cycle," "Property, Plant and Equipment Cycle," "Investment Cycle," "Computerized Information System Cycle," and related management measures along with the approval authority table		
	Amendment to certain provisions of the Company's "Procedures for Acquisition or Disposal of Assets"		
	Pre-approval for the certified public accountants, their accounting firm, and affiliated enterprises of the accounting firm to provide non-assurance services to the Company and its subsidiaries		
	Appointment of a corporate governance officer for the Company		
	Establishing the issuance and subscription measures for the 1st employee stock option certificates of 2024, and approving the issuance conditions for the Company's employee stock option certificates		
May 10, 2024 (1st Term, 13th Meeting)	The Company's "Internal Control System Statement" case	Approved without objection	None
	The Company's consolidated financial report for the first quarter of 2024		
	The Company's financial forecast for the second and third quarters of 2024		
	The Company's "Corporate Governance Self-Assessment Report" case		
	The Company's appointment of information security officer and personnel case		
	Proposal for ratification of the pharmaceutical label production and quality assurance contract signed between the Company and related party GENOVATE.		
	Proposal for ratification of the ultrasound tracking system design and development contract signed between the Company and related party UNI PHARMA		
July 22, 2024 (1st Term, 14th Meeting)	The Company's financial forecast for the third and fourth quarters of 2024	Approved without objection	None
	Amendment to certain provisions of the Company's "Sales and Collection Cycle"		
August 9, 2024 (1st Term, 15th Meeting)	The Company's "Internal Control System Statement" case	Approved without objection	None
	Amendment to certain provisions of the Company's "Supervision and Management of Subsidiaries"		
August 13, 2024 (1st Term, 16th Meeting)	The Company's consolidated financial report for the second quarter of 2024	Approved without objection	None
November 11, 2024 (1st Term, 17th Meeting)	The Company's consolidated financial report for the third quarter of 2024	Approved without objection	None
	The assessment of independence and qualification of the Company's certified public accountants		

	Establishment of the Company's "Sustainability Information Management Measures"		
	The Company's 2025 internal audit plan		
December 10, 2024 (1st Term, 18th Meeting)	Application for public underwriting of newly issued shares through cash capital increase prior to initial TPEx (Taipei Exchange) listing	Approved without objection	None
	Establishment of the Company's "2024 Employee Stock Subscription Plan for Cash Capital Increase"		
	Proposed issuance of a "Sound Business Operation Plan"		

(II) Other than the aforementioned matters, other resolutions that have not been passed by the Audit Committee but have been approved by more than two-thirds of all directors: None.

II. Implementation of recusal by independent directors from voting on conflict of interest agendas, specifying the names of independent directors, content of the proposals, reasons for recusal due to conflict of interest, and participation in voting: None.

III. Communication between independent directors, internal audit supervisor, and accountants (should include significant matters, methods, and results of communication regarding the company's financial and business status):

(I) Communication between the internal audit supervisor and the Audit Committee:

1. After approval of audit reports and follow-up reports, the audit supervisor delivers these reports to each independent director and promptly responds to matters indicated by the independent directors.
2. The audit supervisor attends the company's regular board meetings to report on audit operations and maintains good communication with the company's independent directors.
3. Independent directors may communicate via telephone or email at any time if needed.

Excerpts of major communication matters in the most recent year (2024) are shown in the table below:

Date	Communication content	Execution Result
2024.01.30 Audit Committee	2023 Q4 Internal Audit Report	Acknowledged
2024.04.08 Audit Committee	Audit Committee deliberated on the Company's 2023 "Internal Control System Statement."	Approved after deliberation, submitted to the Board of Directors for resolution.
2024.05.10 Audit Committee	2024 Q1 Internal Audit Report	Acknowledged
	Deliberation on the Company's "Internal Control System Statement" from April 1, 2023, to March 31, 2024	Approved after deliberation, submitted to the Board of Directors for resolution.
	Deliberation on the Corporate Governance Self-Assessment Report	
2024.07.22 Audit Committee	2024 Q2 Internal Audit Report	Acknowledged
2024.08.09 Audit Committee	Deliberation on the Company's "Internal Control System Statement" from July 1, 2023, to June 30, 2024	Approved after deliberation, submitted to the Board of Directors for resolution.
2024.11.11 Audit Committee	2024 Q3 Internal Audit Report	Acknowledged
	2025 Internal Audit Plan	Approved after deliberation, submitted to the Board of Directors for resolution.

(II) Communication between the accountants and the Audit Committee

During the audit/review period, the accountants communicate with the Audit Committee regarding the audit/review plan, implementation status, and results. If there are other operational or internal control-related cases requiring immediate communication and discussion, meetings are arranged as needed. In response to the Audit Quality Indicators (AQI) applicable to listed companies, the accountants explained the Company's AQI-related matters after the Audit Committee meeting on March 13, 2025.

Supervisor

The Company established the Audit Committee composed of all independent directors on March 18, 2022, replacing the functions of supervisors, so this is not applicable.

(III) Corporate Governance Operation Status and Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons

Evaluation Item		Operation Status (Note)			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
		Yes	No	Summary Description	
I.	Has the Company established and disclosed its corporate governance principles based on the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?	V		The Company has established Corporate Governance Best Practice Principles and has disclosed them on the Market Observation Post System and the Company's website.	No major differences
II.	Company's shareholding structure and shareholders' rights				
(I)	Has the Company established internal operating procedures to handle shareholders' suggestions, doubts, disputes, and litigation matters, and implemented them accordingly?	V		(I) The Company has appointed a spokesperson and deputy spokesperson, with dedicated personnel to handle shareholders' suggestions, disputes and other issues.	No major differences
(II)	Does the Company maintain a list of major shareholders who actually control the Company and the ultimate controllers of those major shareholders?	V		(II) The Company's stock affairs are outsourced to a professional stock affairs agency, and specific personnel are responsible for reporting changes in shareholdings of insiders and major shareholders.	No major differences
(III)	Has the Company established and implemented risk control and firewall mechanisms between itself and its affiliated companies?	V		(III) The Company's transactions with affiliated enterprises are handled in accordance with the "Management Measures for Group Enterprises, Specific Companies, and Related Party Transactions" to regulate risk control mechanisms for related parties.	No major differences
(IV)	Has the Company established internal regulations prohibiting insiders from trading securities using non-public information available in the market?	V		(IV) The Company has established "Operating Procedures for Preventing Insider Trading" and "Operating Procedures for Handling Material Inside Information" to regulate that company insiders must not use non-public market information to trade securities.	No major differences
III.	Composition and Responsibilities of the Board of Directors				
(I)	Has the Board of Directors formulated a diversity policy, specific management objectives, and implemented them?	V		(I) The Company has established "Regulations for the Election of Directors," and the composition of the Board adopts a diversified approach. Current directors come from different professional fields and possess rich experience in business	No major differences

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Operation Status (Note)</th><th rowspan="2">Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary Description</th></tr>
<tr><td></td><td></td><td></td><td>operations or academia, providing diverse recommendations for the Company's development at appropriate times.
According to the Company's "Corporate Governance Best Practice Principles," the composition of the Board of Directors should consider diversity. Apart from the requirement that directors who concurrently serve as company managers should not exceed one-third of the Board seats, the Company formulates appropriate diversity guidelines based on its own operations, business model, and development needs. These should include but not be limited to "basic conditions and values" such as gender, age, nationality, and culture, as well as "professional knowledge and skills" including professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, to strengthen the Board's operational capabilities. The Company's current Board of Directors consists of 9 directors, including 6 directors and 3 independent directors. Members possess rich experience and expertise in fields such as finance, business, and management, including 2 female directors:
<table>
<tr><th>Title</th><th>Name</th><th>Gender</th><th>Concurrently serving Employees</th><th>Business determination/ management</th><th>Financial Accounting</th><th>International market view/ industry knowledge</th><th>Leadership Decision-Making</th><th>Lecturers and above at public and private colleges and universities</th></tr>
<tr><td>Chairman</td><td>Jen Chen
Represented legal entity: Genovate Biotechnology Co., Ltd.</td><td>Male</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td></td></tr>
<tr><td>Director</td><td>Chen-Yu Lung</td><td>Male</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td></td></tr>
<tr><td>Director</td><td>Hao-Li Liu</td><td>Male</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Director</td><td>TOP TAIWAN X VENTURE CAPITAL CO., LTD.
Representative: Yueh-Hsuan Chan</td><td>Female</td><td></td><td>V</td><td></td><td>V</td><td>V</td><td></td></tr>
<tr><td>Director</td><td>UNI PHARMA CO., LTD.
Representative: Chia-Chen Chu</td><td>Female</td><td></td><td>V</td><td></td><td>V</td><td>V</td><td></td></tr>
<tr><td>Director</td><td>Chung-Chih Huang</td><td>Male</td><td></td><td>V</td><td></td><td>V</td><td>V</td><td></td></tr>
<tr><td>Independent</td><td>Hann-Tarn Jeng</td><td>Male</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td></td></tr>
</table></td><td></td></tr>
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Evaluation Item	Operation Status (Note)			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
			Director / Independent Director Chia-Lin Chen Male V V V V V; Independent Director Jia-Jin Chen Male V V V V V	
(II) In addition to establishing the Remuneration Committee and Audit Committee as required by law, has the Company voluntarily established other types of functional committees?	V		(II) The company has established a Remuneration Committee and an Audit Committee to strengthen corporate governance. In the future, the company will establish other functional committees according to the company's actual needs and relevant legal regulations.	No major differences
(III) Has the Company established methods and procedures for evaluating the performance of the Board of Directors, conducted regular performance evaluations annually, submitted the evaluation results to the Board of Directors, and used them as reference for individual directors' remuneration and nomination for reappointment?	V		(III) The company established "Board Performance Evaluation Measures" on April 13, 2022, and starting from 2022, at the end of each year, the company conducts board performance evaluations and submits the evaluation results to the board of directors for review and improvement. The 2024 performance evaluation was reported to the board of directors on January 20, 2025.	No major differences
(IV) Does the Company regularly evaluate the independence of its certifying accountants?	V		(IV) The company independently evaluates the independence of the certifying accountants, and the results were submitted to and approved by the board of directors on November 11, 2024. According to the company's evaluation, CPA Hsiao-Tzu Chou and CPA Kuan-Hung Lin of PricewaterhouseCoopers (PwC) both meet the company's independence evaluation standards and are qualified to serve as the company's certifying accountants. The accounting firm has also issued a declaration of independence. In addition, in response to the company becoming an OTC-listed company since March 7, 2025, the accountants explained the relevant matters of the company's Audit Quality Indicators (AQI) after the Audit Committee meeting on March 13, 2025.	No major differences
IV. Do listed and OTC companies configure an appropriate number of qualified corporate governance personnel, and designate a corporate	V		The company's Board of Directors approved the establishment of "Corporate Governance Practices" on April 13, 2022, and resolved to establish a corporate governance officer at the board meeting on April 8, 2024, responsible for corporate	No major differences

Evaluation Item	Operation Status (Note)			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
governance officer responsible for corporate governance affairs (including but not limited to providing directors and supervisors with necessary materials for business execution, assisting directors and supervisors in legal compliance, legally handling matters related to board and shareholders' meetings, and preparing minutes of board and shareholders' meetings)?			governance affairs. The main responsibilities include providing directors with necessary materials for business execution and updates on the latest regulatory developments related to company operations to assist directors in legal compliance. Related responsibilities include but are not limited to: 1. Notifying board members of the latest regulatory amendments and developments related to the company's business areas and corporate governance. 2. Evaluating the purchase of appropriate directors' liability insurance. 3. Drafting the board meeting agenda and notifying directors seven days in advance, convening meetings and providing meeting materials, providing prior reminders for agenda items requiring conflict of interest recusals, and completing board meeting minutes within twenty days after the meeting. 4. Conducting performance evaluations of the board and individual directors annually. 5. Establishing diverse communication with investors. 6. Legally handling pre-registration of shareholders' meeting dates, preparing meeting notices, handbooks, and minutes within statutory deadlines, and handling registration changes when amending articles of incorporation or re-electing directors.	
V. Has the company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up a stakeholder section on the company's website, and appropriately responded to important corporate social responsibility issues of concern to stakeholders?	V		The company has appointed a spokesperson and deputy spokesperson, and the company's website has established an "Investor Section" to properly handle stakeholder suggestions, establishing good information disclosure and communication channels with investors. If there are any opinions, they can be communicated to the company by mail, telephone, or any other form.	No major differences
VI. Has the company appointed a professional shareholder services agent to handle shareholders' meeting affairs?	V		The company has appointed a professional shareholder services agent to handle shareholders' meeting affairs.	No major differences
VII. Information Disclosure				

Evaluation Item	Operation Status (Note)			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
(I) Has the company established a website to disclose financial, business, and corporate governance information?	V		(I) The company's website has established an "Investor Section" to disclose financial and business information as well as corporate governance data, and has reported or announced in accordance with the regulations of the Market Observation Post System.	No major differences
(II) Does the company employ other methods of information disclosure (such as establishing an English website, designating personnel responsible for collecting and disclosing company information, implementing a spokesperson system, and posting investor conference proceedings on the company's website)?	V		(II) The company has established an English website, with designated personnel responsible for collecting and disclosing information on the website, regularly disclosing company information, and implementing a spokesperson system. Presentations and audio-visual files from investor conferences have also been placed on the company's website.	No major differences
(III) Does the company announce and report annual financial reports within two months after the end of the fiscal year, and announce and report first, second, and third quarter financial reports and monthly operating conditions before the prescribed deadlines?		V	(III) The company complies with the list of required reporting matters for OTC companies, submitting annual financial reports within seventy-five days after the end of each fiscal year, and quarterly financial reports within forty-five days after the end of each quarter, following relevant regulations for announcement and reporting. Monthly revenue is announced within ten days before the end of each month.	Completed and announced before the deadline, but is not done in advance. under processing
VIII. Does the company have other important information that would help understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, director and supervisor continuing education, implementation of risk management policies and risk measurement standards, implementation of customer policies, and the company's purchase of liability insurance for directors and supervisors)?	V		1. Employee Rights and Employee Care: The company has established employee work rules to protect employee rights, with smooth communication channels between employees and supervisors. To safeguard employee rights, the company regularly convenes labor-management meetings to encourage communication between both parties. 2. Investor Relations: The company has appointed a spokesperson and deputy spokesperson, and provides contact methods such as email and telephone, allowing investors to express opinions at any time. In addition, the company periodically discloses important operational information to continuously improve company transparency. 3. Supplier Relations: The company maintains equal and good relationships with	No major differences

Evaluation Item	Operation Status (Note)			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
			suppliers. 4. Stakeholder Rights: The company discloses operational information on the "Market Observation Post System" in accordance with relevant regulations to protect stakeholder interests. 5. Director Education: The company arranges for directors to participate in professional knowledge courses annually to strengthen corporate governance concepts. 6. Implementation of Risk Management Policies and Risk Measurement Standards: The company has established and follows various internal regulations according to law to control risks. The internal audit unit conducts regular and irregular audits on the implementation of the internal control system. 7. Implementation of Customer Policies: The company maintains good relationships with customers and values customer opinions to improve service quality. The company plans to establish additional relevant customer policies based on actual sales conditions when formally selling products in the future. 8. Purchase of Liability Insurance for Directors: The company has purchased liability insurance for directors and reported the relevant insurance information to the board of directors on December 10, 2024.	
IX. Please explain the improvements made based on the latest corporate governance evaluation results released by the Taiwan Stock Exchange Corporation's Corporate Governance Center, and provide priority enhancement items and measures for areas not yet improved. (Companies not included in the evaluation do not need to fill this out): The company was first listed on the OTC market on March 7, 2025, and was not included in the evaluation, so this is not applicable.				

(IV) For companies that have established a Remuneration Committee or Nomination Committee, the composition and operation of these committees should be disclosed

1. The company resolved at the board meeting on March 18, 2022, to select Independent Directors Mr. Jia-Jin Chen, Mr. Chia-Lin Chen and Mr. Hann-Tarn Jeng as members of the first Remuneration Committee, and elected Independent Director Mr. Jia-Jin Chen as the convener of the Remuneration Committee.
2. The function of this committee is to evaluate the remuneration policies and systems for the company's directors and managers from a professional and objective position, and to make recommendations to the board of directors as a reference for their decisions.
3. Remuneration Committee Member Information

Identity category	Criteria / Name	Professional qualification and requirements	Meeting the criteria for independence (Note)	Number of other public companies with part-time membership of the Remuneration Committee
Convenor and Independent Director	Jia-Jin Chen	Please refer to the relevant content on directors' professional qualifications and independent directors' independence information disclosure in section TWO.I.(I).4.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	0
Independent Director	Hann-Tarn Jeng		(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	2
Independent Director	Chia-Lin Chen		(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	1

Note:

(1) Not an employee of the Company or its affiliated companies.

(2) Not a director or supervisor of the company or its affiliated enterprises (except in cases where the independent director concurrently serves as an independent director of the company and its parent company, subsidiary, or another subsidiary of the same parent company as appointed in accordance with this Act or local laws and regulations).

(3) Not a natural person shareholder who holds more than 1% of the total issued shares of the company or ranks among the top ten shareholders, either in the person's own name or in the name of a spouse, minor child, or others.

(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of any manager mentioned in (1) or any person mentioned in (2) or (3).

(5) Not a director, supervisor, or employee of a corporate shareholder that directly holds more than 5% of the total issued shares of the company, ranks among the top five shareholders, or has appointed representatives to serve as directors or supervisors of the company in accordance with Paragraph 1 or 2, Article 27 of the Company Act (except in cases where the independent director concurrently serves as an independent director of the company and its parent company, subsidiary, or another subsidiary of the same parent company as appointed in accordance with this Act or local laws and regulations).

(6) Not a director, supervisor, or employee of another company where more than half of the director seats or voting shares are controlled by the same person (except in cases where the independent director concurrently serves as an independent director of the company or its parent company, subsidiary, or another subsidiary of the same parent company as appointed in accordance with this Act or local laws and regulations).

(7) Not a director (board member), supervisor (inspector), or employee of another company or institution where the chairman, general manager, or person holding an equivalent position in the company is the same person or a spouse (however, this restriction does not apply to independent directors serving concurrently in the company and its parent company, subsidiary, or another subsidiary of the same parent company, where such concurrent service is in accordance with this Act or the laws and regulations of the local country).

(8) Not a director (council member), supervisor (inspector), manager, or shareholder holding more than 5% of shares of a specific company or institution that has financial or business dealings with the

company (except in cases where the specific company or institution holds more than 20% but not more than 50% of the total issued shares of the company, and the independent director concurrently serves as an independent director of the company and its parent company, subsidiary, or another subsidiary of the same parent company as appointed in accordance with this Act or local laws and regulations).

(9) Not a professional who provides audit services, or commercial, legal, financial, accounting, or related services to the company or its affiliated enterprises, for which the provider has received cumulative compensation not exceeding NT$500,000 in the past two years, and not an owner, partner, director (council member), supervisor (inspector), manager, or spouse of a sole proprietorship, partnership, company, or institution that provides such services to the company or its affiliated enterprises. However, this restriction does not apply to members of the compensation committee, public tender offer review committee, or special merger and acquisition committee who perform their functions in accordance with the Securities and Exchange Act or related laws and regulations for business mergers and acquisitions.

(10) Not having any of the conditions specified in Article 30 of the Company Act.

4. Information on the Operations of the Compensation Committee

(1) This company's Compensation Committee consists of 3 members.

(2) Current committee term: March 18, 2022 to March 17, 2025, and it is proposed that they will be re-elected together with all directors at the annual shareholders' meeting on June 11, 2025. The Compensation Committee held 3 meetings (A) in the most recent fiscal year (2024), and the attendance of committee members was as follows:

Title	Name	Number of actual attendances (B)	Number of Attendance by Proxy	actual attendance rate (%) (B/A)	Remarks
Convenor	Jia-Jin Chen	3	0	100%	None
Committee member	Chia-Lin Chen	3	0	100%	None
Committee member	Hann-Tarn Jeng	3	0	100%	None

Other matters to be recorded:

A. If the Board of Directors does not adopt or modifies the recommendations of the Compensation Committee, the date of the board meeting, period, content of the proposal, resolution results of the board, and the company's handling of the Compensation Committee's opinions should be specified (if the compensation approved by the Board is better than that recommended by the Compensation Committee, the differences and reasons should be specified): None.

B. For resolutions made by the Compensation Committee, if any member has objections or reservations that are recorded or stated in writing, the date of the Compensation Committee meeting, period, content of the proposal, opinions of all members, and the handling of such opinions should be specified. The opinions of the members and the handling of the opinions of the members: None.

C. The main communications and resolutions in 2024 are as follows:

Remuneration Committee (Session)	Proposal Content	Remuneration Committee's resolution	The Company's handling of the Remuneration Committee's opinions
January 30, 2024	The Company's 2023 Board of Directors and Functional	Approved without	None

(1st term, 7th Meeting)	Committees Performance Evaluation Case	objection	
	Report on the list of managers subscribing to the Company's 2023 cash capital increase for issuing new shares		
April 8, 2024 (1st term, 8th Meeting)	Review of the compensation case for the Company's newly appointed managers	Approved without objection	None
	The Company's salary adjustment proposal for managers in 2024		
	Establishing the issuance and subscription measures for the 1st employee stock option certificates of 2024, and approving the issuance conditions for the Company's employee stock option certificates		
November 11, 2024 (1st Term, 9th Meeting)	The Company's salary adjustment proposal for managers in 2024	Approved without objection	None
	Evaluation of the compensation (including year-end bonuses) for the Company's managers for year 2024		
	Discussion on the work plan for the Company's Compensation Committee for 2025		

5. Information on Nomination Committee members and operations: Not applicable, as the Company has not yet established a Nomination Committee.

(V) Implementation status of promoting sustainable development and differences from and reasons for deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies:

Promotion items	Implementation Status			Differences from and Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary Description	
I. Has the company established a governance structure to promote sustainable development, setting up a dedicated (or part-time) unit for promoting sustainable development, authorized by the Board of Directors to be handled by senior management, and supervised by the Board of Directors?	V		The Company has established "Sustainable Development Practice Principles" and "Sustainable Information Management Regulations," which have been approved by the Board of Directors. In accordance with these regulations, a Sustainable Development Task Force has been established as the dedicated unit for promoting the company's sustainable development, executing related affairs, and compiling sustainability reports. This team is coordinated and supervised by the General Manager, with department heads responsible for implementation, and regularly reports to the Board of Directors. From the Board of Directors to the management team, the Company has a profound understanding of sustainable development, striving toward the goals of sustainable development and fulfilling social responsibility in all aspects from employee care, workplace health, environmental protection, and product responsibility to investor rights.	No major differences
II. Does the company assess the risks related to environmental, social, and governance issues relevant to its operations based on the principle of materiality, and establish relevant risk management policies or strategies? (Note 2)	V		The Company has established "Sustainable Development Practice Principles" and conducts risk assessments on environmental, social, and governance issues relevant to its operations based on the principle of materiality. Additionally, a Risk Management Team has been established in accordance with the "Risk Management Policy and Procedures," and plans to compile a risk report by the end of 2025 (the first year-end after listing on the TPEx) to report risk assessment and management results to the Board of Directors. Furthermore, considering the nature of the company, we have already implemented the ISO13485 quality management system. By continuously operating this management system, we are able to monitor and promptly respond to risks related to environmental issues, employee safety, suppliers, and other aspects of our	No major differences

			operational activities.	
III. Environmental Issues (I) Does the Company have established a suitable environmental management system based on its industrial characteristics?	V		The Company is in an industry with low pollution, and has established an appropriate environmental management system based on the characteristics of the industry in which the Company is located, such as the quality management of medical equipment, ISO13485.	No major differences
(II) Is the company committed to improving energy efficiency and using renewable materials with low environmental impact?	V		The Company strives for electronic forms and documents and implements waste sorting and recycling. We use recycled paper, eco-friendly cups and chopsticks, etc., to reduce the environmental burden. The Company also proactively adopts copy paper certified by the international forest certification system PEFC (Programme for the Endorsement of Forest Certification) to promote forest management, environmental and social benefits, in order to achieve sustainable forest management goals.	No major differences
(III) Has the company assessed the current and future potential risks and opportunities of climate change on the business, and adopted relevant response measures?	V		The Company established a risk assessment and sustainability development task force in March 2025, to evaluate the potential risks and opportunities brought by climate change. Subsequently, in accordance with legal procedures, the Company will prepare a sustainability report and compile an annual risk report to be submitted to the Board of Directors, formulating climate-related issues and corresponding response measures.	No major differences
(IV) Has the company compiled statistics on greenhouse gas emissions, water consumption, and total waste weight for the past two years, and formulated policies for greenhouse gas reduction, water reduction, or other waste management?	V		The Company has no manufacturing plants, with business premises being offices, and the company's nature is research and development. According to statistics on greenhouse gas emissions and water consumption over the past two years, neither has caused significant environmental impact. The relevant information has been disclosed on the company website. To actively support Taiwan's 2050 net-zero emissions policy, The Company continues to be committed to implementing reduction measures. Office air conditioning is controlled by systems, scheduled to turn on during work hours and shut down after work hours. Employees turn off lights when leaving and energy-saving light bulbs are used to respond to energy-saving and carbon reduction policies. Additionally, the Board of Directors resolved to relocate to a new address—	No major differences

			Taipei Bioinnovation Park—in 2023, which provides specialized equipment for biotech companies, including special power supply, exhaust, ventilation, drainage, and sewage treatment facilities, effectively reducing environmental impact. Although The Company has not compiled statistics on total waste weight, the research and development process does not generate large amounts of manufacturing waste, only daily employee garbage. Waste management is carried out in accordance with the management committee's regulations and recycling is implemented, which is not expected to cause significant environmental impact.	
IV. Social Issues (I) Has the company formulated relevant management policies and procedures in accordance with relevant regulations and international human rights conventions?	V		The Company strictly adheres to the Labor Standards Act, Employment Service Act, Gender Equality in Employment Act, and other relevant regulations, and respects internationally recognized basic labor rights principles. The Company has established "Employee Work Rules" to legally protect various employee rights.	No major differences
(II) Has the company established and implemented reasonable employee welfare measures (including compensation, leave, and other benefits), and appropriately reflected operating performance or results in employee compensation?	V		For employees, the Company handles labor and health insurance enrollment, labor pension contributions, and provides performance bonuses periodically, as well as fixed year-end bonuses and other incentive measures. Relevant employee stock ownership plans are also explained to the Board of Directors regarding the ratio obtained by managers, to appropriately reward employees. The Company's compensation policy is positively correlated with individual ability, contribution to the company, performance, and operational results. Overall compensation is based on job responsibilities, core competencies, educational background and experience, performance, market conditions, future company development, retention of outstanding colleagues, and shareholders' interests, among other factors, to provide competitive compensation levels. There is no differential treatment based on gender, age, race, religion, political stance, marital status, or other factors. Salary adjustments are made according to overall operational status and industry standards. Regarding workplace diversity and equality, the Company emphasizes gender equality and equal pay, implementing equal	No major differences

<table>
<tr><td></td><td></td><td></td><td>compensation conditions and promotion opportunities for men and women doing the same work, while maintaining a high proportion of female management positions, promoting sustainable and inclusive economic growth.
Female diversity indicators: (As of April 2025)<table><tr><td>Category</td><td>Percentage</td></tr><tr><td>Female percentage of total employees</td><td>35%</td></tr><tr><td>Female percentage of all managers</td><td>20%</td></tr><tr><td>Female percentage of directors</td><td>22%</td></tr></table></td><td></td></tr>
<tr><td>(III) Does the company provide employees with a safe and healthy work environment, and regularly implement safety and health education for employees?</td><td>V</td><td></td><td>The Company is committed to improving the work environment to prevent occupational hazards and to ensure the work safety of employees (including all partners) and provide a good working environment:
1. The Company maintains and supervises the office work environment in accordance with relevant occupational safety and health regulations. In addition to requiring new employees to provide health examination information from within the last 3 months, the Company also periodically conducts employee health examinations based on annual conditions.
2. Multiple communication channels have been established for employee suggestions and complaints.
3. To maintain office safety, flammable and dangerous items are not allowed in the office. In accordance with tobacco hazard prevention regulations, smoking is completely prohibited in indoor workplaces and public areas to protect employees' health rights.
4. Drinking water equipment that meets drinking water standards is installed in the workplace and is regularly cleaned and maintained. Workplace environmental hygiene management and cleaning maintenance are regularly performed by professional cleaning staff to maintain workplace environmental hygiene quality.
5. Based on humanitarian principles, during the pandemic, the Company fully covered the insurance premiums for travel insurance for employees on business trips. Condolence money is provided for employees who become infected with contagious diseases due to work.</td><td>No major differences</td></tr>
</table>

			6. In compliance with the leased building management regulations, regular fire facility inspections and fire drills are conducted. The Company passed its fire safety inspection in 2024, ensuring workplace safety. 7. There were no employee occupational accidents in the Company in 2024. 8. There were no fire incidents in the Company in 2024.	
(IV) Has the company established effective career development training plans for employees?	V		The Company regards talent cultivation as one of the key points in long-term operational planning. Based on organizational needs, departmental requirements, and individual employee needs, the Company encourages employees to participate in professional-related further education to enhance their skills. Employee career development is also formulated through work development goals in annual self-evaluations. Each year, the Company mandates that employees submit their own continuing education plans, and periodically sends personnel to participate in various educational training activities or meetings to enhance employees' career development capabilities.	No major differences
(V) Regarding issues such as customer health and safety, customer privacy, marketing, and labeling of products and services, does the company comply with relevant regulations and international standards, and formulate relevant policies and complaint procedures to protect consumer or customer rights?	V		The Company complies with relevant regulations and international standards for the marketing and labeling of products and services. Customer privacy is maintained in accordance with confidentiality agreements and the Personal Data Protection Act. The Company has established a stakeholder section to protect consumer rights and provide complaint channels.	No major differences
(VI) Has the company established supplier management policies requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor rights, and what is the implementation status?		V	The Company has established supplier management procedures and conducts regular evaluations. Although the Company's contracts with major suppliers do not yet include clauses allowing for immediate termination or cancellation if suppliers violate environmental protection, occupational safety and health, or labor rights regulations, most of the Company's partner suppliers uphold the concept of sustainable operations. For example, Youngtek Electronics provides green manufacturing processes, while IMS and ultrasonic probe leader IMASONIC have obtained related certificates such as SGS organization ISO14001 and ISO9001 for environmental protection, occupational safety and health, or hazardous	This will be handled according to the Company's operational status or legal requirements.

			substance management. Even navigation device manufacturer Medtronic has publicly disclosed its goals of achieving carbon neutrality by 2030 and zero carbon emissions by 2045. In practice, the Company takes preventive measures in supplier evaluations. In case of significant impact, contracts will be immediately terminated and canceled according to the Company's "Sustainable Development Practice Principles."	
V. Does the company prepare sustainability reports or other reports disclosing non-financial information with reference to internationally common report preparation guidelines or standards? Have the aforementioned reports obtained assurance or guarantee opinions from third-party verification units?		V	The Company was first listed on the OTC market on March 7, 2025. According to the "Regulations Governing the Preparation and Filing of Sustainability Reports by OTC Companies" of the Taipei Exchange, the Company plans to prepare and file a sustainability report by the end of August this year, and will obtain third-party assurance or guarantee opinions by 2028 in accordance with regulations.	This will be handled according to legal requirements.
VI. If the company has established its own sustainability principles based on the "Sustainability Development Practice Principles for TWSE/TPEx Listed Companies," please describe the operation and differences from the established principles: The Company has established "Sustainable Development Practice Principles" and "Sustainable Information Management Regulations" which have been approved by the Board of Directors. In accordance with the above regulations, a Sustainable Development Task Force has been established as the dedicated unit to promote the company's sustainable development, to execute related affairs and report to the Board of Directors regularly. However, since the Company was first listed on the OTC market on March 7, 2025, as of the printing date of the annual report, the sustainability report has not yet been prepared. It is expected to be prepared and filed by the end of August 2025. Although regulations for contract termination with suppliers have not yet been established, most partner suppliers uphold the concept of sustainable operations. The Board of Directors and the management team have a profound understanding of sustainable development, and are striving toward the goals of sustainable development and fulfilling social responsibility in all aspects from employee care, healthy workplace, environmental protection, and product responsibility to investor rights.				
VII. Other important information that helps to understand the implementation of sustainable development: (I) Environmental protection: 1. The Company promotes energy conservation, electricity saving, water-saving, and other related measures; at the same time, it also cooperates with government environmental protection policies to implement garbage recycling. 2. The Company's research and development laboratories also commission qualified waste recycling vendors to carry out necessary processing operations. (II) Safety and Health: The Company values occupational safety and health, and established "Safety and Health Work Rules" in 2024, and appointed a Class B Occupational Safety and Health Operations Supervisor in accordance with the "Occupational Safety and Health Management Regulations." Department heads continuously monitor to control occupational safety and health risks. (III) Human Rights Protection: The Company maintains a good working environment in accordance with the "Gender Equality in Employment Act" to protect employee rights. There is no illegal employment of child labor, nor forced labor or overtime, opposition to unequal discrimination, maintenance of human dignity, and creation of a fair and harmonious workplace environment. In terms of corporate social responsibility operations, the Company will actively participate in relevant charitable activities and donate materials to disadvantaged groups, committed to providing more care and contribution to society.				

Implementation Status of Climate-Related Information

<table>
<tr><th>Items</th><th>Implementation Status</th></tr>
<tr><td>1. Board and Management Oversight and Governance of Climate-Related Risks and Opportunities</td><td>The Company established a Sustainability Development Task Force in March 2025, convened and supervised by the General Manager. The task force members include department heads, company auditors, and corporate governance officers. They are responsible for implementing and managing department-related sustainability affairs, subsequent audit plans, and sustainability reporting preparation. The task force reports to the Board of Directors annually. The Board of Directors serves as the highest climate governance authority of The Company, not only making decisions on the company's climate-related strategic direction but also supervising the overall implementation of commitments to maintain the company's sustainable operations.</td></tr>
<tr><td>2. How Identified Climate Risks and Opportunities Impact Business, Strategy, and Finance (Short, Medium, and Long Term)</td><td>The Company follows the framework recommended by TCFD (Task Force on Climate-related Financial Disclosures), evaluating climate risks and opportunities after considering the probability of occurrence and degree of impact, which include:
<table>
<tr><th>Aspect</th><th>Issue</th><th>Impact Timeline</th><th>Financial and Business Impact</th><th>Response Strategy</th></tr>
<tr><td>Physical Risk - Immediate</td><td>Extreme weather events (typhoons, heavy rain, drought, etc.)</td><td>Short-term</td><td>Damage to production facilities, disruption of transportation routes, impact on raw material availability, and product distribution</td><td>Plan for diverse sustainable supply chains, ensure support from stakeholders and financial stability to support plans, and mitigate the impact on a single region through forming new strategic alliances or joint ventures.</td></tr>
<tr><td>Transition Risk - Policy and Regulations</td><td>ESG and compliance requirements</td><td>Medium-term</td><td>Failure to meet disclosure requirements may affect capital market valuation and investment opportunities</td><td>Ensure requirements and regulations for existing products and services through quality assurance regulatory departments and corporate governance, and disclose accurately in accordance with domestic and international regulations.</td></tr>
<tr><td>Opportunities</td><td>Low-Carbon Products and Services</td><td>Long-term</td><td>Relying on more precise optical navigation image analysis and focused ultrasound treatment technology to strengthen non-</td><td>Leveraging existing advantages to enter the market, and align with policy initiatives through continuous technological innovation and green supply chain, effectively capturing</td></tr>
</table></td></tr>
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				invasive detection needs, reduce patient hospitalization time and medical resource consumption, and improve medical efficiency.	market opportunities for low-carbon products and services, while enhancing corporate competitiveness and sustainable development.
3. Description of the Impact of Extreme Climate Events and Transition Actions on Finance	Extreme Climate Events: Lead to transportation disruptions, causing possibilities including work stoppages, lack of raw materials, and equipment damage, and even finished products unable to be delivered internationally on schedule resulting in a breach of contract. Transition Actions: The transition to a low-carbon economy may face extensive policy and regulatory, technological, and market changes. Under existing technological and product advantages, these may enhance corporate competitiveness.				
4. Description of How Climate Risk Identification, Assessment, and Management Processes are Integrated into the Overall Risk Management System	Climate risk identification and assessment is conducted by the company's Sustainability Development Task Force, which refers to TCFD guidelines and considers the probability of occurrence and degree of impact to conduct risk identification and analysis. This includes immediate and long-term physical risks, as well as transition risks related to policies and regulations, technology, and markets. The Task Force also formulates risk countermeasures and reviews existing internal norms.				
5. If Scenario Analysis is Used to Assess Resilience to Climate Change Risks, Explain the Scenarios, Parameters, Assumptions, Analysis Factors, and Main Financial Impacts Used	As of the printing date of this annual report, The Company has not yet used scenario analysis to assess resilience to climate change risks. In the future, the company plans to develop relevant scenario analyses based on business conditions and legal requirements.				
6. If There Is a Transition Plan for Responding to and Managing Climate-Related Risks, Describe the Content of the Plan and the Indicators and Targets Used to Identify and Manage Physical and Transition Risks	In order to identify and respond to risks in a timely manner, The Company has established a risk management team that regularly assesses the physical and transition risks faced by the enterprise. Through cross-departmental communication in product research and development, manufacturing, marketing, and quality assurance regulations, the company reduces the possibility of climate impact. The team plans to submit a report to the Board of Directors by the end of the year to continuously monitor the overall response situation.				
7. If Internal Carbon Pricing Is Used as a Planning Tool, Explain the Basis for Price Setting	As of the printing date of this annual report, The Company has not yet used internal carbon pricing as a planning tool. In the future, the company plans to implement it based on business conditions and legal requirements.				

8. If Climate-Related Targets Have Been Set, Describe the Activities Covered, Greenhouse Gas Emission Scopes, Planning Timeline, Annual Progress, etc.; If Carbon Offsets or Renewable Energy Certificates (RECs) Are Used to Achieve Related Targets, Explain the Source and Quantity of the Offset Carbon Reduction or the Quantity of RECs.	The Company relocated to the Taipei Bioinnovation Park in August 2023. Although our industry type does not emit large amounts of greenhouse gases, we remain committed to daily energy conservation, with a goal to reduce Scope 1 and Scope 2 greenhouse gas emissions by five percent within three years after relocation. Furthermore, although our industry type has no significant environmental impact on Taiwan's water resources and water source ecological environments, in order to ensure the effective use of water resources, we have also set a goal to save water consumption by five percent within three years after relocation, reducing our environmental impact. The year 2024 is the first complete year after the relocation. Although we cannot yet review progress, under the premise that the leased area has doubled compared to before the relocation, the increase in greenhouse gases is only 66%, and water consumption is also lower than industry peers, showing effective resource management.
9. Greenhouse Gas Inventory, Assurance Status, Reduction Targets, Strategies, and Specific Action Plans (Filled Separately in 1-1 and 1-2)	Please refer to Table 1-1 below for the preliminary greenhouse gas inventory; please refer to Table 1-2 below for reduction targets, strategies, and specific action plans. In addition, as The Company is an OTC-listed company with a capital of less than 10 billion NT$, according to the sustainability roadmap issued by the Financial Supervisory Commission, we plan to complete greenhouse gas assurance by 2028.

1-1 Greenhouse Gas Inventory Information

Description of greenhouse gas emissions for the past two years (tonnes CO2e), intensity (tonnes CO2e/million dollars), and data coverage scope.

The Company's Cayman Island subsidiary is a holding company, the US subsidiary has not yet actually invested capital, and the Australian subsidiary only conducts experiments in cooperation with local contracted medical institutions. None have actual operations. Therefore, The Company's greenhouse gas emissions are the same as all companies within the consolidated financial statements.

	2023		2024	
	Emissions volume (tons of CO2e)	Intensity (tons of CO2e/NT$million)	Emissions volume (tons of CO2e)	Intensity (tons of CO2e/NT$million)
Scope 1 (Direct Greenhouse Gas Emissions)	0.005		0.005	
Scope 2 (Indirect Greenhouse Gas Emissions)	32.516		53.970	
Total	32.521	1.45	53.975	1.96

Note 1: The company's greenhouse gas inventory scope includes both the corporate office and manufacturing plants.
Note 2: The greenhouse gas emission factors reference the Environmental Protection Administration's Greenhouse Gas Emission Factor Management Table version 6.0.4; the emission factors for electricity are based on the 2023 and 2024 carbon emission factors published by the Energy Bureau of the Ministry of Economic Affairs.
Note 3: The company's greenhouse gas inventory scope covers two types of greenhouse gases: carbon dioxide (CO_2) and hydrofluorocarbons (HFCs).
Note 4: Emission intensity = (Scope 1 + Scope 2 CO_2 equivalent emissions) / annual total revenue.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Description of greenhouse gas reduction base year and data, reduction targets, strategies, specific action plans, and achievement status of reduction targets.
The Company relocated to the Taipei Bioinnovation Park in August 2023, which already provides special equipment for biotech companies including specialized power supply, exhaust, ventilation, drainage, and sewage treatment facilities. Refrigerators and freezers all use R-600a refrigerant, which has no impact on ozone depletion; fire extinguishers are all ABC-type extinguishers; and the facility is connected to the sewage system. Additionally, the office air conditioning is controlled by a system that automatically turns on during work hours and off after work hours. Employees turn off lights after work and energy-saving light bulbs are used to support energy conservation and carbon reduction policies. We have set a reduction target to reduce Scope 1 and Scope 2 greenhouse gas emissions by five percent within three years after relocation. The Company plans to use 2024 as the base year and begin reviewing the achievement of reduction targets in the following year, aiming to achieve the reduction target by 2027.

(VI) Implementation of Ethical Management and Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons

Evaluation Item	Operation Status (Note)			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
I. Establishing Ethical Management Policies and Programs				
(I) Has the company established an ethical management policy approved by the Board of Directors, and clearly stated the ethical management policy, practices, and commitment of the Board of Directors and senior management to actively implement the management policy in regulations and external documents?	V		(I) The Company has established the "Ethical Corporate Management Principles," "Code of Ethics," and "Operational Procedures and Behavioral Guidelines for Ethical Management," all of which have been approved by the Board of Directors. The Board and senior management will follow the laws and implement management regulations to fulfill their commitment to management policies. In 2024, 87% of relevant parties signed the Ethical Management Declaration as part of implementing the ethical management policy.	No major differences
(II) Has the company established a risk assessment mechanism for unethical behavior, regularly analyzing and evaluating business activities with higher risk of unethical behavior within the scope of operations, and accordingly formulating programs to prevent unethical behavior, which at least cover preventive measures for each type of conduct mentioned in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies"?	V		(II) To prevent unethical behavior in business activities, The Company has established "Operational Procedures and Behavioral Guidelines for Ethical Management" and "Ethical Corporate Management Principles" which clearly stipulate prohibited unethical behaviors and interests and their forms, to specifically regulate and prevent unethical behavior.	No major differences
(III) Has the company specified operating procedures, conduct guidelines, disciplinary measures for violations, and grievance systems in its unethical behavior prevention program, implemented them effectively, and regularly reviewed and revised the aforementioned program?	V		(III) The Company has established the "Ethical Corporate Management Principles" and "Operational Procedures and Behavioral Guidelines for Ethical Management" to build a corporate culture of ethical management, and informs new employees of the company's relevant regulations when they report for duty.	No major differences
II. Implementation of Ethical Management				
(I) Does the company evaluate the ethical records of its business counterparties and include ethical behavior clauses in contracts signed with them?	V		(I) The company's "Ethical Management Code" stipulates that when signing contracts with others, we should fully understand the other party's ethical management status, and should incorporate ethical management into contract	No major differences

Evaluation Item	Operation Status (Note)			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
			terms or clearly stipulate ethical matters.	
(II) Does the company have a dedicated unit under the Board of Directors responsible for promoting corporate ethical management, and regularly (at least once a year) report to the Board on its ethical management policies, programs for preventing unethical behavior, and supervision of implementation?		V	(II) The Administrative Department of the company is the executive unit for promoting ethical management, handling the revision, implementation, interpretation, consultation services, and registration of reported content and related operations of operational procedures and behavioral guidelines. The Audit Unit supervises the implementation and reports to the Board of Directors when necessary.	This will be handled according to the Company's operational status or legal requirements.
(III) Has the company established policies to prevent conflicts of interest, provided appropriate channels for statements, and implemented them effectively?	V		(III) The company's "Board Meeting Rules" have established a system for directors to avoid conflicts of interest. Directors with personal interests or interests related to the legal entities they represent in meeting matters should explain the important content of their interests at the board meeting. If there is concern about harming the company's interests, they cannot participate in discussions and voting, and should recuse themselves during discussions and voting, and cannot exercise voting rights on behalf of other directors. In addition, the Ethical Management Code also clearly stipulates relevant regulations regarding conflict of interest avoidance.	No major differences
(IV) Has the company established effective accounting systems and internal control systems to implement ethical management, and has the internal audit unit formulated relevant audit plans based on the risk assessment results of unethical behavior, audited compliance with unethical behavior prevention programs, or engaged accountants to perform audits?	V		(IV) The company has established an effective internal control system, related policies, and accounting system for implementation. The Audit Office includes higher-risk operation items in the annual audit plan based on risk assessment results to verify the actual implementation of these operations, and reports to the Board of Directors.	No major differences
(V) Does the company regularly hold internal and external educational training on ethical management?	V		(V) The company regularly promotes and explains these matters in various meetings.	No major differences
III. Operation of the Company's Whistleblowing System				
(I) Has the company established specific whistleblowing and reward	V		(I) The company has established "Ethical Management	No major differences

Evaluation Item	Operation Status (Note)			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
systems, convenient whistleblowing channels, and assigned appropriate dedicated personnel to handle reported subjects?			Procedures and Behavioral Guidelines" and "Procedures for Handling Reports of Illegal, Unethical or Dishonest Conduct," creating convenient reporting channels, assigning appropriate units to handle reported subjects, and protecting all employees who make suggestions or reports.	
(II) Has the company established standard operating procedures for investigating reported matters, follow-up measures to be taken after investigations are completed, and related confidentiality mechanisms?	V		(II) The company has established investigation procedures and related confidentiality mechanisms for handling reported matters in the "Ethical Management Procedures and Behavioral Guidelines" and "Procedures for Handling Reports of Illegal, Unethical or Dishonest Conduct."	No major differences
(III) Has the company adopted measures to protect whistleblowers from improper treatment due to their reporting?	V		(III) The company has clearly stipulated in the "Ethical Management Procedures and Behavioral Guidelines" and "Procedures for Handling Reports of Illegal, Unethical or Dishonest Conduct" that written declarations should be made to keep the whistleblower's identity and reported content confidential, promising to protect whistleblowers from improper treatment due to their reporting; additionally, the company has established an employee reporting mailbox.	No major differences
IV. Enhancement of Information Disclosure Has the company disclosed the content of its Ethical Management Code and implementation effectiveness on its website and the Market Observation Post System?	V		The company's website has established a "Corporate Governance Section" that discloses ethical management regulations and the status of signing ethical management declarations. As of the annual report printing date, there have been no established cases related to ethical management.	No major differences
V. If the company has established its own Ethical Management Code in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," please describe any differences between its operation and the established code: There are no significant differences.				
VI. Other important information that helps understand the company's ethical management operations: (Such as the company's review and revision of its established Ethical Management Code) 1. The company complies with relevant regulations from competent authorities such as the Company Act and Securities and Exchange Act as the foundation for implementing ethical management. 2. The company's "Board Meeting Rules" stipulate that directors with interests in meeting matters, either personally or through the legal entities they represent, which may harm				

Evaluation Item	Operation Status (Note)			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
the company's interests, may express opinions and answer questions but cannot participate in discussions and voting. They should recuse themselves during discussions and voting and cannot exercise voting rights on behalf of other directors.				

(VII) Other important information that can enhance understanding of the company's corporate governance operations may also be disclosed:

1. The company has established a complete internal control system that has been effectively implemented. In daily operations, in addition to self-inspection mechanisms, the Board of Directors and management regularly review the self-inspection results of each unit and audit reports from the audit unit to achieve effective and efficient company operations, ensure the accuracy of financial reports, and confirm compliance with regulations.

2. The directors' continuing education in the most recent year (2024) and up to the printing date of the annual report is detailed in the table below:

Title	Name	Appointment Date	Training Date	Training Institution	Course Name	Training Hours
Chairman/Chief Strategy Officer	Jen Chen	March 18, 2022	May 31, 2024	Securities and Futures Institute	Corporate Management and Risk Response Management	3
			September 10, 2024	Securities and Futures Institute	Directors, Supervisors and Corporate Governance Officers Series Course - Enterprise Risk Management and Crisis Handling - From Directors' and Supervisors' Perspective	3
Director/Technical Consultant	Hao-Li Liu	March 18, 2022	January 22, 2024	Taipei Foundation of Finance	Low-Carbon Transition Pathway Planning - Carbon Rights and Carbon Pricing	3
			May 9, 2024	Taiwan Project Management Association	Succession Team Building and Talent Development	3
			January 17, 2025	Taiwan Corporate Governance Association	Current Global Economic and Financial Situation	3
Director/General Manager	Chen-Yu Lung	March 18, 2022	January 12, 2024	Taiwan Corporate Governance Association	Climate Change Response Act Post-Approval Corporate Carbon Management Thinking	3
			April 18, 2024	Taiwan Project Management Association	International Industry Trends and Multinational Enterprise Management Project Management	3
			April 25, 2025	Taiwan Project Management Association	Enterprise Trade Secret Protection Legal System and Case Studies	3
Director	Chung-Chih	March 18,	March 12,	Taiwan Corporate	Corporate Ethical Management and Senior Accountability	3

	Huang	2022	2024	Governance Association	System International Trends and Experience Sharing	
			March 26, 2024	Taiwan Corporate Governance Association	Ethical Management Code and How to Avoid Crossing the Red Line of Director and Supervisor Responsibilities	3
Representative of Corporate Director	Chia-Chen Chu	March 18, 2022	May 31, 2024	Securities and Futures Institute	Corporate Management and Risk Response Management	3
			September 10, 2024	Securities and Futures Institute	Directors, Supervisors and Corporate Governance Officers Series Course - Enterprise Risk Management and Crisis Handling - From Directors' and Supervisors' Perspective	3
Representative of Corporate Director	Yueh-Hsuan Chan	March 18, 2022	April 18, 2024	Taiwan Project Management Association	International Industry Trends and Multinational Enterprise Management Project Management	3
			April 23, 2024	Taiwan Project Management Association	Anti-Money Laundering and Countering Terrorism Financing	3
Independent Director	Hann-Tarn Jeng	March 18, 2022	February 22, 2024	Taiwan Corporate Governance Association	Intellectual Property Tax Management from Corporate Governance Perspective	3
			May 9, 2024	Taiwan Corporate Governance Association	2024 Global Economic Outlook and Industry Trends	3
			February 13, 2025	Corporate Operating and Sustainable Development Association	Analysis of Legal Regulations and Practical Cases of Financial Report Misrepresentation	3
Independent Director	Jia-Jin Chen	March 18, 2022	February 22, 2024	Taiwan Corporate Governance Association	Intellectual Property Tax Management from Corporate Governance Perspective	3
			April 10, 2024	Taiwan Project Management Association	Enterprise Digital Transformation and Digital Governance	3
			December 20, 2024	Taiwan Corporate Governance Association	Essential Self-Protection for Directors and Supervisors: Insight into How Criminals Utilize Unconventional Transactions and Related Party Transaction Methods	3
			January 9, 2025	Taiwan Corporate Governance Association	Everything is Connected, Everything Can Be Hacked - IoT Information Security Begins with Us	3
			April 25, 2025	Taiwan Project Management Association	Enterprise Trade Secret Protection Legal System and Case Studies	3
Independent Director	Chia-Lin Chen	March 18, 2022	January 26, 2024	Taiwan Digital Governance Association	Corporate Perspectives on the #MeToo Movement: Legal Reforms in Gender Equality and Business Responsibility	3
			May 7, 2024	Taiwan Project Management Association	Big Data Analysis and Corporate Governance	3
			November 12, 2024	Securities and Futures Institute	Challenges and Responsibilities of the Board of Directors under Corporate Governance Evaluation and Sustainability Action Plans	3

			December 17, 2024	Securities and Futures Institute	How Directors and Supervisors Should Oversee Corporate Risk Management and Crisis Handling (Including Gender Equality)	3

3. Our company has established "Internal Material Information Handling and Insider Trading Prevention Management Procedures," and handles major event announcements and insider trading prevention in accordance with these procedures.
4. The participation of our company's managers, internal auditors, and financial/accounting personnel in corporate governance-related education and training during the most recent year (2024) and up to the printing date of the annual report is as follows:

Title	Name	Training Date	Training Institution	Course Name	Training Hours
Audit Director	Yuan-Shiang Chang	March 8, 2024	Accounting Research and Development Foundation	Practical Analysis of the Latest Corporate Governance Policies and Net-Zero Carbon Emissions Impact on Financial Statements	6
		April 12, 2024	The Institute of Internal Auditors-Chinese Taiwan	Implementation of "ESG" and "Internal Audit and Internal Control Integration" Applications and Examples	6
		December 6, 2024	The Institute of Internal Auditors-Chinese Taiwan	New Challenges for Internal Auditors - Analysis of Sustainability Information Disclosure and Management Policies and Related Audit Points	6
Financial and Accounting Director	Chang-Hsin Chen	December 9, 2024 ~ December 10, 2024	Accounting Research and Development Foundation	Continuing Education Course for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	12
		April 24, 2025 ~ April 25, 2025	Accounting Research and Development Foundation	Continuing Education Course for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	12
Corporate Governance Officer	Tzu-Yun Chou	April 10, 2024	Taiwan Project Management Association	Enterprise Digital Transformation and Digital Governance	3
		April 12, 2024	Accounting Research Foundation	New ESG Regulations in Annual Reports and Their Impact on Financial Reporting	6
		April 17, 2024	Taiwan Project Management Association	Corporate Sustainability Development and ESG Issues	3
		April 19, 2024	Taiwan Corporate Governance Association	Director Responsibilities in Corporate Control Disputes—Focus on Protection of Shareholder Rights	3
		May 9, 2024	Taiwan Project Management Association	Succession Team Building and Talent Development	3
		January 13, 2025 ~ January 14, 2025	Accounting Research and Development Foundation	Continuing Education Course for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	12

(VIII) The implementation status of the internal control system should disclose the following items:

1. Internal Control Statement

   The Company's 2024 Internal Control Statement has been uploaded to the Market Observation Post System (MOPS). Please refer to the Internal Control Statement announcement in the Internal Control section.

2. If the internal control system is reviewed by a commissioned accountant, the accountant's review report should be disclosed: None

(IX) Important resolutions of shareholders' meetings and board of directors in the most recent year and up to the printing date of the annual report

1. Important resolutions of shareholders' meetings

Meeting Date	Important Resolutions
June 24, 2024 (2024 General Shareholders' Meeting)	1. Approval of the 2023 Business Report and Financial Statements 2. Approval of the 2023 Loss Offsetting Proposal 3. Amendment to Partial Articles of the "Director Election Procedures" 4. Amendment to Partial Articles of the "Articles of Incorporation" 5. Amendment to Partial Articles of the "Procedures for Acquisition or Disposal of Assets"

2. Important Resolutions of the Board of Directors

Meeting Date	Important Resolutions
January 30, 2024	(1) Performance evaluation of the Company's Board of Directors and functional committees for 2023 (proposed by the Audit Committee) (2) The Company's "2024 Operational Plan and Budget" proposal (3) The Company's proposal to sign a product design transfer, improvement, and OEM agreement for the universal NAVIRFA Needle Tracking System with related party UNI PHARMA CO., LTD. (proposed by the Audit Committee)
April 8, 2024	(1) The Company's 2023 Business Report, Individual Financial Statements, and Consolidated Financial Statements (proposed by the Audit Committee) (2) The Company's 2023 Loss Offsetting Proposal (proposed by the Audit Committee) (3) The Company's 2023 Statement of Internal Control (proposed by the Audit Committee) (4) Amendment to partial articles of the Company's "Rules of Procedure for Board of Directors Meetings" and "Board of Directors Meeting Operation Management Measures" (proposed by the Audit Committee) (5) Amendment to partial articles of the Company's "Audit Committee Charter" (proposed by the Audit Committee) (6) Establishment of the Company's "Regular Consultant Appointment Management Measures" (proposed by the Audit Committee) (7) Amendment to partial articles of the Company's "Director Election Procedures" (8) Amendment to partial articles of the Company's "Articles of Incorporation" (9) Amendment to partial articles of the Company's "Sales and Collection Cycle," "Procurement and Payment Cycle," "Payroll Cycle," "Property, Plant and Equipment Cycle," "Investment Cycle," "Computerized Information System Cycle," and the Company's management operating procedures and approval authority table (proposed by the Audit Committee) (10) Amendment to partial articles of the Company's "Procedures for Acquisition or Disposal of Assets" (proposed by the Audit Committee) (11) Pre-approval for the certifying accountant, their firm, and the firm's affiliated enterprises to provide non-assurance services to the Company and its subsidiaries (proposed by the Audit Committee) (12) The Company's establishment of a corporate governance officer position (proposed by the Audit Committee)

	(13) Review of compensation for the Company's new managers (proposed by the Compensation Committee) (14) The Company's 2024 manager salary adjustment proposal (proposed by the Compensation Committee) (15) Establishment of the 2024 first employee stock option issuance and subscription regulations, and approval of the Company's employee stock option issuance conditions (proposed by the Audit Committee and Compensation Committee) (16) Determination of the date, location, and agenda for the Company's 2024 Annual Shareholders' Meeting
May 10, 2024	(1) The Company's "Statement of Internal Control" proposal (proposed by the Audit Committee) (2) The Company's 2024Q1 Consolidated Financial Report (proposed by the Audit Committee) (3) The Company's 2024Q2 and 2024Q3 Financial Forecast (proposed by the Audit Committee) (4) In line with the Company's application for OTC listing, the proposal to approve the centralized securities custody plan for the initial listing and the overallotment agreement (5) The Company's "Corporate Governance Self-Assessment Report" (proposed by the Audit Committee) (6) The Company's establishment of information security supervisor and personnel positions (proposed by the Audit Committee) (7) Proposal for ratification of the Pharmaceutical Label Production and Quality Assurance Contract signed between the Company and related party GENOVATE (proposed by the Audit Committee) (8) Proposal for ratification of the Ultrasound Tracking System Design and Development Contract signed between the Company and related party UNI PHARMA CO., LTD. (proposed by the Audit Committee) (9) Establishment of the Company's "Regulations for Financial and Business Operations Between Affiliated Enterprises"
July 22, 2024	(1) The Company's 2024Q3 and 2024Q4 Financial Forecast (proposed by the Audit Committee) (2) Establishment of the Company's "Risk Management Policy and Procedures" (3) Budget allocation for the Company's clinical trial of NaviFUS System combined with Avastin for treating rGBM (4) Amendment to partial articles of the Company's "Sales and Collection Cycle" (proposed by the Audit Committee)
August 9, 2024	(1) The Company's "Statement of Internal Control" proposal (proposed by the Audit Committee) (2) Amendment to partial articles of the Company's "Supervision and Management of Subsidiaries" (proposed by the Audit Committee)
August 13, 2024	(1) The Company's 2024Q2 Consolidated Financial Report (proposed by the Audit Committee)
November 11, 2024	(1) The Company's 2024Q3 Consolidated Financial Report (proposed by the Audit Committee) (2) Assessment of the independence and competence of the Company's certifying accountants (proposed by the Audit Committee) (3) Evaluation of the Company's 2024 manager compensation (including year-end bonuses) (proposed by the Compensation Committee) (4) Establishment of the Company's "Sustainability Information Management Measures" (proposed by the Audit Committee) (5) The Company's 2025 Internal Audit Plan (proposed by the Audit Committee)
December 10, 2024	(1) Processing of the application for allocating new shares for public underwriting through a cash capital increase prior to the initial OTC listing (proposed by the Audit Committee)

	(2) Establishment of the Company's "2024 Cash Capital Increase Employee Stock Subscription Regulations" (proposed by the Audit Committee) (3) Proposal to issue a "Sound Business Plan" (proposed by the Audit Committee)
January 20, 2025	(1) The Company's 2024 Board of Directors and functional committees performance evaluation proposal (proposed by the Compensation Committee) (2) The Company's overseas business development consultant appointment proposal (proposed by the Compensation Committee) (3) The Company's "2025 Operational Plan and Budget" proposal (4) Approval of the Company's 2024Q4 employee stock options conversion to common shares and determination of the capital increase record date
March 13, 2025	(1) The Company's 2024 Business Report, Individual Financial Statements, and Consolidated Financial Statements (proposed by the Audit Committee) (2) The Company's 2024 Loss Offsetting Proposal (proposed by the Audit Committee) (3) The Company's 2024 "Statement of Internal Control" (proposed by the Audit Committee) (4) Amendment to Partial Articles of the "Articles of Incorporation" (5) Definition of the scope of the Company's entry-level employees (proposed by the Audit Committee) (6) The Company's comprehensive re-election of directors and nomination of director candidates (7) Removal of non-competition restrictions for newly appointed directors and their representatives (8) Handling of matters related to director (including independent director) candidate nominations by shareholders holding 1% or more shares (9) Determination of the date, time, location, and other related matters for the 2025 Annual Shareholders' Meeting (10) Proposal for amendment to the overseas business development consultant appointment contract
April 24, 2025	(1) Amendment to partial articles of the Company's "Procedures for Acquisition or Disposal of Assets" (proposed by the Audit Committee) (2) Proposal for the Addition of an Agenda Item to the 2025 Annual Shareholders' Meeting

(X) For the most recent year and up to the printing date of the annual report, the main content of any directors or supervisors who had different opinions on important resolutions passed by the Board of Directors and had such opinions recorded or made written statements: No such occurrences.

IV. Certifying Accountant Fee Information

(I) The amount of audit fees and non-audit fees paid to certifying accountants, their accounting firms, and affiliated enterprises, as well as the content of non-audit services, should be disclosed

Unit: NT$thousand

Name of Accounting Firm	Names of Accountants	Accountant Audit Period	Audit Fees	Non-Audit Fees (Note)	Total	Remarks
PricewaterhouseCoopers Taiwan	Hsiao-Tzu Chou Kuan-Hung Lin	2024/01/01~ 2024/12/31	1,150	1,977	3,127	-

Note: Mainly includes tax certification, issuance of Internal Control Special Review Reports for initial OTC listing application, financial report translation, accountant's review opinions for stock option issuance, and handling of business registration changes.

(II) If any of the following circumstances exist, the following items should be disclosed

1. If the accounting firm was changed and the audit fee paid in the year of change is less

than that of the previous year before the change, the audit fee amounts before and after the change and the reason should be disclosed: No such occurrence.

2. If the audit fee decreased by more than ten percent compared to the previous year, the amount of decrease in audit fee, the percentage, and the reason should be disclosed: No such occurrence.

V. Information on change of accountant:

(I) Regarding the former accountant: Not applicable

Date of change				
Reason and explanation for the change				
Explanation of whether the termination or non-acceptance of the appointment was initiated by the client or the accountant	Party / Situation		Accountant	Client
	Actively terminated the appointment			
	No longer accepts (continues) the appointment			
Audit report opinions other than unqualified opinions issued in the most recent two years and the reasons	None			
Whether there were disagreements with the issuer	Yes		Accounting principles or practices	
			Financial report disclosures	
			Audit scope or procedures	
			Others	
	No			
	Explanation			
Other disclosure matters (Items 4 to 7 of Article 10, Paragraph 6, Subparagraph 1 of these Standards that should be disclosed)				

(II) Regarding the successor accountant: Not applicable

Name of CPA firm	
Names of Accountants	
Date of appointment	
Consultation matters and results regarding accounting treatment methods or accounting principles for specific transactions prior to appointment and possible opinions that may be issued on financial reports	
Written opinions of the successor accountant on matters of disagreement with the former accountant	

(III) Response letter from the former accountant regarding the matters in Article 10, Paragraph 6, Subparagraph 1 and Item 3 of Subparagraph 2 of these Standards: Not applicable

VI. Whether the company's chairman, general manager, or managers responsible for financial or accounting affairs have served in the certifying accountant's firm or its affiliated enterprises within the past year, their names, titles, and periods of service in the certifying accountant's firm or its affiliated enterprises should be disclosed. The term "affiliated enterprises of the certifying accountant's firm" refers to companies or institutions where the accountants of the certifying accountant's firm hold more than fifty percent of shares or obtain more than half of the director seats, or companies or institutions listed as affiliated enterprises in materials published or printed by the certifying accountant's firm: No such occurrence.

VII. Changes in shareholding and pledge of shares by directors, supervisors, managers, and shareholders holding more than ten percent of shares in the most recent year and up to the printing date of the annual report:

(I) Changes in Shareholding and Pledge of Shares by Directors, Supervisors, Managers, and Shareholders Holding More Than Ten Percent of Shares

As of April 2025, relevant information of the Company has been reported to the Market Observation Post System (MOPS). Please refer to the section on shareholding, pledging, and transfer of directors, supervisors, and major shareholders in the company's basic information.

(II) Information regarding transfers of shares by directors, supervisors, managers, and shareholders holding more than ten percent of shares where the counterparty is a related party: None.

VIII. Information on shareholders among the top ten shareholders who are related parties or spouses, relatives within the second degree of kinship

April 13, 2025; Unit: Shares; %

Name	Shares held personally		Shares held by spouses and minor children		Total shares held in the name of others.		Among the top ten shareholders, those who have related party relationships or are spouses or relatives within the second degree of kinship, their names and relationships.		Remarks
	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Name (or full name)	Relationship	-
Genovate Biotechnology Co., Ltd Representative: Jen Chen	9,587,086	13.55	-	-	-	-	Uni pharma co., ltd.	Representative is the same person	-
	420,000	0.59	-	-	-	-			
TOP TAIWAN XI VENTURE CAPITAL CO., LTD. Representative: Te-Chen Chiu	5,089,000	7.19	-	-	-	-	-	-	-
	-	-	-	-	-	-			
Hao-Li Liu	2,708,660	3.83	-	-	-	-	-	-	-
UNI PHARMA CO., LTD. Representative: Jen Chen	2,520,322	3.56	-	-	-	-	Genovate Biotechnology Co., Ltd	Representative is the same person	-
Mega International Commercial Bank Representative: Zhao-shun Chang	2,467,544	3.49	-	-	-	-	-	-	-
	-	-	-	-	-	-			
Innorich Venture Capital Corp. Representative: Ping-Lung Wang	2,315,496	3.27	-	-	-	-	Youngtek Electronics Corporation	Representative is the same person	-
	-	-	-	-	-	-			
CTBC Bank Co., Ltd. Trust Property Special Account	1,501,421	2.12	-	-	-	-	-	-	-
YOUNGTEK ELECTRONICS CORPORATION Representative: Ping-Lung Wang	1,500,000	2.12	-	-	-	-	Innorich Venture Capital Corp.	Representative is the same person	-
Li Yang Investment Corp. Representative: Tsui-Fang Tsai	1,475,000	2.09	-	-	-	-	Youngtek electronics corporation	Major shareholder of Youngtek Electronics Corporation	-
	-	-	-	-	-	-			
Li Fa Capital Inc. Representative: Pei-shi Chen	1,475,000	2.09	-	-	-	-	Youngtek electronics corporation	Major shareholder of Youngtek Electronics Corporation	-
	-	-	-	-	-	-			

IX. The number of shares held by the company, the company's directors, supervisors, managers, and enterprises directly or indirectly controlled by the company in the same invested enterprise, and consolidate the calculation of the total shareholding percentage:

Reinvestment Enterprise (Note 1)	Company Investment		Investment by Directors, Supervisors, Managers, and Directly or Indirectly Controlled Enterprises		Comprehensive Investment	
	Number of shares (thousand shares)	Shareholding percentage (%)	Number of shares (thousand shares)	Shareholding percentage (%)	Number of shares (thousand shares)	Shareholding percentage (%)
Genovate-NaviFUS Inc.	1,500	69.77	-	-	1,500	69.77
Genovate-NaviFUS (Australia) Pty Ltd	2,604	100	-	-	2,604	100
NaviFUS US LLC	- (Note 2)	-	-	-	- (Note 2)	-

Note 1: Long-term investments accounted for using the equity method by the Company.

Note 2: The local registration has been completed but no capital has been invested. Since LLC is a limited liability company, no share is applicable.

Three. Capital Overview

I. Capital and shares

(I) Source of share capital

1. The formation of share capital

Unit: Thousand shares; NT$thousand

Year and Month	Issuance price ($)	Approved share capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Property other than cash as capital contribution	Others
2015.03	10	30	300	30	300	Capital Establishment	-	Note 1
2015.08	10	5,000	50,000	1,824	18,240	Cash capital increase of NT$15,440 thousand	Credit balance credited to share capital 2,500	Note 2
2016.08	10	25,000	250,000	18,824	188,240	Cash capital increase of NT$170,000 thousand	-	Note 3
2018.08	15	60,000	600,000	32,887	328,870	Cash capital increase of NT$210,945 thousand	-	Note 4
2019.05	10	60,000	600,000	33,299	332,997	Employee stock options NT$4,127 thousand	-	Note 5
2020.12	20	60,000	600,000	40,405	404,053	Cash capital increase of NT$142,112 thousand	-	Note 6
2021.01	10	60,000	600,000	40,664	406,643	Employee stock options NT$2,590 thousand	-	Note 7
2021.01	20	60,000	600,000	40,864	408,643	Preferred shares cash capital increase of NT$4,000 thousand	-	Note 7 Note 8
2021.09	20	60,000	600,000	56,372	563,720	Cash capital increase of NT$283,474 thousand Employee stock options NT$13,340 thousand	-	Note 9
2022.02	-	150,000	1,500,000	56,372	563,720	The authorized capital stock was changed from NT$600,000 thousand to NT$1,500,000 thousand.	-	Note 10
2024.04	25	150,000	1,500,000	62,372	623,720	Cash capital increase of NT$150,000 thousand	-	Note 11
2025.02	15	150,000	1,500,000	62,378	623,780	Employee stock options NT$90 thousand	-	Note 12
2025.03	23.4	150,000	1,500,000	70,698	706,980	Cash capital increase of NT$220,221 thousand	-	Note 13
2025.03	15	150,000	1,500,000	70,740	707,400	Employee stock options NT$630 thousand	-	Note 14

Note 1: Letter No. 1045134633 issued by the New Taipei City Government Economic Development Department on March 12, 2015 (Incorporated as a limited company)
Letter No. 1045143875 issued by the New Taipei City Government Economic Development Department on April 24, 2015 (Converted to a company limited by shares)

Note 2: Letter No. 1045173881 issued by the New Taipei City Government Economic Development Department on August 20, 2015

Note 3: Letter No. 1055300141 issued by the New Taipei City Government Economic Development Department on August 11, 2016

Note 4: Letter No. 10752042810 issued by the City Government Department of Economic Development on August 17, 2018

Note 5: Letter No. 10849149710 issued by the City Government Department of Economic Development

on May 9, 2019
Note 6: Letter No. 10957557410 issued by the City Government Department of Economic Development on December 22, 2020
Note 7: Letter No. 11045254210 issued by the City Government Department of Economic Development on January 28, 2021
Note 8: Letter No. 11049920000 issued by the City Government Department of Economic Development on June 2, 2021 (Preferred shares converted to common shares)
Note 9: Letter No. 11001181930 issued by the Ministry of Economic Affairs on September 30, 2021
Note 10: Letter No. 11101027950 issued by the Ministry of Economic Affairs on February 25, 2022
Note 11: Letter No. 11330052210 issued by the Ministry of Economic Affairs on April 10, 2024
Note 12: Letter No. 11430010770 issued by the Ministry of Economic Affairs on February 12, 2025
Note 13: Letter No. 11430033230 issued by the Ministry of Economic Affairs on March 20, 2025
Note 14: As of the date of publication, the change of registration has not yet been completed.

2. Share Type

April 13, 2025; Unit: Thousand shares

Share Type	Approved share capital			Remarks
	Shares outstanding	Unissued shares	Total	
Common shares	70,740	79,260	150,000	Note

Note: The Company's shares are not listed on the stock exchange or traded on the Taipei Exchange.

(II) List of major shareholders

April 13, 2025; Unit: Thousand shares

Shares / Name of major shareholder	Number of shares held	Shareholding ratio
Genovate Biotechnology Co., Ltd	9,587	13.55%
Top Taiwan Xi Venture Capital Co., Ltd.	5,089	7.19%
Hao-li Liu	2,709	3.83%
Uni Pharma Co., Ltd.	2,520	3.56%
Mega International Commercial Bank	2,468	3.49%
Innorich Venture Capital Corp.	2,315	3.27%
Ctbc Bank Co., Ltd. In Custody For Trust Property Account	1,501	2.12%
Youngtek Electronics Corporation	1,500	2.12%
Li Yang Investment Corp.	1,475	2.09%
Li Fa Capital Inc.	1,475	2.09%

(III) Company Dividend Policy and Implementation Status

1. Dividend Policy as Stated in the Company's Articles of Incorporation

If the Company has profits at the end of the fiscal year, after paying taxes in accordance with the law and compensating for accumulated losses, 10% shall be set aside as legal reserve. However, when the legal reserve has reached the amount of the Company's paid-in capital, the Company may cease to allocate to legal reserve. After allocating or reversing a special reserve as required by laws and regulations, the remaining balance, combined with undistributed retained earnings, shall be proposed by the Board of Directors as a profit distribution proposal and submitted to the shareholders' meeting for resolution to distribute shareholders' dividends.

The Company's dividend policy is based on operational strategies, short, medium, and long-term investment planning, capital budgeting, and changes in internal and external environments, in conjunction with the current year's profit status and considering investors' rights. The distribution plan is drafted by the Board of Directors and implemented after resolution by the shareholders' meeting.

Dividends shall be allocated based on the principle of dividend balance, with no less than 50% of the distributable earnings for the year to be distributed as shareholders' dividends. However, if the accumulated distributable earnings are less than 10% of the paid-in capital, dividends may not be distributed. Cash dividends shall account for no less than 10%, with the actual distributed amount being approved by the shareholders' meeting.

2. Proposed Dividend Distribution at This Shareholders' Meeting
   As of 2024, the Company remains in a state of accumulated deficit, therefore there is no dividend distribution proposal this year.
3. Expected significant changes in dividend policy: None.

(IV) Impact of the proposed stock dividend distribution at this shareholders' meeting on the Company's operating performance and earnings per share: None.

(V) Employee, Director, and Supervisor Compensation

1. Percentages or ranges of employee, director, and supervisor compensation as stated in the Company's Articles of Incorporation:
   If the Company records a profit for the year, no less than 1% shall be allocated as employee compensation and no more than 2% as directors' remuneration. However, if the Company has accumulated deficits, the amount required to offset such deficits shall be retained in advance before allocating employee compensation and directors' remuneration based on the above percentages. Employee compensation may be distributed in the form of shares or cash, and the recipients may include employees of the Company as well as employees of its subsidiaries who meet certain criteria. The distribution of employee compensation and directors' remuneration shall be approved by a resolution of the Board of Directors attended by at least two-thirds of the directors and approved by a majority of the attending directors, and shall be reported to the shareholders' meeting.
2. Basis for the Accrual of Employee, Director, and Supervisor Compensation for the Current Period, Basis for Calculating Stock-based Employee Compensation, and Accounting Treatment for Differences Between Accrued and Actual Amounts:
   As the Company still had accumulated deficits in 2024, no amount was accrued for employee or director compensation.
3. Board Resolution on the Distribution of Compensation:
   (1) Amounts of employee compensation (in cash or stock) and director/supervisor compensation, and any differences from accrued expenses, with explanations and accounting treatment:
   As the Company recorded an accumulated deficit for fiscal year 2024, no employee, director, or supervisor compensation was distributed.
   (2) Amount of stock-based employee compensation and its proportion to net income after tax and total employee compensation as stated in the current individual or separate financial reports:
   As the Company recorded an accumulated deficit for fiscal year 2024, no employee, director, or supervisor compensation was distributed.

4. Actual Distribution of Employee, Director, and Supervisor Compensation for the Previous Fiscal Year (including number of shares, amount, and share price), and Explanation of Any Differences from Accrued Amounts:
As the Company reported accumulated losses for the 2024 fiscal year, no employee, director, or supervisor compensation was distributed.

(VI) Repurchase of the Company's shares: None.

II. Issuance of corporate bonds (including overseas corporate bonds): None.

III. Preferred shares: None.

IV. Global depository receipts: None.

V. Employee stock warrants:

(I) Status of employee stock warrants not yet expired and their impact on shareholders' equity:

April 30, 2025

Types of employee stock warrants	2022 1st Employee stock warrants
Effective Date of Registration and Total Units	May 31, 2022/ 750 units (1,000 shares/Units)
Date of Issuance (Processing)	May 31, 2022
Duration of Validity	6 years
Number of units issued	750 units (1,000 shares/Units)
Number of units available for issuance	0 unit
Percentage of Issuable Subscription Shares over Total Issued Shares	1.06% (750,000/70,740,011)
Subscription Period	Two years after the grant of the employee stock option certificate
Exercise Method	Issuance of new common shares
Restriction Period and Ratio (%)	50% of stock options exercisable after 2 years from issuance 75% of stock options exercisable after 3 years from issuance 100% of stock options exercisable after 4 years from issuance
Number of Shares Exercised	48 thousand shares
Amount of Subscription Executed	NT$720 thousand
Number of Shares Not Yet Exercised	653 thousand shares (Note 1)
Subscription Price per Share for Unexercised Shares	NT$15
Subscription Price per Share for Unexercised Shares	0.92% (653,000/70,740,011)
Impact on Shareholders' Equity	This stock option certificate can be exercised gradually during its term after two years from the issuance date, diluting the original shareholders' equity year by year, so its dilution effect is still limited and has no significant impact.

Note 1: The unexercised stock options of 49,000 shares for resigned employees have expired, employees have exercised 48,000 shares, and 653,000 shares remain available for exercise.

April 30, 2025

Types of employee stock warrants	2023 1st Employee stock warrants
Effective Date of Registration and Total Units	May 17, 2023/ 424 units (1,000 shares/Units)
Date of Issuance (Processing)	June 7, 2023
Duration of Validity	6 years
Number of units issued	424 units (1,000 shares/Units)
Number of units available for issuance	0 unit
Percentage of Issuable Subscription Shares over Total Issued Shares	0.60% (424,000/70,740,011)
Subscription Period	Two years after the grant of the employee stock option certificate
Exercise Method	Issuance of new common shares
Restriction Period and Ratio (%)	50% of stock options exercisable after 2 years from issuance 75% of stock options exercisable after 3 years from issuance 100% of stock options exercisable after 4 years from

	issuance
Number of Shares Exercised	-
Amount of Subscription Executed	-
Number of Shares Not Yet Exercised	413 thousand shares (Note 2)
Subscription Price per Share for Unexercised Shares	NT$27.1
Subscription Price per Share for Unexercised Shares	0.58% (413,000/70,740,011)
Impact on Shareholders' Equity	This stock option certificate can be exercised gradually during its term after two years from the issuance date, diluting the original shareholders' equity year by year, so its dilution effect is still limited and has no significant impact.

Note 2: The unexercised stock options of 11,000 shares for resigned employees have expired, employees have exercised 0 shares, and 413,000 shares remain available for exercise.

April 30, 2025

Types of employee stock warrants	2024 1st Employee stock warrants
Effective Date of Registration and Total Units	December 10, 2024/ 460 units (1,000 shares/Units)
Date of Issuance (Processing)	March 20, 2025
Duration of Validity	6 years
Number of units issued	412 unit
Number of units available for issuance	48 units
Percentage of Issuable Subscription Shares over Total Issued Shares	0.58% (412,000/70,740,011)
Subscription Period	Two years after the grant of the employee stock option certificate
Exercise Method	Issuance of new common shares
Restriction Period and Ratio (%)	50% of stock options exercisable after 2 years from issuance 75% of stock options exercisable after 3 years from issuance 100% of stock options exercisable after 4 years from issuance
Number of Shares Exercised	-
Amount of Subscription Executed	-
Number of Shares Not Yet Exercised	412 thousand shares
Subscription Price per Share for Unexercised Shares	NT$28.4
Subscription Price per Share for Unexercised Shares	0.58% (412,000/70,740,011)
Impact on Shareholders' Equity	This stock option certificate can be exercised gradually during its term after two years from the issuance date, diluting the original shareholders' equity year by year, so its dilution effect is still limited and has no significant impact.

(II) As of the date of the annual report printing, the names of managers and the top ten employees who have acquired employee stock warrants, along with details of their acquisition and subscription status:

2022 1st

Unit: Thousand shares; Thousand dollars; April 30, 2025

	Title	Name	Number of shares acquired	percentage of acquired shares to total issued shares	Executed				Not executed			
					Number of shares	Subscription price	Subscription amount	Percentage of subscription shares to total issued shares	Number of shares	Subscription price	Subscription amount	Percentage of subscription shares to total issued shares
Managers	General Manager	Chen-Yu Lung	460	0.65%	30 (Note 1)	$15	$225	0.04%	430	$15	$6,450	0.61%
	Technical Advisor	Hao-Li Liu										
	Senior Assistant General Manager of Management Department	Ting-Kuang Chang										
	Senior Deputy General Manager, Marketing	Hsien-Jung Chen (Resigned)										
	Audit Senior Manager	Yuan-Shiang Chang										
	Quality Assurance Assistant General Manager	Chao-Tan Wang										
	Product Assistant General Manager	Chun-Hao Chen										
	Finance and Accounting Assistant General Manager	Chang-Hsin Chen										
Employees	Clinical Research Manager	o-Chun Chu	290	0.41%	67 (Note 2)	$15	$495	0.09%	223	$15	$3,345	0.32%
	Human Resources and General Affairs	○-Yao Zhang										
	Engineer	○-Ming Lin										
	Engineer	○-Yang Ma										
	Engineer	○-Yuan Liao										
	Engineer	○-Hong Cai										
	Engineer	○-Wei Jian (Resigned)										
	Engineer	○-Ching Lin										
	Clinical Research Specialist	○-En Liu (Resigned)										
	Clinical Research Engineer	○-Rong Lin										
	Engineer	○-Qing Zhuang										
	Engineer	○-An Zhang										
	Finance and Accounting Specialist	○-Ting Shen										
	Marketing Manager	○-Hua Wang										
	Marketing Manager	○-Wei Chang										
	Clinical Research Manager	○-Shan Lin (Resigned)										
	Quality Assurance Specialist	○-Ting Zhong										

Note 1: Including 15,000 unexercised shares from resigned managers that have expired, and 15,000 shares that have been exercised.

Note 2: Including 34,000 unexercised shares from resigned employees that have expired, and 33,000 shares that have been exercised.

2023 1st

Unit: Thousand shares; Thousand dollars; April 30, 2025

	Title	Name	Number of shares acquired	percentage of acquired shares to total issued shares	Executed				Not executed			
					Number of shares	Subscription price	Subscription amount	Percentage of subscription shares to total issued shares	Number of shares	Subscription price	Subscription amount	Percentage of subscription shares to total issued shares
Managers	Chief Strategy Officer	Jen Chen	320	0.45%	-	$27.1	-	-	320	$27.1	$8,672	0.45%
	General Manager	Chen-Yu Lung										
	Technical Advisor	Hao-Li Liu										
	Senior Assistant General Manager of Management Department	Ting-Kuang Chang										
	Audit Senior Manager	Yuan-Shiang Chang										
	Quality Assurance Assistant General Manager	Chao-Tan Wang										
	Product Assistant General Manager	Chun-Hao Chen										
	Finance and Accounting Assistant General Manager	Chang-Hsin Chen										
Employees	Clinical Research Manager	o-Chun Chu	104	0.15%	11 (Note 3)	$27.1	-	-	93	$27.1	$2,520	0.13%
	Human Resources and General Affairs	○-Yao Zhang										
	Engineer	○-Yuan Liao										
	Engineer	○-Hong Cai										
	Clinical Research Engineer	○-Rong Lin										
	Engineer	○-Ming Lin										
	Engineer	○-An Zhang										
	Engineer	○-Yang Ma										
	Engineer	○-Ching Lin										
	Clinical Research Specialist	○-En Liu (Resigned)										
	Clinical Research Manager	○-Zhi Feng										
	Finance and Accounting Specialist	○-Ting Shen										
	Marketing Manager	○-Hua Wang										
	Marketing Specialist	○Sheng Chen (Resigned)										
	Clinical Research Manager	○-Shan Lin (Resigned)										
	Marketing Manager	○-Wei Chang										
	Quality Assurance Specialist	○-Ting Zhong										

Note 3: A total of 11,000 unexercised shares from resigned employees have expired.

2024 1st

Unit: Thousand shares; Thousand dollars; April 30, 2025

	Title	Name	Number of shares acquired	percentage of acquired shares to total issued shares	Executed				Not executed			
					Number of shares	Subscription price	Subscription amount	Percentage of subscription shares to total issued shares	Number of shares	Subscription price	Subscription amount	Percentage of subscription shares to total issued shares
Managers	Chief Strategy Officer	Jen Chen	290	0.41%	-	$28.4	-	-	290	$28.4	$8,236	0.41%
	General Manager	Chen-Yu Lung										
	Technical Advisor	Hao-Li Liu										
	Senior Assistant General Manager of Management Department	Ting-Kuang Chang										
	Audit Senior Manager	Yuan-Shiang Chang										
	Quality Assurance Assistant General Manager	Chao-Tan Wang										
	Product Assistant General Manager	Chun-Hao Chen										
	Finance and Accounting Assistant General Manager	Chang-Hsin Chen										
	Manufacturing Manager	Chih-Pin Lee										
Employees	Clinical Research Manager	o-Chun Chu	122	0.17%	-	$28.4	-	-	122	$28.4	$3,465	0.17%
	Human Resources and General Affairs	○-Yao Zhang										
	Engineer	○-Yuan Liao										
	Engineer	○-Hong Cai										
	Clinical Research Engineer	○-Rong Lin										
	Engineer	○-Ming Lin										
	Engineer	○-An Zhang										
	Engineer	○-Yang Ma										
	Engineer	○-Ching Lin										
	Clinical Research Manager	○-Zhi Feng										
	Finance and Accounting Specialist	○-Ting Shen										
	Marketing Manager	○-Hua Wang										
	Marketing Manager	○-Wei Chang										
	Quality Assurance Specialist	○-Ting Zhong										
	Engineer	○-Zhuan Zhang										
	Engineer	○-Yi Xie										
	Quality Assurance Specialist	○-Xi Fan										
	Clinical Research Manager	○-Ying Peng										

VI. Status of restricted employee shares: None.

VII. Status of new shares issued due to mergers or acquisitions of other companies: None.

VIII. Implementation status of capital utilization plan:

As of the end of the quarter preceding the date of this annual report, the Company's 2024 cash capital increase and new share issuance plan has been fully implemented in accordance with the original schedule. The relevant information is as follows:

(I) Plan Overview

Unit: NT$Thousand

Year (Note 1)	Source of funding	Project items	Total amount of funds required	Expected completion date	Actual completion date	Approval date and document number	Expected potential benefits
2024	Cash capital increase of 8,320 thousand	Replenishment of working capital	220,221	First quarter of 2025	First quarter of 2025	TPEx Approval Letter No. 1130011560,	Replenishment of working capital

	shares, issuance price of NT$23.4 per share					dated December 25, 2024.	

Note 1: Presented according to the year approved by the Financial Supervisory Commission.
Note 2: Changes to the plan content, source and use of funds, reasons for the changes, benefits before and after the changes, and the date the revised plan was submitted to the shareholders' meeting: Not applicable.

(II) Implementation status and benefit analysis

1. Implementation Status

Unit: NT$Thousand

Year	Project items	Implementation Status		First quarter of 2025	Progress ahead of or behind schedule, reasons, and improvement plans.
2024	Replenishment of working capital	Amount utilized	Planned	220,221	This plan has been fully implemented according to schedule
			Actual	220,221	
		Implementation progress	Planned	100%	
			Actual	100%	

2. Benefit evaluation

Unit: NT$Thousand; %

Period / Financial structure	September 2024 (Pre-Funding - reviewed)	Estimation (Note) (Post-Funding - self-closing)
Current assets	421,994	642,215
Total assets	573,525	793,746
Current liabilities	41,724	41,724
Total liabilities	63,749	63,749
debt ratio (%)	11.11	8.03
Current ratio (%)	1,011.39	1,539.19

Note: The post-funding financial ratios are calculated based on the 2024Q3 financial statements reviewed and approved by the certified public accountants.

This cash capital increase is expected to raise a total of NT$220,221 thousand to replenish working capital for long-term development, enhance future growth potential, and strengthen the financial structure. By increasing capital to replenish working capital, the company will gain greater flexibility in cash flow management, resulting in a more ample availability of its own funds. This will positively contribute to the overall business development and financial stability of the company. It is projected that the company's debt ratio will decrease from 11.11% before the capital increase to 8.03% afterward, while the current ratio will improve from 1,011% to 1,539%. Current assets are expected to increase from NT$421,994 thousand to NT$642,215 thousand.

Changes in current assets, current liabilities, total liabilities, interest expenses, operating income, and earnings per share:

Unit: NT$Thousand; %
(except the earnings (losses) per share is in NT$)

Year / Items	December 2024 (Pre-Funding - Audited)	March 2025 (Post-Funding - self-closing)	Amount of Change	Percentage of Change
Current assets	394,682	556,595	161,913	41.02
Current liabilities	33,564	34,099	535	1.59
Total liabilities	54,038	52,713	(1,325)	(2.45)
Interest Expense	585	122	(463)	(79.15)
Operating Revenue	27,530	1114	(26,416)	(95.95)

Earnings (Loss) Per Share	(1.56)	(0.48)	1.08	(69.23)

Financial Structure and Solvency Analysis:

Items \ Year		December 2024 (Pre-Funding - Audited)	March 2025 (Post-Funding - self-closing)
Financial structure	Debt to Asset Ratio	9.88	7.16
	Long-term Capital to Property, Plant and Equipment Ratio	475.70	555.43
Solvency	Current Ratio	1,175.90	1,632.29
	Quick Ratio	1,121.62	1,572.12

In March 2025, the company completed a cash capital increase of NT$220,221 thousand, primarily to support daily operations and research and development expenses. The preliminary financial ratios for March 2025 showed improvements compared to December 2024, reflecting a healthier overall financial structure following the capital increase. The benefits of the cash capital increase have already become evident.

Four. Operating Overview

I. Business Content

(I) Business Scope

1. Main Business Activities

CC01080	Electronic Components Manufacturing Industry
F107070	Wholesale of Veterinary Medicines
F107080	Wholesale of Environmental Chemicals
CF01011	Medical Device Manufacturing
F108031	Medical Device Wholesale
F208031	Medical Device Retail
F113030	Precision Instrument Wholesale
F213040	Precision Instrument Retail
F601010	Intellectual Property Business
IC01010	Pharmaceutical Testing Business
IG01010	Biotechnology Service Industry
ZZ99999	Except for licensed businesses, may operate businesses not prohibited or restricted by law

2. Revenue Proportion of Main Products

The Company began selling NAVIRFA, developed based on its therapeutic guidance and tracking system, to domestic distributors in 2023. Although the Company's other core technology product, the focused ultrasound system NaviFUS, is still undergoing clinical trials and has not yet been commercialized, a research unit was leased in 2024, and a research model was sold in 2023. Additionally, in 2024, the Company undertook a preclinical service project for the treatment of rare diseases using the NaviFUS system, and related service revenue was recognized based on the project's progress. The operating revenues for 2023 and 2024 were NT$22,481 thousand and NT$27,530 thousand, respectively.

Year / Product	2023		2024	
	Amount	%	Amount	%
NaviFUS	16,233	72	426	2
NAVIRFA	4,738	21	-	-
Others (Contract Research Services)	1,510	7	27,104	98
Total	22,481	100	27,530	100

3. Current Main Products (Services) and Planned Development Products (Services)

The company focuses on the development of two core technology platforms: "Focused Ultrasound System" and "Therapeutic Guidance and Tracking System". Products derived from these platforms, including NaviFUS—which integrates both technologies—and NAVIRFA, which stems from the tracking system alone, are designed to address the clinical challenge of suboptimal drug efficacy. By non-invasively opening the blood-brain barrier, these technologies aim to enhance the therapeutic efficacy and safety of related drugs. Furthermore, the platforms support the continued development of new products for various indications, providing flexibility to pivot to alternative indications should any single application prove

ineffective.

The company's products and their development progress are described as follows:

Project	Indication	Development Progress
NaviFUS(BBB)	rGBM (Opening BBB)	A feasibility clinical trial involving six participants has been completed, demonstrating good safety. The project has subsequently advanced directly to efficacy trials, including combination with drug delivery (e.g., large molecules such as Avastin) and radiotherapy (RT).
NaviFUS +Avastin(BBB)	rGBM (Opening BBB to increase drug treatment efficiency)	Taiwan: Received approval from the Ministry of Health and Welfare (MOHW) for an 8-subject pilot clinical trial (prematurely terminated after enrolling 6 subjects). The pilot clinical trial report was filed with MOHW in August 2023. Subsequently, in October 2023, the Company submitted an application for a pivotal clinical trial, which was approved by MOHW in January 2024 and later approved by the hospital's Institutional Review Board (IRB) in May 2024. Subject enrollment and trial execution are currently underway. United States: Obtained FDA Investigational Device Exemption (IDE) approval in February 2024, and received IRB approval in November of the same year. A pilot clinical trial of similar scale to the Taiwan study is expected to commence in 2025.
NaviFUS	Drug-resistant Epilepsy (Neural modulation at epileptic focus points)	Taiwan (IIT): A 6-subject feasibility clinical trial was completed, demonstrating favorable safety. And subsequently obtained MOHW approval for a subsequent 12-subject clinical trial.
NaviFUS	Drug-resistant Epilepsy (Neural modulation at epileptic focus points)	Taiwan (IIT): Pilot I - 4-week observation period: Subject enrollment and treatment completed; clinical data currently being consolidated. Pilot II - 24-week observation period: Approved by the MOHW in February 2024 and IRB-approved in April; subject enrollment is underway. Australia (IIT): The 18-subject pilot clinical trial has been approved by the participating hospital (notified to TGA); subject enrollment is in progress. United States: A multicenter pilot clinical trial received FDA IDE approval in March 2024, and obtained IRB approval; subject enrollment is in progress.
NaviFUS+	Alzheimer's Disease	This pilot clinical trial has been approved

Project	Indication	Development Progress
(BBB)	(Opening BBB to activate hippocampal neurons, slowing disease progression)	by the executing hospital in Australia and reported to TGA; patient enrollment is being prepared.
NaviFUS +RT(BBB)	rGBM (Opening BBB to improve free radical formation environment, enhancing radiotherapy effects)	Taiwan (IIT): Received approval from the MOHW for a 6-subject pilot clinical trial, enrollment and treatment have been completed. Planning to enroll 2 more patients for subsequent efficacy trial evaluation.
NAVIRFA	Wireless Radiofrequency Ablation Surgery for Liver Tumors (Using optical marking technology to generate needle insertion guidance integrated into ultrasound images, providing surgical navigation for physicians)	Approved for Class II medical device marketing authorization by the MOHW, and cleared through FDA 510(k) premarket notification review

(II) Industry Overview

1. Industry Status and Development

➢ Definition and Classification of Medical Devices

The medical device industry is a special industry with diverse product types and broad scope, applied to diagnosis, treatment, mitigation, direct prevention of human diseases, regulation of fertility, or capable of affecting human body structure and function, and does not act on the human body through pharmacological, immunological, or metabolic methods to achieve its primary function. It includes instruments, apparatus, appliances, substances, software, in vitro reagents, and related items. With the global digital healthcare era approaching, emerging technologies such as big data, artificial intelligence, and Internet of Things are gradually maturing, with the goal of progressively integrating and developing artificial intelligence technology applications in the biomedical field. In view of this, governments around the world have formulated locally appropriate data management models in response to the development needs of the medical device industry, establishing management principles that are friendly to industry development while ensuring public health and safety, thereby providing greater benefits to the healthcare field and the public.

According to BMI Research's classification of medical device product sub-sectors, medical device products can be divided into six major categories: Dental products, Orthopaedic and Prosthetic products, Patient aids, Consumables, Diagnostic imaging, and Other medical device products. In 2023, by product sales proportion, dental products accounted for approximately 7.3%, orthopaedic and prosthetic products accounted for approximately 10.7%, patient aids accounted for approximately 12.6%, consumables accounted for approximately 16.5%, diagnostic imaging products accounted for approximately 23.8%, and other medical device products accounted for approximately 29.1%.

- Regional Development Overview of Medical Devices

A. Global Medical Device Market

According to research reports by BMI Research, the global medical device market size in 2023 was $517.34 billion, growing by 7.3% compared to 2022, and is estimated to grow to $617.53 billion by 2026, with a compound annual growth rate of approximately 6.08% from 2023 to 2026. In 2023, the Americas market still dominated the global medical device regional market, accounting for 52.4% of the global market; followed by the Western European market, accounting for 23.7% of the global market; then the Asia-Pacific market, accounting for 18.3% of the global market; Central and Eastern Europe accounting for 3.7%; and the Middle East and Africa accounting for 1.9%. Overall, there will not be much change in the overall ranking of regional markets in the future. The Americas, Western Europe, and Asia-Pacific regions will remain the top three markets, although their proportions may shift slightly. The major markets in the Americas include the United States, Canada, Mexico, and South American countries, with growth momentum linked to the US market. In 2023, the Americas market share was 52.4%, with a market size of USD 269.57 billion, representing an 8.0% increase compared to 2022.

Overall, the Americas benefits from the US market having global leading medical device manufacturers driving industry innovation and market development, plus the steady growth in healthcare needs due to the rising elderly population in the US, becoming an important driving force for medical device market growth.

B. US Medical Device Market

According to the "2024 Biotechnology Industry White Paper" report by the Ministry of Economic Affairs, the U.S. market has historically accounted for approximately 90% of the Americas market. In 2023, the United States remained the largest single medical device market globally.

Regarding future development opportunities in the US medical device market, 2022 marked a shift towards a coexistence with the virus lifestyle. In 2023, following the lifting of emergency declarations by various governments, people gradually returned to hospitals for consultations and elective surgeries delayed by the pandemic. The medical device market has been steadily returning to its pre-pandemic fundamentals. Despite economic challenges faced by the U.S. and the global economy—including interest rate fluctuations and slowed economic growth—the aging global population and increasing burden of chronic diseases continue to drive long-term demand growth in the medical device industry. With advancements in artificial intelligence, remote monitoring, and precision medicine technologies, a new generation of medical devices and solutions is emerging, offering patients more personalized and efficient treatment options. These innovations not only enhance the quality of healthcare services but also bring new growth momentum to the industry.

Therefore, the U.S. medical device market is expected to maintain a continuous growth trend in the future.

C. Taiwan Medical Device Market

The scope of Taiwan's biotechnology industry (manufacturing and related technical services) encompasses five major fields: pharmaceutical industry, medical device industry, applied biotechnology industry, health and wellness industry, and digital healthcare industry. Biotech-related technical services are classified under the applied biotechnology industry.

Medical devices primarily aim to maintain and promote human health, assisting in disease prevention, diagnosis, mitigation, treatment, and rehabilitation. This is an essential civilian industry with characteristics different from other manufacturing industries. Mainstream products in the medical device industry evolve with changes in disease patterns and advances in medical technology. Due to its close relationship with life and social welfare, the medical device industry is less susceptible to significant fluctuations caused by economic changes compared to other industries.

In 2023, Taiwan's biotechnology industry had an overall turnover of NT$757.8 billion. Of this, medical devices accounted for NT$147.0 billion (19.40%), pharmaceuticals NT$129.1 billion (17.04%), applied biotechnology NT$137.2 billion (18.10%), health and wellness NT$289.5 billion (38.20%), and digital healthcare NT$55.0 billion (7.26%). The medical device industry’s revenue in 2023 slightly declined compared to 2022, primarily due to the reclassification of health-related devices originally categorized under medical devices into the health and wellness sector. This reclassification caused a significant decrease in reported medical device revenue. However, when compared to the adjusted 2022 figures, the medical device industry actually experienced a growth of 2.3%.

- Focused Ultrasound Market

Focused ultrasound thermal ablation equipment has been in the global market for over 20 years, with applicable indications including bone metastases, primary and Parkinsonian tremors, uterine fibroids and endometrial hyperplasia, pancreatic cancer, liver cancer, prostate cancer, etc. Its non-invasive and precise characteristics have brought good recovery outcomes for these patients. Although focused ultrasound in thermal ablation applications has great potential to replace surgical procedures, like the sophisticated da Vinci minimally invasive robotic surgery, advanced medical services come with high-specification venue requirements and high costs. Since focused ultrasound technology requires high-precision real-time imaging (such as MRI) guidance for thermal ablation treatments, plus multi-channel focusing designs that need to be integrated into real-time imaging equipment, implementing such applications is limited by venue constraints and is time-consuming, testing both patients' physical endurance and finances, which also limits the economic scale of the entire industry.

In the past decade, as focused ultrasound technology has developed and

matured, many non-thermal applications have gradually advanced to the clinical stage, such as drug delivery, neuromodulation, in vivo detection, immune regulation, microenvironment adjustment, and radiation sensitization. The equipment functionality and requirements for these applications differ from thermal ablation, with lower treatment risks, which can change the requirements for precision and usage venues. These applications can not only be used for diseases already treated by thermal ablation but can also transform focused ultrasound into a long-term treatment modality for solving chronic neurodegenerative diseases such as Alzheimer's disease, Parkinson's disease, epilepsy, depression, etc., showing market growth potential for the future.

Therefore, focused ultrasound equipment will gradually develop non-thermal functions beyond thermal ablation, and even introduce different models for different markets. This trend can be seen from the product development strategy of Insightec, the leading manufacturer of thermal ablation products (its Exablate NEURO model, while retaining thermal ablation capabilities, also has low-energy focal projection capabilities, which are already being tested in multiple preliminary clinical trials for drug delivery, immune regulation, etc.). However, such transformation and enhancement are still technically limited to a few manufacturers, and treatment methods, regulatory pathways, product design, market segmentation, and business models are still being explored and developed. It depends on whether existing equipment manufacturers or newcomers can achieve technological product breakthroughs to shape this blue ocean market. According to the Focused Ultrasound Foundation's 2024 FUS Field Status data, the global focused ultrasound market size in 2023 was $320 million, with a compound growth rate of 17.6% over the next few years, estimated to reach $990 million by 2029.

- Overview of Brain-Related Disease Treatment Market

The company's core technology platform "Focused Ultrasound System" NaviFUS mainly uses a non-invasive method to guide the invisible ultrasound's low mechanical energy, penetrating it into the cranium to temporarily open the blood-brain barrier and deliver drugs to treat brain diseases. It can also use different focused ultrasound energies to enter different brain neural blocks to regulate neural signals, as well as improve diseases by changing the immune microenvironment in the brain and activating drugs. Currently, to balance operating funds and operational risks, the company prioritizes indications that can obtain certification more quickly. Therefore, it currently focuses on using the focused ultrasound system combined with Avastin to treat recurrent glioblastoma (rGBM) and using neuromodulation to treat drug-resistant epilepsy. The relevant disease market overview is explained as follows:

A. Glioblastoma Multiforme

Glioblastoma multiforme is one of the common brain tumors and also the most common malignant tumor. The continuing growth and aging of the world population, environmental exposure, genetic predisposition, and lifestyle choices are contributing factors to this trend. According to the Central Brain

Tumor Registry (CBTRUS, the US brain tumor case registration center), globally in 2020, an estimated 308,000 people were diagnosed with primary malignant brain tumors, and the increasing prevalence of glioblastoma multiforme and increasing R&D expenditure are factors for the growth of this treatment market size. According to a market assessment report released by Global Market Insights in June 2024, the global GBM treatment market size was $2.9 billion in 2023, with an estimated compound annual growth rate of 8.6% from 2024 to 2032, reaching $6.1 billion globally by 2032. Of this, the market size for Avastin treatment of rGBM was $921.6 million, with North America accounting for 39.5% of the market share. Therefore, it is reasonably estimated that the market size for Avastin treatment of rGBM in North America is approximately $364 million. As for brain metastasis, the major form of brain cancer, according to Future Market Insights' assessment report, the global market value for brain metastasis treatment was approximately $3.26 billion in 2023 and is estimated to reach $6.91 billion by 2033, with a compound annual growth rate of 7.8%.

B. Epilepsy

Epilepsy is a chronic neurological disorder. Severe persistent seizures can lead to brain damage and even death. Most epilepsy patients can control seizures through medication or surgical treatment, while some require lifelong treatment, with some patients developing drug resistance. According to the World Health Organization, there are approximately 50 million people with epilepsy worldwide. The US Centers for Disease Control and Prevention data indicates that about 3.4 million people in the United States have epilepsy. Factors such as increased approval of new epilepsy drugs and rising incidence of epilepsy indicate a growing demand for controlling and managing seizures, prompting pharmaceutical companies to continuously invest in this field. According to market research company Transparency Market Research, the global epilepsy treatment market size was $10.6 billion in 2021, with an estimated compound annual growth rate (CAGR) of 3.5% from 2022 to 2031, projecting the global market size to reach $14.9 billion by 2031. Additionally, according to IMARC IMPACTFUL INSIGHTS data, the drug-resistant epilepsy treatment market size in the United States, Europe (Germany, Spain, Italy, France, and the UK), and Japan was $3.6 billion in 2023, with an estimated compound annual growth rate (CAGR) of 4.76% from 2024 to 2034, projecting the global market size to reach $6 billion by 2034. Of this, the United States accounts for 48%, Europe 32%, and Asia-Pacific 20%, thus estimating that the US market size that the company initially aims to promote is approximately $1.7 billion.

According to World Health Organization data, epileptic seizures can be controlled, with 70% of patients able to alleviate seizures through appropriate use of antiepileptic medications. After 2 years without seizures, discontinuation of antiepileptic medication can be considered. However, this means 30% of

epilepsy patients still cannot suppress seizures even with medication, creating an unmet need that requires development of novel effective drugs or innovative treatment methods.

Traditional medical technologies often need to overcome the body's natural structures to achieve therapeutic effects, but this increases many procedures or injuries unrelated to improving the disease focus. For example, surgical removal of cancer tissue increases infection risk by compromising the body's protection against external pathogens; or oral/injectable medications circulate throughout the body to systems and tissues that don't require medication, causing side effects. Even though these risks and inconveniences may be acceptable considering the benefits of treatment, they do limit the effectiveness and disease applications of these medical technologies. The emergence of focused ultrasound treatment equipment has created a new generation of medical industry that overcomes these limitations through non-invasive and precise approaches.

2. Relationship between Upstream, Midstream, and Downstream Industries

Medical devices are instruments, equipment, tools, substances, software, in vitro diagnostic reagents, and related objects that achieve disease diagnosis, treatment, relief, and prevention functions. This includes design development, key component supply, product development and design, clinical trials, manufacturing, and medical device sales. The industry chain's upstream, midstream, and downstream are explained as follows:

A. Upstream: The upstream of the industry chain consists of component suppliers, including ICs, electronic components, metal components, casings, sensors, biomaterials, textile materials, plastic/rubber raw materials, paper, ceramics, etc. Furthermore, with the rapid development of biotechnology, pharmaceuticals and regenerative medicine have also entered the medical device field. For example, bioactive molecules have been applied in medical technologies combined with biomaterials, or new-generation composite medical devices combined with cells and drugs to increase medical device functionality or drug efficacy, gradually becoming a new trend in medical device technology.

B. Midstream: The midstream of the industry chain consists of medical device developers, composed of product design and development and equipment vendors, including Contract Research Organizations (CRO companies) and Contract Manufacturing Organizations (CMO companies), which conduct medical device testing, verification, and clinical trials. After completing Phase III clinical trials, applications for medical device registration can be submitted, and manufacturing can proceed according to Good Manufacturing Practice (GMP) regulations.

C. Downstream: The downstream of the industry chain consists of medical device distributors and medical/academic institutions. Products are sold to medical and academic institutions through distributors, and then medical institutions provide relevant medical services according to patient diagnostic and treatment needs.

Our company is positioned in the midstream of the medical device industry. In addition to designing and developing medical device products, we collaborate with

raw material suppliers, CRO companies, CMO companies, and distributors. We select suitable raw materials according to product characteristics, conduct clinical trials, registration, and product manufacturing. After products obtain marketing authorization, distributors and medical institutions sell them to end consumers, commercializing innovative medical devices and achieving the goal of improving patients' quality of life.

3. Various Development Trends of Products

- Expanding the Range of Disease Applications, Diversifying Therapeutic Effects of Focused Ultrasound

  In the past, focused ultrasound in medicine was mainly used in the form of thermal ablation for clinical treatment, removing lesions to seek cure or alleviate patient suffering. Examples include ablating tumors to prevent cancer progression or metastasis, ablating bone metastases to reduce patient pain, ablating primary and Parkinsonian tremor points to improve symptoms, and ablating uterine fibroids and endometrial hyperplasia to resolve patients' cyclical discomfort and reduce the possibility of other diseases.

  Years of accumulated research have discovered that focused ultrasound can contribute to treatment in many more forms, such as opening the blood-brain barrier for drug delivery, modifying local tissue environments to enhance or produce therapeutic effects, regulating neural imbalance responses, and inducing drug activity. These technological developments, coupled with the non-invasive characteristics of focused ultrasound, have great potential to meet many chronic unsolved medical needs. Companies that master technological breakthroughs will be able to determine the direction of this blue ocean market.

- Long-term and Repeated Chronic Treatment Needs are Substantial; Focused Ultrasound Medical Equipment Development Will Emphasize Improving Usability

  In the past, focused ultrasound thermal ablation equipment, due to the high-damage output nature of thermal ablation, required corresponding treatments to be paired with high-precision real-time image guidance to avoid accidentally damaging normal areas and causing functional impairment in patients. Therefore, thermal ablation therapy demands higher requirements for site specifications, operation time, and medical resource input, making such treatment time-consuming and expensive. For high-risk diseases like cancer, patients might tolerate the inconvenience and cost of thermal ablation equipment, but for neurodegenerative diseases or epilepsy that require long-term treatment options, current thermal ablation system designs cannot adequately fulfill the needs.

  Improving usability factors such as shorter treatment times, more convenient guidance methods, specialized designs for brain disease treatment (array output), simplified treatment execution procedures, and increased treatment location accessibility are areas where newcomers can focus their product design efforts. This would even allow entry into the chronic disease market with greater potential, creating an opportunity to change the current

industry landscape.

- Novel Non-invasive Treatments Require Real-time Medical Monitoring and Recording to Improve Safety and Efficacy

  The non-invasive approach reduces patient feedback and sensation during treatment, and physicians also lack tools to evaluate treatment benefits and safety margins in real-time. This increases operating physicians' sense of insecurity. Additionally, focused ultrasound can involve a wide range of treatment forms and aspects. If new treatment applications are developed without providing corresponding treatment evaluation references for physicians, these applications will face obstacles in promotion. Therefore, developments such as real-time ultrasound echo reception to provide treatment location and effect information, real-time monitoring of electrical signal output to adjust ultrasound output accordingly, and establishing real-time treatment system temperature monitoring to avoid extreme hazards are all directions that can make products more acceptable.

4. Product Competition

- NaviFUS

  NaviFUS products currently have three major application directions: brain drug delivery, neuromodulation, and microenvironment adjustment. Among various ultrasound products and technologies, the main competitors that can provide diverse treatment potential like NaviFUS products are Exablate® (InSightec) and SonoCloud® (CARTHERA). Although these two products have considerable ongoing clinical progress, NaviFUS products inherently have different advantages compared to these two products, which is the basis for the company's confidence in its own products.

  Main Competitors and Their Products or Technology Descriptions

  The product SonoCloud® from French company CARTHERA works by utilizing craniotomy surgery to implant a coin-sized ultrasound probe on the patient's skull through a skull opening, thereby administering ultrasound therapy to help drugs cross the blood-brain barrier and achieve therapeutic effects. However, this method requires invasive surgery to install the product, which remains on the patient's head long-term, limiting their daily life. The advantage is that once installed, it can be used repeatedly over a long period. Another major disadvantage is that because it is not designed as focused ultrasound and has a fixed installation method, it cannot accurately limit the treatment area, and treatment depth is also limited. More importantly, if a larger treatment volume is required, more products must be installed to achieve this, meaning creating a larger traumatic area on the head. Given these characteristics, this product is only suitable for extremely severe diseases, such as malignant brain tumors.

  Another competitor is Insightec from Israel. Since its establishment in 1999, its main product has been the application of Magnetic Resonance Imaging (MRI)-guided High-Intensity Focused Ultrasound (HIFU) for tissue thermal ablation. Currently, its product Exablate® has obtained five permits from the US FDA for

uterine fibroids, bone metastasis pain, prostate cancer, essential tremor, and treatment of Parkinson's disease with drug-refractory tremor, all involving thermal ablation treatment and marketed globally. In recent years, Insightec has also turned to developing low-energy (intensity) ultrasound treatment models for Exablate®, but still does not deviate from the mode of requiring MRI guidance and needing to be performed in an MRI room, extremely limited by the time and cost constraints of MRI. Additionally, with its full-head-covering probe design and the high-precision requirements of the original high-energy design, patients still need to install bone screw fixation frames on their skulls to fix the head to cope with long treatment times, which is unfavorable for repeated long-term treatment needs. Short-term treatment patterns with fewer sessions are more suitable for this product, such as its original thermal ablation treatment applications.

Our company's future market positioning is based on "non-invasive," "safe," "precise," and "convenient" as our competitive advantages against potential competitors, creating our unique marketing niche. Compared to Insightec, which still requires bone screws to install a fixation frame on the skull, our company adopts a completely non-invasive treatment approach, which is expected to be more widely accepted by patients, and the safety of temporary blood-brain barrier opening has been clinically proven. Additionally, our company does not use MRI methods, allowing for treatment in clinical settings, which will significantly reduce scheduling and time burdens for hospitals and patients, giving us a convenience advantage over competitors.

Regarding competitor Insightec's early market entry, our company has responded by also entering the market early:

A. Given the above explanation, our company's current medical product (experimental machine) has already attracted interest and inquiries from foreign universities and hospitals, purchasing NaviFUS to conduct various clinical trials. Therefore, our company's initial positioning focuses on market expansion and actively promoting NaviFUS machines (through cooperation with key hospitals or principal investigators). This approach not only contributes to the company's short-term cash flow but also helps more medical institutions develop additional clinical applications while avoiding Insightec's approach of monopolizing hospitals and markets through MRI machines (even without profit).
B. Our company's products have attracted significant interest from domestic and international hospitals and research institutions. Hospitals previously using InSightec products for trials have also increased collaboration with our company, such as partnerships with foreign university hospitals and research centers for 5ALA sonodynamic therapy and drug addiction treatment, as well as collaboration with Company A for treating rare diseases. Similarly, a research center under a renowned French university, long involved in ultrasound-enhanced drug delivery, is also discussing with our

company how to use NaviFUS combined with drug therapy for brain metastases research.

Competitive Products or Technology Usage

Currently, no competitors in the low-energy (intensity) ultrasound treatment field have products on the market. Both CARTHERA and Insightec are focusing their clinical trials and development on three major applications: brain drug delivery, neuromodulation, and microenvironment adjustment.

The French company CARTHERA's product SonoCloud® has shown good treatment results in clinical trials for recurrent brain tumors when combined with chemotherapy drug carboplatin, extending patient survival by approximately 50%. It received FDA Breakthrough Device Designation in 2022, and is currently conducting Phase III clinical trials for SonoCloud® combined with carboplatin. CarThera's product is invasive, prone to infection-related side effects, and limited to high-risk patients with conditions like malignant brain tumors. When expanding treatment to less severe or chronic brain diseases (such as epilepsy), patient acceptance decreases significantly.

Israel's InSightec's new Exablate® product can also reduce energy for low-energy focused ultrasound treatment similar to our company's product. It is developing trials for various brain indications, received FDA Breakthrough Device Designation in 2022, and has commenced two pivotal trials—one combining Keytruda® and the other incorporating liquid biopsy.

Although SonoCloud® is a pioneer in clinical development, it faces barriers to widespread adoption. First, NaviFUS has the advantage of concentrated energy focus in ultrasound output, limiting blood-brain barrier opening to the lesion site with adjustable positioning, unlike SonoCloud® which extends beyond the lesion area and lacks adjustment flexibility, limiting use due to effects on normal tissue. Additionally, NaviFUS doesn't carry the risk of skull trepanation, requiring only brief non-invasive treatment in a clinical chair, increasing patient acceptance and enabling applications for most central nervous system/brain chronic diseases. Compared to SonoCloud®, NaviFUS demonstrates strong competitive advantages.

Exablate®'s clinical progress closely follows SonoCloud® and is slightly ahead of our NaviFUS, but NaviFUS still maintains superior competitiveness. The main difference between NaviFUS and Exablate® is that NaviFUS doesn't use MRI to guide ultrasound focus, instead using a surgical navigation system. This eliminates the need for special MRI spaces and equipment compatibility requirements. Patients don't need invasive stereotactic frames for fixation, treatment time is much shorter than Exablate® (under one hour versus three hours), and there's no need for expensive MRI scans and waiting. Considering applications for acute and chronic diseases, NaviFUS is superior to Exablate® in terms of cost, time, convenience, and flexibility.

NaviFUS's non-invasive design reduces patient harm and fear, while its more convenient energy guidance method increases acceptance by patients and

physicians. In developing product indications, it isn't limited by the scarcity and expense of MRI, allowing progress toward treatment in clinical or non-operating room settings. Making ultrasound treatment safer and more convenient is the core competitive advantage of NaviFUS products.

The competitive analysis of focused ultrasound systems is shown in the table below:

Company Name	**NaviFUS**	Carthera	Insightec
Product Name	**NaviFUS system**	SonoCloud	ExAblateNeuro
Treatment Method	**Non-invasive**	Invasive	Non-invasive (requires fixed device)
Ultrasound System	**Focused**	Non-focused	Focused
BBB Opening Location	**Local**	Non-selective	Local
Target Guidance	**Surgical Navigation**	None	Magnetic Resonance Imaging
Time per Session	**0.5~1 hour**	1 hour (assuming device is already implanted)	3~4 hour
Advantages	✓ **Non-invasive** ✓ **High accuracy** ✓ **Can open BBB locally** ✓ **High convenience with surgical navigation operation** ✓ **Cost-competitive** ✓ **Expected wider range of applicable indications**	✓ Simple equipment operation ✓ Low operational cost	✓ Non-invasive (requires fixed device) ✓ High accuracy ✓ Can open BBB locally ✓ Real-time observation

- NAVIRFA

Regarding existing image-guided ablation methods, CIVCO uses a mechanical patent design to lock the needle insertion angle. However, this method cannot provide real-time feedback control for displacement caused by needle insertion into soft tissue. RFA major manufacturer Medtronic (Covidien) uses endoscopic images to mark spatial positions through electromagnetic methods for ablation needle guidance, which is another potential solution. But its implementation differs from NAVIRFA's design and costs significantly more than NAVIRFA considering its endoscopic equipment integration and electromagnetic interference mitigation design. Optical guidance technology is currently the company's leading planned design with high opportunity to obtain key intellectual property. Coupled with continuously developed related image acquisition algorithms or quick assembly mechanisms, these will elevate NAVIRFA products to a higher level. Based on the above analysis, when NAVIRFA products are successfully developed and launched, they will have stronger soft and hard tissue guidance capability, lower cost and price, and convenient usage scenarios compared to existing products. These are all advantages for NAVIRFA products to compete with other products in the market.

The biggest advantage of NAVIRFA products compared to other competitors is that the price is easily acceptable to hospitals and operation is simple. Therefore,

in the future, pairing with UNI PHARMA's "RFA ablation + DC immune cells" will allow for high product integration without marginalization due to price or convenience issues. This will also enable NAVIRFA series products to establish market differentiation from other competitors.

Therapeutic Guidance and Tracking System Competitive Analysis as below:

Product	NAVIRFA	Clear Guide ONE	CIVCO	Medtronic Emprint
Guidance Method	Optical Navigation (2D code image)	Optical Navigation (2D code image)	Mechanical Positioning	Electromagnetic Navigation (electromagnetic waves)
Advantages	✓ Built-in ultrasound system with high cost-performance ratio ✓ Can estimate distances of organs/tumors/blood vessels before needle insertion ✓ Compatible with "RFA ablation + DC immune cells"	✓ Built-in ultrasound system with high cost-performance ratio ✓ Can estimate distances of organs/tumors/blood vessels before needle insertion	✓ Simple equipment with low cost	✓ Integration of thermal ablation system and navigation system ✓ Built-in fully automatic temperature control software ✓ Antenna and ablation needle integration, unaffected by needle bending, precise positioning of needle tip ✓ High precision not limited by camera field of view
Disadvantages	✓ Needle insertion into the body can easily cause errors due to bending ✓ Tracking device must be within camera's field of view, creating greater limitations	✓ Needle insertion into the body can easily cause errors due to bending ✓ Precision slightly lower than NAVIRFA	✓ Multiple operational restrictions including needle insertion direction	✓ Poor compatibility, can only be paired with own brand microwave ablation needles ✓ High consumable prices ✓ Not suitable for patients wearing cardiac pacemakers and implanted electronic devices ✓ Affected by environmental magnetic field interference

(III) Technology and R&D Status

1. Research and development expenses invested in recent years and up to the printing date of the annual report

Unit: NT$Thousand

Year	2024	As of April 30, 2025
R&D expenses	84,152	31,987

2. Recently developed successful technology or products:

	Project	Development Progress
1	NaviFUS+rGBM	Completed safety trials with six patients, published in Science Advances journal in 2021 (DOI: 10.1126/sciadv.abd0772)
2	NaviFUS+Avastin(BBB) /Feasibility study Phase1/2	Taiwan: Received approval from the Ministry of Health and Welfare (MOHW) for an 8-subject pilot clinical trial (prematurely terminated after enrolling 6 subjects). The pilot clinical trial report was filed with MOHW in August 2023. Subsequently, in October 2023, the Company submitted an application for a pivotal clinical trial, which was approved by MOHW in January 2024 and later approved by the hospital's Institutional Review Board (IRB) in May 2024. Subject enrollment and trial execution are currently underway. United States: Obtained IDE approval from the US FDA in February 2024, and passed IRB review in November of the same year, will launch a pilot clinical trial of the same scale as Taiwan
3	NaviFUS+EPI	Completed safety trials with six patients, published in the 2022 Epilepsia journal (DOI: 10.1111/epi.17105).
4	NaviFUS+EPI/ Feasibility study Phase1/2	Taiwan (IIT): Pilot I - 4-week observation period: Subject enrollment and treatment completed; clinical data currently being consolidated. Pilot II - 24-week observation period: Approved by the MOHW in February 2024 and IRB-approved in April; subject enrollment is underway. Australia (IIT): The 18-subject pilot clinical trial has been approved by the participating hospital (notified to TGA); subject enrollment is in progress. United States: A multicenter pilot clinical trial received FDA IDE approval in March 2024, and obtained IRB approval; subject enrollment is in progress.
5	NaviFUS+AD(BBB) / Feasibility study Phase1/2	This pilot clinical trial has been approved by the executing hospital in Australia and reported to TGA; patient enrollment is being prepared.
6	NaviFUS+RT(BBB) / Feasibility study Phase1/2	Taiwan (IIT): Received approval from the MOHW for a 6-subject pilot clinical trial, enrollment and treatment have been completed. Planning to enroll 2 more patients for subsequent efficacy trial evaluation.
7	NAVIRFA	Approved for Class II medical device marketing authorization by the MOHW, and cleared through FDA 510(k) premarket notification review
8	NaviFUS For Pet	Research equipment development completed, beginning to conduct actual machine testing

(IV) Long and Short-Term Business Development Plans

1. Short-term Planning (within two years)
   (1) Select customers with research topics distinct from company planning for NaviFUS research model sales or leasing, generating revenue while helping to develop more potential applications.
   (2) Execute NAVIRFA product sales, cooperating with sales partners to increase market share in RFA surgical applications to boost revenue, while expanding into other cross-field medical uses requiring similar guidance assistance, such as (stem) cell injections and tissue sampling.
   (3) Promote NaviFUS to conduct clinical trials with different "treatment compositions (FUS/bubble/drug, FUS/bubble, FUS only)" to verify product efficacy and select "treatment composition" for market product development based on trial results and cooperation status, plan and design the next phase regulatory trials.
   (4) NaviFUS product R&D will continue to improve system specifications to complete more FUS treatment uses, real-time treatment monitoring, more convenient treatment guidance, more compact mechanism design, and modular maintenance product upgrade goals, developing future commercial machines for market launch.
   (5) Develop ultrasound treatment systems for pets (animals), which can be launched in the short term to boost revenue and serve as another path to validate the ultrasound treatment concept.
   (6) Actively participate in global focused ultrasound medical industry community activities, expanding market and various commercial cooperation possibilities.
2. Medium and Long-term Planning (within five years)
   (1) Continue to provide focused ultrasound medical products that are long-term, repeatable, convenient, and affordable, constructing value differentiated from competitors, enhancing company uniqueness and overall value.
   (2) Obtain the first NaviFUS medical device marketing license, begin selling NaviFUS products positioned as medical devices.
   (3) Establish own production plant to ensure market product quality and comply with regulatory requirements.
   (4) Cooperate with medical device or pharmaceutical companies on focused ultrasound medical uses, and obtain licensing fees or other forms of funding to increase company growth momentum.
   (5) Actively develop and expand new products, diversify revenue generation methods, achieve financial break-even.
   (6) Establish stable operating models for capital, talent, and product development, becoming a high-end medical device R&D design company with international visibility, forward-looking innovation, and stable operations.

II. Market and Production & Sales Overview

(I) Market Analysis

1. Main product sales, leasing, and service provision regions

Based on the therapeutic guidance and tracking system, NAVIRFA has achieved sales from 2022 through 2023. In the future, it will be marketed domestically and internationally through partnerships. In terms of licensing activities, the company continues to actively promote licensing, prioritizing the search for suitable strategic partners in the Southeast Asian market, who will handle market certification and sales matters.

The other core technology product, the focused ultrasound system, is still undergoing clinical trials and has not yet been formally commercialized. However, in 2024, there have been research machine rentals and contracted pre-clinical services for NaviFUS treatment of rare diseases, with related service income recognized according to implementation progress. In 2023, there were actual sales of research models. If the product successfully obtains certification in the future, the company will establish its own marketing and sales team in the Taiwan market, while seeking suitable strategic partners for licensing and joint development in the US and European markets to accelerate sales through partners after certification.

The company's revenue and proportion by region for the past two years (including equipment rental and service income) are as follows:

Unit: NT$Thousand

Year / Items	2023		2024	
	Amount	Proportion (%)	Amount	Proportion (%)
Exports	17,023	75.7	27,378	99.4
Domestic	5,458	24.3	152	0.6

2. Market Share

The NaviFUS and NAVIRFA products developed by the company are not yet sold in large quantities in the market, so there are no market share statistics.

3. Future Market Supply and Demand Conditions and Growth

Focused ultrasound thermal ablation equipment can be used for a wide range of indications including bone metastases, primary and Parkinson's tremors, uterine fibroids and endometrial hyperplasia, pancreatic cancer, liver cancer, prostate cancer, etc. The non-invasive and precise characteristics bring good recovery effects. In 2020, the global market size reached $265 million, with an expected compound growth rate of approximately 14% in the coming years, and demand is still not saturated. However, with the entry of competitors and the high-damage output characteristics of existing thermal ablation systems, precise image guidance equipment is relied upon to ensure safety. It is expected that application promotion will gradually encounter bottlenecks. But if innovative products with high usability can be developed targeting chronic treatment needs such as neurodegenerative diseases, this will expand another growth segment of the market, redirecting the market back to a blue ocean pattern with extremely high growth potential.

4. Competitive Advantages

(1) The company's technology platform and related development targets have

strategically pursued international patent layouts after thoroughly searching relevant technical literature and patent precedents, thereby obtaining multi-national patent protection and establishing barriers to entry for future competitors after product launch.

(2) The medical product development targets chosen by the company all belong to disease areas with unmet medical needs, not only possessing market value but also having the possibility of being recognized by regulatory authorities as qualifying for expedited registration.

(3) The company collaborates with international professional Contract Research Organizations (CROs) and regulatory consulting firms, following internationally recognized standards such as Good Clinical Practice (GCP) and international pharmaceutical regulations to conduct clinical trials for new drug development. High-quality clinical trials and comprehensive regulatory strategies will be important foundations for future registration.

(4) The company collaborates with Youngtek Electronics to jointly develop the manufacture of NaviFUS commercial machines, to be launched after clinical validation.

(5) The company collaborates with the Focused Ultrasound Foundation (FUSF) of the United States, which has not only invested to become a shareholder but also uses its international network to find strategic partners.

(6) The company has signed a collaborative agreement with Brainlab, a global leader in surgical image navigation, expecting to integrate resources and products through progressively deepening cooperation to develop more market-competitive medical solutions.

5. Development Prospects: Favorable Factors, Unfavorable Factors, and Response Strategies

(1) Favorable Factors

The Taiwanese government has listed biotechnology as a key item in national technology development, continuing to support the biotech and pharmaceutical industries at the policy level. The focus of global capital markets is gradually shifting from electronic, electrical, information, and communication high-tech industries to the biotechnology industry, with the momentum of capital transfer directly driving the development of biotech pharmaceuticals. Continuous development of next-generation technology platforms provides abundant innovative R&D energy as the foundation for the company's sustainable development, with all research results further supported by strategic patent layouts to obtain exclusive implementation rights.

(2) Unfavorable Factors and Response Strategies

Unfavorable Factor	Response Strategy
Clinical trials and registration regulations differ across countries, particularly with the difficulty in controlling review timelines by various regulatory authorities, affecting development schedules	Collaboration with professional CROs and regulatory consulting firms familiar with local regulations ensures that the development process complies with regulations of various countries while also ensuring smooth communication and consistent understanding with regulatory authorities, thereby

and market launch progress.	reducing regulatory risks and increasing approval probability.
Development time is lengthy and costs are substantial; whether operating funds are sufficient will affect high-end medical device development progress.	After careful evaluation of targets with market potential and development feasibility, resources are concentrated to advance projects with full effort, aiming to quickly execute clinical trials and complete international licensing to obtain licensing fee income, thereby enhancing subsequent product development speed. This is coordinated with NAVIRFA and NaviFUS For Pet, which can create revenue in the short term. Additionally, the company's professional management and R&D team can select R&D project topics through careful clinical needs assessment judgment, and significantly reduce product development risks through rigorous product development design processes and planning for animal experiments and early human clinical trials.
Advanced countries in Europe and America have more complete upstream and downstream resources for high-end medical device industries than Taiwan.	The company continues to expand connections with top international industry and medical professionals to ensure product development meets international regulatory standards and market needs, and increases the success rate of product development through cross-national strategic alliances and planning.

(II) Main Products' Important Uses and Production Processes

1. Main Product's Important Uses

   The main product aims to solve the clinical dilemma where drugs cannot achieve 100% efficacy, designed to open the blood-brain barrier non-invasively to enhance the therapeutic value and safety of related medications.

2. Production (Development) Process:

   When evaluating new projects, the company conducts comprehensive assessments of clinical needs, competitive landscape, patent protection, and other factors. When introducing new projects, future market demand is the primary consideration, striving to select research topics with high market value, avoiding red ocean competition, and continuously monitoring the development status of other competitors to actively respond to real-time market dynamics. During the R&D process, the company actively establishes close cooperative relationships with medical professionals in Taiwan, the United States, and other countries. In the phantom and animal testing phases, medical professionals are invited or commissioned to conduct product testing, incorporating physician (i.e., user) opinions into product function design. After establishing safety and efficacy in phantom and animal experiments, early human clinical trials are jointly planned and executed with medical professionals to demonstrate safety and efficacy in humans.

   The company's business activities focus on high-end medical device product research and development. Since products at different stages of the R&D process require collaboration with experts, physicians, consultants, manufacturing and testing professionals from various fields to meet the requirements of regulatory authorities in major target markets. Once a medical device project with investment value is selected for development, the team carefully selects the most optimized cutting-edge

technologies and effectively implements standard processes such as ISO13485 design control. Simultaneously, through education, training, and external professional courses, and continuous cooperation with domestic and foreign experts, the company gradually builds solid R&D capabilities including: rapid manufacturing of product prototypes and key components, laboratory-stage testing, planning pre-clinical animal experiments for efficacy and safety verification, planning and executing early human clinical trials (Feasibility Study), and introducing trial production goals following GMP manufacturing standards.

(III) Main Raw Material Supply Status

The company is not a manufacturer, so there is no raw material procurement. Major products are all outsourced for processing. The company's current product "NaviFUS Focused Ultrasound System" is still in the R&D stage and has not yet been mass-produced for market sales. Therefore, the supply of raw materials required for clinical trials is secure and sufficient to meet current planned requirements.

(IV) Names and Purchase/Sales Amounts and Proportions of Customers Accounting for More Than 10% of Total Purchase/Sales in Any of the Last Two Years, and Explanation of Reasons for Changes

The "NaviFUS System" experimental model is independently developed and built by the company. The sales targets for this experimental machine are foreign hospitals or experimental institutions. In 2023, sales to UVA were one-time experimental machine sales, while in 2024, it changed to leasing research machines.

The company also sold "NAVIRFA products" to UNI PHARMA. In 2023, it sold needle tracking systems, but subsequently, due to upgrades to universal NAVIRFA products and adaptation to DC cell treatment plans, UNI PHARMA did not purchase from the company in 2024. The NAVIRFA products are manufactured by the same group of manufacturers, so there are no significant changes.

In 2024, Company A commissioned the company to conduct canine animal experiments using a focused ultrasound system to understand the feasibility of opening the blood-brain barrier to enhance therapeutic efficacy, which was a one-time project service income. Most suppliers were related to this service project: QPS was commissioned to execute animal husbandry and testing, NCIR was commissioned to research viral vectors, and Bio-Cando provided experimental consumables needed for animal testing.

Unit: NT$Thousand

Items	2023				2024			
	Name	Amount	Percentage of annual net sales (%)	Relationship with issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with issuer
1	UVA	15,513	69.00	None	Company A	27,104	98.45	None
2	UNI PHARMA	4,738	21.08	Note	Others	426	1.55	None
3	Others	2,230	9.92	None				
	Net sales	22,481	100.00	-	Net sales	27,530	100.00	-

Note: This company is a director of our company, and the chairman of this company is the same person as the chairman of our company.

Unit: NT$Thousand

Items	2023				2024			
	Name	Amount	Percentage of annual net purchase (%)	Relationship with issuer	Name	Amount	Percentage of annual net purchase (%)	Relationship with issuer
1	Megaforce	728	51.63	None	QPS	8,699	92.14	None
2	Advantech	456	32.34	None	NCIR	351	3.72	None
3	Gen-Xin Technical	81	5.74	None	Bio-Cando	173	1.83	None
	Others	145	10.29	-	Others	218	2.31	-
	Net purchase amount	1,410	100.00	-	Net Purchase Amount	9,441	100.00	-

III. Number of Employees, Average Years of Service, Average Age, and Educational Distribution Ratio in the Last Two Years and Up to the Printing Date of the Annual Report

Items		December 31, 2023	December 31, 2024	April 30, 2025
Employee Count	R&D Personnel	19	22	25
	Administrative Personnel	16	17	14
	Total	35	39	39
Average Age		38.9	38.2	38.0
Average Years of Service (years)		3.9	4.2	4.3
Educational Distribution Ratio	PhD	8	8	9
	Master's	20	23	22
	College	7	8	8
	High School (and below)	-	-	-

IV. Environmental Protection Expenditure Information

In the most recent year and up to the printing date of the annual report, there have been no losses due to environmental pollution (including compensation and violations of environmental regulations found in environmental protection inspections that should specify the date of disposition, disposition reference number, violated regulation articles, content of violation, and content of disposition), and disclosure of current and potential future estimated amounts and countermeasures. If reasonable estimation is not possible, the facts of why reasonable estimation is not possible should be explained: None.

V. Labor Relations

(I) Company employee welfare measures, continuing education, training, retirement system and its implementation, as well as agreements between labor and management and various employee rights protection measures:

The labor-management relationship in the company has always been extremely harmonious. Since the company's founding, both labor and management have been able to communicate with each other with a rational and understanding attitude, resulting in very pleasant cooperation. To strengthen the mutually beneficial relationship between labor and management, the company has formally established various welfare measures and communication coordination mechanisms. Detailed implementation status is as follows:

1. Employee Welfare Measures

   The company provides welfare measures including labor and health insurance, employee group insurance, employee health examinations, regular education and training, dining activities, and year-end bonuses.

2. Employee Continuing Education and Training

For new employees who have just joined the company, orientation training is arranged on the first day of reporting, explaining company introduction, work rules, environment introduction, supervisor and colleague introductions. To implement lifelong learning, promote professional knowledge and skills, enhance cultural literacy, and thereby improve service quality and performance, any full-time employee who has been approved will be encouraged to participate in various required education and training courses. Additionally, various business skill sharing sessions are held periodically to enable employees to learn and continuously enrich themselves and grow in their work.

3. Employee Retirement System and Its Implementation
   The company, in accordance with the "Labor Pension Act", contributes 6% of salaries to the labor pension fund to individual employees' retirement pension accounts.
4. Labor-Management Agreement Status
   All company regulations comply with the Labor Standards Act as guidelines, and labor-management meetings are held. Up to now, labor-management relations have been harmonious, with no need for coordination due to labor disputes. The company had 0 labor inspection penalty cases in 2024.
5. Various Employee Rights Protection Measures
   The company has established a comprehensive document management system and structure, specifying various management regulations that clearly stipulate employee rights, obligations, and welfare items, and regularly reviews welfare content to protect employee rights.

(II) In the most recent year and up to the printing date of the annual report, losses incurred due to labor disputes (including labor inspection results that violate the Labor Standards Act, which should specify the date of disposition, disposition reference number, violated regulation articles, content of violation, and content of disposition), and disclosure of current and potential future estimated amounts and countermeasures. If reasonable estimation is not possible, the facts of why reasonable estimation is not possible should be explained: None.

VI. Information Security Management

(I) Description of information security risk management structure, information security policy, specific management plans, and resources invested in information security management:
The company attaches importance to the control of information security risks and has established relevant regulations such as information security inspections. Information personnel regularly conduct disaster drills (annually), off-site backups (quarterly), and other information security management operations.

(II) Listing of losses, potential impacts, and countermeasures due to major information security incidents in the last two years and up to the printing date of the annual report. If reasonable estimation is not possible, the facts of why reasonable estimation is not possible should be explained: None.

VII. Important Contracts

Contract Type	Party	Contract Period	Main Content	Restrictive Clauses
Patent Technology Transfer Agreement	Chang Gung University	September 2015 ~ Until the expiration of the licensed patent (April 26, 2037)	Patent technology for focused ultrasound application in brain drug delivery	None
Patent Technology Transfer Agreement	Chang Gung University	2022.01	Ultrasound imaging system	None
Joint Venture Agreement	Genovate Biotechnology Co., Ltd	January 2018 ~ When agreement termination events occur	Joint investment in Australia to implement surgical navigation focused ultrasound medical products and services for central nervous system-related diseases other than tumors	None
CRO	Qps-Qualitix Clinical Research Co., Ltd.	July 2021 ~ When the commissioned clinical case work ends	FUS for Epilepsy Trial (Taiwan)	None
		March 2024 ~ March 2034	FUS for Epilepsy Trial (United States)	None
		June 2024 ~ June 2034	Avastin+FUS for rGBM Trial (United States)	None
CRO	Formosa Biomedical Technology Corporation	March 2024 ~ March 2027	FUS for Epilepsy Trial (Taiwan)	None
CRO	Linical Taiwan Co., Ltd.	March 2024 ~ When the commissioned clinical case work ends	Avastin+FUS for rGBM Trial (Taiwan)	None
CRO	Avania Pty Limited	September 2022 ~ September 2027	FUS for Epilepsy Trial (Australia)	None
Technical Collaboration	Brainlab Ag	October 2022 ~ When the counterparty terminates the agreement	Navigation machine compatibility integration and clinical validation	None
Technical Collaboration	Company A	November 2023 ~ November 2025	Pre-clinical animal trials collaboration for new treatment modalities	Confidentiality clause
Development Collaboration and Supply Contract	Bracco Suisse S.A.	April 2024 ~ When contract termination events occur	Microbubble contrast agent supply (including clinical trials and after clinical certification)	None
Office Lease	Century Biotech Development Corporation	May 2023 ~ July 2028	The company leases factory/office space	Cannot be repurposed for other uses

Five. Financial Status and Analysis of Financial Performance and Risk Factors

I. Financial Status

Major reasons and impacts of significant changes in assets, liabilities, and equity in the last two years, and future response plans if the impact is significant:

Unit: NT$Thousand

Year / Accounting Item	2024	2023	Difference	
			Amount	Change Percentage (%)
Current assets	394,682	381,949	12,733	3.33
Property, Plant and Equipment	107,866	66,108	41,758	49.51
Intangible Assets	6,348	7,080	(732)	(10.34)
Other Assets	37,791	35,398	2,393	6.76
Total assets	546,687	490,535	56,152	11.45
Current liabilities	33,564	27,564	6,000	21.77
Non-current Liabilities	20,474	25,837	(5,363)	(20.76)
Total liabilities	54,038	53,401	637	1.19
Share Capital	623,780	563,720	60,060	10.65
Capital Surplus	397,923	303,990	93,933	30.90
Accumulated Deficit	(539,801)	(444,676)	(95,125)	21.39
Other Equity	(398)	(38)	(360)	947.37
Equity Attributable to Owners of Parent	481,504	422,996	58,508	13.83
Non-controlling Interests	11,145	14,138	(2,993)	(21.17)
Total Shareholders' Equity	492,649	437,134	55,515	12.70

1. Analysis and explanation of main reasons for changes of 20% or more between periods, and amounts exceeding NT$10 million:
   (1) Increase in Property, Plant and Equipment: Mainly due to the Company still being in the research and clinical trial stage, resulting in continued procurement of ultrasound devices, probes, and other equipment for R&D purposes.
   (2) Increase in Capital Surplus: Mainly due to employees exercising stock options this year.
   (3) Increase in Accumulated Deficit: Mainly due to the Company still being in the research and clinical trial stage, leading to continued investment in related R&D expenditures and resulting in losses.
2. Future Response Plan: The aforementioned changes were primarily due to the fact that the Company's main products are still in the research and development stage, which is characteristic of the biotech and medical industry. As the Company's product development is progressing as planned without any significant irregularities, this item is not applicable.

II. Financial Performance

(I) Major reasons for significant changes in operating income, operating profit, and pre-tax profit in the last two years:

Unit: NT$Thousand

Year / Accounting Item	2024	2023	Difference	
			Amount	Change Percentage (%)
Operating Revenue	27,530	22,481	5,049	22.46
Operating Gross Profit	9,682	11,827	(2,145)	(18.14)
Operating Net Profit (Loss)	(110,882)	(76,426)	(34,456)	45.08
Pre-tax Net Profit (Loss)	(97,962)	(69,565)	(28,397)	40.82
Income Tax Expense	-	-	-	-
Net Profit (Loss) for the Period	(97,962)	(69,565)	(28,397)	40.82
Other Comprehensive Income (Net)	(516)	151	(667)	(441.72)
Total Comprehensive Income for the Period	(98,478)	(69,414)	(29,064)	41.87
Analysis and explanation of main reasons for changes of 20% or more between periods, and amounts exceeding NT$10 million: Increase in Operating Net Loss, Pre-tax Net Loss, Net Loss for the Period, and decrease in Total Comprehensive Income: Mainly due to the company is still in the research and clinical trial stage, has not yet formally commercialized product sales, but continues to invest in related R&D expenditures.				

(II) Expected sales volume and its basis, possible impact on the company's future financial business, and response plan:

The company has not prepared and announced financial forecasts, so this is not applicable.

III. Cash Flow

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

Unit: NT$Thousand

Year / Accounting Item	2024	2023	Difference	
			Amount	Change Percentage (%)
Operating Activities	(77,713)	(48,692)	(29,021)	59.60
Investing Activities	(58,076)	(15,758)	(42,318)	268.55
Financing Activities	143,021	(3,587)	146,608	(4,087.20)
Analysis of percentage changes: 1. Operating Activities: Mainly due to the company is still in the research and clinical trial stage, resulting in net cash outflow from operating activities. 2. Investing Activities: Mainly due to the company's continued purchase of ultrasound and probe equipment for research and development use, and the transfer of time deposits of more than 3 months to financial assets last year. 3. Financing Activities: Mainly due to the company's cash capital increase this year to meet the funding requirements for medical device product development and clinical trials.				

(II) Improvement plan for insufficient liquidity in the most recent year:

The company does not have a cash shortage, so there is no concern about insufficient liquidity.

(III) Cash flow analysis for the coming year (2025)

Initial Cash Balance	Projected Annual Net Cash Flow from Operating Activities	Projected Annual Net Cash Flow from Investing Activities	Projected Annual Net Cash Flow from Financing Activities	Projected Cash Surplus (Deficit) Amount	Remedial Measures for Projected Cash Deficit	
					Investment Plan	Financial Management Plan
363,891	(87,506)	(23,787)	225,846	478,444	-	-

Analysis:

1. Cash Flow Changes Analysis for the Coming Year:
   (1) Operating Activities: As the company is still in the research and clinical trial phase, continuous R&D expenditures are required, resulting in net cash outflow from operating activities.
   (2) Investing Activities: Cash outflow from investing activities is mainly due to the purchase of R&D equipment for operations.
   (3) Financing Activities: Cash inflow from financing activities is primarily due to cash capital increases and issuance of new shares from employee stock options.
2. Remedial Measures for Projected Cash Deficit and Liquidity Analysis: No projected cash deficit situation, therefore not applicable.

IV. Impact of Major Capital Expenditures in the Recent Year on Financial Operations: None.

V. Recent Year's Reinvestment Policy, Main Reasons for Profit or Loss, Improvement Plans, and Investment Plan for the Coming Year

(I) Company's Reinvestment Policy:

The company's current reinvestment policy focuses primarily on investment targets related to the main business development and does not engage in investments in other industries. Relevant execution departments follow the internal control system's "Investment Cycle," "Supervision and Management of Subsidiaries," and "Procedures for Acquisition and Disposal of Assets" for implementation. The aforementioned regulations or procedures have been discussed and approved by the Board of Directors or shareholders' meeting.

(II) Main Reasons for Profit or Loss in Recent Year's Reinvestments and Improvement Plans:

Unit: NT$Thousand

Investee Company	Investment Amount	Main Business Activities	Investment Profit (Loss) Recognized in 2024	Main Reasons for Profit or Loss	Improvement Plans
Genovate-NaviFUS Inc.	44,510	Investment in Various Businesses	(6,549)	Investment in Australian subsidiary is still in research and clinical trial phase, requiring continuous R&D expenditures, resulting in operating losses and recognition of related investment losses.	Strengthening Management of Invested Companies:
Genovate-NaviFUS (Australia) Pty Ltd	53,369	Medical device development and sales businesses	(9,488)	Still in the research and clinical trial phase, requiring continued R&D expenditures, thus operating results remain in loss.	Currently still in product development stage; the company will strictly control expense outlays and continuously monitor R&D progress to enhance profitability of these investment ventures.

(III) Investment Plan for the Coming Year: None.

VI. Risk Analysis and Assessment for the Recent Year and up to the Printing Date of the Annual Report

(I) Impact of Interest Rate, Exchange Rate Fluctuations, and Inflation on Company Profits and Future Response Measures

1. Interest Rate Fluctuation Impact and Future Response Measures:

The Company's interest income amounted to NT$5,575 thousand and NT$7,840 thousand in 2023 and 2024, respectively. Mainly from bank time deposits and savings accounts. Currently, the company has no financing loans, so interest rate fluctuations only affect interest income and have no significant impact on profits. Although interest income is not the company's main profit source, the company considers both liquidity and security when utilizing unused funds. The company continuously monitors interest rate trends and maintains good relationships with banks to secure favorable deposit rates. This strategy will help obtain advantageous interest terms if bank financing becomes necessary in the future, ensuring the most effective method of raising required funds.

2. Exchange Rate Fluctuation Impact and Future Response Measures:

The company operates internationally and is exposed to exchange rate risks from various currencies, primarily the US dollar.

Business activities denominated in foreign currencies include payments for overseas research and clinical trials, future technology and product licensing fees from foreign entities, and export product income. Besides closely monitoring exchange rate fluctuations, the company considers exchange rate risk when signing contracts with international customers and vendors. The Company recorded a foreign exchange (loss) gain of NT$(824) thousand and NT$6,660 thousand in 2023 and 2024, respectively, with no significant impact on profits.

To reduce the impact of exchange rate fluctuations, the company will continue to collect exchange rate information, monitor trends of major currencies in international forex markets, maintain good relationships with banks to obtain broader foreign exchange information and preferential exchange rate quotes, thereby reducing risks from exchange rate fluctuations. To avoid operational risks from foreign exchange hedging instruments, the company does not favor buying or selling forward foreign exchange options.

3. Inflation Impact and Future Response Measures:

As a high-end complex medical product development company still in research and clinical trial phases, inflation or deflation has had no significant impact on past profits. The company will continue to closely monitor market price fluctuations and adjust sales strategies accordingly to mitigate the effects of inflation.

(II) Policies, Main Causes of Profit or Loss, and Future Response Measures for High-Risk, High-Leverage Investments, Lending Funds to Others, Endorsements, and Derivative Product Transactions:

1. The company focuses on its core business and does not engage in high-risk, high-leverage investments, lending funds to others, endorsements, or derivative product transactions, thus avoiding major operational risks.

2. If future business development or hedging needs require endorsements for others, lending funds to others, or derivative financial product transactions, the company will follow its established "Procedures for Lending Funds and Endorsement Guarantees" and "Procedures for Acquisition or Disposal of Assets," and announce transaction information according to legal requirements.

(III) Future R&D Plans and Estimated R&D Expenses

1. Future R&D Plans

The company focuses on developing two core technology platforms: "Focused Ultrasound System" and "Therapeutic Guidance and Tracking system". First is NaviFUS, which combines both technologies to address clinical challenges where drugs cannot achieve efficacy, using non-invasive methods and precise navigation positioning to open the blood-brain barrier or perform neuromodulation, thereby enhancing the therapeutic safety value of related drugs or directly affecting lesions to achieve treatment effects. Second is the NAVIRFA product developed from " Therapeutic Guidance and Tracking system" technology, designed to assist physicians during surgery by providing simple optical guidance devices that enhance image information quality, offering objective references to improve surgical efficiency and patient outcomes.

Project	Indication	Development Progress
NaviFUS(BBB)	rGBM (Opening BBB)	A feasibility clinical trial involving six participants has been completed, demonstrating good safety. The project has subsequently advanced directly to efficacy trials, including combination with drug delivery (e.g., large molecules such as Avastin) and radiotherapy (RT).
NaviFUS +Avastin(BBB)	rGBM (Opening BBB to increase drug treatment efficiency)	Taiwan: Received approval from the Ministry of Health and Welfare (MOHW) for an 8-subject pilot clinical trial (prematurely terminated after enrolling 6 subjects). The pilot clinical trial report was filed with MOHW in August 2023. Subsequently, in October 2023, the Company submitted an application for a pivotal clinical trial, which was approved by MOHW in January 2024 and later approved by the hospital's Institutional Review Board (IRB) in May 2024. Subject enrollment and trial execution are currently underway. United States: Obtained FDA Investigational Device Exemption (IDE) approval in February 2024, and received IRB approval in November of the same year. A pilot clinical trial of similar scale to the Taiwan study is expected to commence in 2025.
NaviFUS	Drug-resistant Epilepsy (Neural modulation at epileptic focus points)	Taiwan (IIT): A 6-subject feasibility clinical trial was completed, demonstrating favorable safety. And subsequently obtained MOHW approval for a subsequent 12-subject clinical trial.
NaviFUS	Drug-resistant Epilepsy	Taiwan (IIT):

Project	Indication	Development Progress
	(Neural modulation at epileptic focus points)	Pilot I - 4-week observation period: Subject enrollment and treatment completed; clinical data currently being consolidated. Pilot II - 24-week observation period: Approved by the MOHW in February 2024 and IRB-approved in April; subject enrollment is underway. Australia (IIT): The 18-subject pilot clinical trial has been approved by the participating hospital (notified to TGA); subject enrollment is in progress. United States: A multicenter pilot clinical trial received FDA IDE approval in March 2024, and obtained IRB approval; subject enrollment is in progress.
NaviFUS+ (BBB)	Alzheimer's Disease (Opening BBB to activate hippocampal neurons, slowing disease progression)	This pilot clinical trial has been approved by the executing hospital in Australia and reported to TGA; patient enrollment is being prepared.
NaviFUS +RT(BBB)	rGBM (Opening BBB to improve free radical formation environment, enhancing radiotherapy effects)	Taiwan (IIT): Received approval from the MOHW for a 6-subject pilot clinical trial, enrollment and treatment have been completed. Planning to enroll 2 more patients for subsequent efficacy trial evaluation.
NAVIRFA	Wireless Radiofrequency Ablation Surgery for Liver Tumors (Using optical marking technology to generate needle insertion guidance integrated into ultrasound images, providing surgical navigation for physicians)	Approved for Class II medical device marketing authorization by the MOHW, and cleared through FDA 510(k) premarket notification review

Note: IIT refers to Investigator-Initiated Trial.

- **NaviFUS System Combined with Avastin® for Recurrent Glioblastoma Multiforme (rGBM) - Blood-Brain Barrier Opening**

Focused ultrasound can enhance the efficiency of drugs crossing the blood-brain barrier, potentially increasing drug treatment effectiveness and reducing systemic toxicity. This mechanism primarily relies on the physical properties of ultrasound cavitation effect. When microbubbles exist at a certain concentration at the focus of ultrasound energy, the ultrasound causes uneven pressure inside and outside the microbubbles, resulting in compression and expansion. This temporarily creates gaps in the tight junctions of closely arranged vascular endothelial cells, allowing drugs to pass through these gaps across the blood-brain barrier and enter the lesion area to exert therapeutic effects.

The NaviFUS system completed its first human clinical trial in 2019, verifying the safety of opening the blood-brain barrier in humans and confirming appropriate ultrasound dosages. The related clinical trial results were published

in Science Advances in 2021 (DOI: 10.1126/sciadv.abd0772). Trials in combination with Avastin® began in 2020, with patient recruitment completed at the end of 2022. The related pilot clinical trial received acknowledgment from the Ministry of Health and Welfare on August 21, 2023. In the published trial analysis results, patients who received treatment showed no treatment-related side effects. The efficacy indicators for 6-month Progression-Free Survival (PFS-6) and Median Progression-Free Survival were 66.7% and 8.9 months respectively, higher than historical control data of 42.6% and 4.2 months. The company submitted an application for pivotal clinical trial review to the Ministry of Health and Welfare on October 27 of the same year, which was approved in January 2024. The trial received IRB approval in May 2024, and patient recruitment is currently ongoing. Avastin® is a second-line treatment for GBM. After opening the blood-brain barrier, it is expected to increase concentration in the brain, enhancing its tumor inhibition effect.

Avastin®'s patent protection expired in 2019. Following the preliminary conclusions from trials combining NaviFUS with Avastin®, the company is not only seeking collaboration opportunities with the original manufacturer but also approaching biosimilar manufacturers of Avastin®. The company hopes to leverage the intensifying competition in the bevacizumab market to find pharmaceutical partners for collaborative development in brain tumor indications, and to license pharmaceutical companies to enter international Phase III efficacy (registration) trials by 2025. Additionally, the company obtained FDA IDE approval in February 2024, and received IRB approval from the University of Virginia Hospital in November 2024. A pilot clinical trial of the same scale as the one in Taiwan will commence in 2025.

Furthermore, data from the previously completed 6-person Avastin® combination trial showed a significant increase in the concentration of tumor cell-related DNA fragments (cfDNA) released into the blood after opening the blood-brain barrier. This is expected to overcome current challenges in early cancer diagnosis and tracking cancer progression through blood tests, demonstrating the potential application of focused ultrasound in liquid biopsy.

- **NaviFUS System for Epilepsy - Neuromodulation**

Traditional non-invasive methods of stimulating deep brain regions through electromagnetic means have limited energy transfer areas and depth, and cannot precisely target the lesion area, making practical disease treatment applications difficult. The NaviFUS system can precisely deliver ultrasound energy to deep brain regions or locally regulate neuronal discharge, thus having the potential for non-invasive treatment of epilepsy.

Clinical trials of the NaviFUS system for drug-resistant epilepsy began at Taipei Veterans General Hospital in 2019. The safety trial was completed in 2020 with preliminary observations of exciting efficacy. An expanded 12-person trial at Taipei Veterans General Hospital was immediately applied for. This pilot trial

has now completed patient recruitment and treatment, and clinical report data is currently being compiled.

At the Focused Ultrasound Neuromodulation (FUN) symposium hosted by Oxford University in early September 2021, a team from Harvard presented preliminary results from a two-year trial conducted at Brigham and Women's Hospital in the US. The trial applied ultrasound to the hippocampus of epilepsy patients and observed a decrease in seizure frequency over periods ranging from weeks to months in multiple subjects. This preliminary research has revealed possible conditions for clinical ultrasound treatment of epilepsy and demonstrated great potential for focused ultrasound as a feasible and significantly effective treatment.

To accelerate confirmation of the product's efficacy for drug-resistant epilepsy, the company has initiated multi-center clinical trials to discover optimal clinical parameters. Since this application does not require drug combination and relies purely on ultrasound mechanical energy, verification will be conducted using various delivery frequencies and intervals. The company established a partnership with Stanford University in 2019, using the company's chronic epilepsy animal model to find suitable long-term treatment conditions for epilepsy. Plans for pilot epilepsy clinical tests across Taiwan, Australia, and the United States began in 2024. The Taiwan Pilot I (4-week observation period, IIT) has completed patient recruitment and treatment, with clinical report data currently being compiled. Another group, Pilot II (24-week observation period, IIT), received approval from the Ministry of Health and Welfare in February 2024 and passed IRB review in April 2024. Patient recruitment is currently underway. In Australia, the subsidiary has already submitted an application for an 18-person clinical trial to local implementing hospitals and has begun patient recruitment. In the United States, multi-center clinical trials will be conducted at Harvard Medical Brigham Women's Hospital, Stanford University School of Medicine, and University of Virginia School of Medicine. The company obtained FDA IDE approval in March 2024, subsequently received IRB approvals from each hospital, and is currently recruiting patients.

The company hopes to validate the optimal treatment model for drug-resistant epilepsy through these multiple simultaneous clinical trials and to prove its effectiveness as soon as possible. If this testing meets expectations. The company will proceed with applications for Phase III efficacy (registration) trials and pursue international strategic alliances to accelerate obtaining market authorization for this application with even greater market potential.

- **NaviFUS System Application for Alzheimer's Disease - Blood-Brain Barrier Opening (or Microenvironment Adjustment)**

The long course and difficult-to-treat nature of Alzheimer's disease requires longer clinical trial periods, and the regulatory pathway challenges are also formidable. Australia has highly flexible biomedical regulatory management, and data produced there is generally recognized by advanced countries. Additionally,

Australia has an excellent environment for central nervous system product development and clinical trials. The Melbourne and Sydney regions have hundreds of clinical trials registered on clinicaltrials.gov, making them among the world's leading centers for central nervous system clinical research.

In 2018, the company strategically established a joint venture with Genovate Biotechnology (which has been a consolidated subsidiary of the company since August 2020) to execute application development in Australia for uses other than cancer. In terms of division of work, NaviFUS provides the NaviFUS system to support clinical research, while Genovate assists the joint venture with overseas operations and clinical trial execution. In 2019, the joint venture established a subsidiary in Australia to conduct local Alzheimer's disease clinical trial applications and implementation. The aforementioned clinical trial passed IRB review in 2020, and future trials will be conducted based on actual circumstances while seeking international cooperation.

- **NaviFUS System Combined with Radiation Therapy (RT) for rGBM - Microenvironment Adjustment**

  According to literature (Future Oncology, 2015) and internal research, after focused ultrasound opens the blood-brain barrier, the vibration of nanobubbles results in an effect that adjusts the tumor microenvironment, leading to increased blood flow and oxygen delivery around the tumor. This enhances the free radical generation environment and produces radio-sensitization, thereby making it easier to kill tumor cells.

  Rapidly growing malignant tumors often cause insufficient blood flow and oxygen supply in some regions. RT treatment in these regions requires higher total doses, but to avoid accumulating excessive toxicity, a low-efficiency dilemma forms where only low doses can be administered. Low-dose RT originally could only induce chronic therapeutic effects, but after opening the blood-brain barrier for sensitization, it can achieve the strong therapeutic effect equivalent to high-dose RT (endothelial cell apoptosis and vascular collapse), while avoiding the side effects of high-dose RT.

  In 2021, the company received approval from TFDA and IRB for a 6-person safety trial and launched this clinical trial at a Taiwanese hospital to enhance RT treatment for patients with terminal primary brain tumors using the NaviFUS system. All cases have now been recruited and treatment completed. The company plans to recruit 2 more patients for subsequent efficacy trial evaluations.

- **Guided Radiofrequency Ablation (RFA): NAVIRFA Product Development**

  When performing RFA surgery, physicians mostly rely on 2D ultrasound images to determine needle insertion position and process, repeatedly attempting to align with the final ablation position. However, limited by the two-dimensional nature of the images, there is often trial-and-error confirmation and adjustment, making the surgery time-consuming and affecting prognosis, while also requiring a longer learning curve. Therefore, the company utilizes its world-patented

"Therapeutic Guidance and Tracking" platform technology to generate needle insertion guidance with optical markers integrated into ultrasound images, providing physicians with navigation effects in another dimension. In 2023, after completing clinical trials and market exploration, the company developed and improved a new generation of universal products that can be applied to different ablation needles. In addition to liver cancer surgery, its indications can also be applied to markets derived from immune cell therapy. The medical device license for the universal product is currently being submitted to the Ministry of Health and Welfare for modification.

2. Expected R&D Expenditures

To support the above R&D plans and according to product development progress, the company allocates R&D expenses annually. To achieve expected R&D progress, the total R&D expenditure for 2025 is projected to be approximately NT$105,228 thousand. Investment in other R&D projects will be adjusted based on the company's operational status.

(IV) Impact of Domestic and International Policy and Legal Changes on Company Finances and Operations, and Response Measures:

The biotechnology industry is one of the industries strongly promoted by the government. To encourage private development of the biotech pharmaceutical industry, government agencies have established tax incentives, such as enacting the Biotech and Pharmaceutical Industry Development Act and providing various research and development funding subsidies. In addition to obtaining the Ministry of Economic Affairs' certification as a biotech pharmaceutical company in 2022, the company will actively apply for various tax incentives and funding subsidies in the future to reduce capital outflow. Furthermore, all products planned for market launch must comply with each stage of medical clinical regulations, following relevant domestic and international regulations to obtain marketing authorization, thereby reducing unpredictable risks and minimizing financial and operational impacts.

The company's daily operations comply with relevant domestic and international laws, and it constantly monitors domestic and international policy development trends and regulatory changes to fully grasp and respond to market environment changes. Therefore, in recent years and up to the printing date of the annual report, domestic and international policy and legal changes have not significantly impacted the company's operations and finances.

(V) Impact of Technological Changes (Including Information Security Risks) and Industry Changes on Company Finances and Operations, and Response Measures:

High-end complex medical device healthcare businesses have high entry barriers, long product development periods, high professional technical requirements, high added value, but also high risks, making them difficult to change dramatically in the short term. The company constantly monitors technological development trends in related technology industries, evaluates potential impacts, and makes necessary directional or strategic adjustments to flexibly respond to technological or industry changes and effectively avoid possible impacts. Additionally, the company continuously invests resources in developing new technologies and products. R&D data management and storage primarily use large

commercial database services (such as GOOGLE and NAS) systems, with different user permissions divided by project and function to prevent unauthorized large-scale data outflow or leakage. Furthermore, to enhance the security of the official website, the company has changed the website connection method to HTTPS, increasing the browsing security for the general public. In the most recent year and up to the printing date of the annual report, technological and industry changes have not had a significant impact on the company's finances and operations.

(VI) Impact of Corporate Image Changes on Crisis Management and Response Measures:
The company is committed to maintaining its corporate image and complying with legal requirements, focusing on high-end complex medical device R&D, hoping to provide patients with new medical options while continuously strengthening internal management, actively advancing toward international markets, and enhancing quality management capabilities. If there are situations affecting corporate image or violating laws, a special project team will be formed to formulate countermeasures. In the most recent year and up to the printing date of the annual report, no events capable of affecting corporate image have occurred.

(VII) Expected Benefits, Possible Risks, and Response Measures for Mergers and Acquisitions:
The company has no merger and acquisition plans in the most recent year and up to the printing date of the annual report. However, if there are merger plans in the future, the company will handle them according to the "Procedures for Acquisition or Disposal of Assets," maintaining a cautious evaluation attitude and considering whether the merger will bring concrete synergies to the company, to truly protect company interests and shareholder rights.

(VIII) Expected Benefits, Possible Risks, and Response Measures for Factory Expansion:
The company has no factory expansion plans in the most recent year and up to the printing date of the annual report.

(IX) Risks and Response Measures for Concentrated Purchasing or Sales:
Due to the characteristics of the industry, all products are in the research and development or clinical trial stage, and no new products have been launched yet. Therefore, there are currently no issues of concentrated purchasing or sales.

(X) Impact of Large Transfers or Changes in Shareholding by Directors, Supervisors, or Major Shareholders Holding More Than 10% on the Company, and Response Measures:
In the most recent year and up to the printing date of the annual report, there have been no large transfers or changes in shareholding by directors, supervisors, or major shareholders holding more than 10% that have significantly impacted the company's operations.

(XI) Impact of Changes in Management Control on the Company, and Response Measures:
In the most recent year and up to the printing date of the annual report, the management level has remained stable and is committed to improving the company's operational performance and maximizing shareholder interests, which should have a positive impact on the company's operations.

(XII) Litigation or Non-litigation Events:
Litigation, non-litigation, or administrative disputes involving directors, supervisors, general managers, responsible persons, major shareholders holding more than 10%, or

affiliated companies in the past two years up to the printing date of the annual report that have been finalized or are currently pending, where the results could significantly impact shareholder equity or securities prices: None.

(XIII) Other Important Risks and Response Measures:

1. Product development is time-consuming and requires substantial funding. Potential risks include:
   - Capital Risk:

     The company's two core technology platforms—"Focused Ultrasound System" and "Therapeutic Guidance and Tracking System"—are high-risk medical devices requiring advanced clinical trials. They are technology-intensive with high R&D proportions. From pre-clinical trials to various stages of human trials, development time is lengthy, and substantial R&D expenditures will continue to occur for related clinical trials. If the company cannot successfully generate operating income, it may face operational capital shortage risks. Therefore, if the company lacks sufficient funds for continuous injection, operational and financial risks may arise.
   - Market Risk:

     The main source of risk is that the market targeted by the NaviFUS product still contains uncertainties. Currently, no similar technology products have entered the market as precedents, but judging from the product's current performance, its market potential is quite substantial. The risk from market competition is not high, as there are only two competitors with similar functions in the market: InSightec and CARTHERA. InSightec already has a focused ultrasound thermal ablation product on the market, with revenue capability and larger capitalization, but its navigation system requires MRI, resulting in poor pricing and prevalence after future market launch. CARTHERA has similar capital scale to NaviFUS and is also an R&D company, but its approach requires drilling a hole in the head to insert a probe, making it "invasive."

     Since the three companies' products have minimal differences in development stages, with complementary strengths and weaknesses, and the end application market is large, the competitive relationship tends toward jointly shaping the future market rather than engaging in cost-based red ocean competition. Instead, mutual cooperation and consolidation are expected to jointly pursue blue ocean markets.
   - Industry Risk:
     A. High-risk medical devices requiring clinical trials do not guarantee successful clinical development. The company's products and applications are in innovative fields, making their clinical, regulatory, and commercial pathways less predictable than general industries, which is the greatest industry risk.
     B. Taiwan's domestic market is too small, making it difficult to recover capital investment in innovative products. Therefore, it is necessary to

be based in Taiwan but look toward the world. The development of the entire industry chain must inevitably reach a global scale. Thus, the company also faces international challenges in business development. Given the company's current scale still needs continued growth, potential industry collaboration and merger targets and timing still need to mature.

C. Beyond surface patent applications, in this novel industry where products and technologies are still developing and not yet mature, future enhancement of R&D capabilities and accumulated know-how are the core of competition. The key to this competitive core is talent. Cross-disciplinary technical research and product development personnel will be targets of competition among industry participants in the future. The search for, development of, and retention of talent will be one of the sources of competitive risk in the industry.

2. Proposed Strategies to Overcome Risks and Challenges

To address the aforementioned risks and challenges commonly faced by R&D companies, the company has identified the relevant risks and issues and adopted the following specific response measures:

- "Capital Risk" Strategies

A. Timely Cash Capital Increases

The company is currently in a continuous growth phase. Various R&D plans and related trials require long-term, low-cost operational funding support to ensure normal company operations and reduce operational risks. The primary condition is strong execution to complete each development milestone on time, then raise sufficient operational funds through cash capital increases at appropriate times to support various R&D plans and future business expansion, while strengthening financial structure stability and operational response capabilities.

B. Attracting Investment Through OTC Listing

The capital market offers low financing costs and flexible financial operation tools, as well as opportunities to attract strategic investors, enhancing the company's ability to secure funding, expand business, and recruit outstanding talent. On March 7, 2025, the company was listed on the OTC market as a "Taiwan Bio-ICT Indicator Enterprise," officially entering a new capital market and raising NT$220 million in cash through a pre-listing cash capital increase, providing the company with more abundant operating capital.

C. Leveraging External Resources with Precise Investment

The company collaborates with commissioned research institutions or contract manufacturers to complete pre-clinical trial work, including product process development and animal testing. This reduces core resource establishment and personnel expenses, preserving operational energy for precise investment in higher-value work to enhance

company value and competitiveness.

D. Multiple Revenue Sources to Build Long-term Development Strength
The company will generate long-term cash flow through preliminary sales of NaviFUS research systems in Taiwan and international markets, licensing of NaviFUS clinical cooperative development, and market sales of NAVIRFA medical products. This will offset the high risks associated with the biotech industry's long development cycles and provide capital for the company's long-term research and development.

- "Market Risk" Strategies
  Since the main source of market risk is uncertainty, the key is to efficiently work with competitors or partners through licensing, mergers, and other means to gather sufficient resources to find niche markets that can stably supply revenue (cancer or epilepsy). By reducing competition, the company can continue to develop more niche markets, or even enter mass markets with more unmet needs (age-related degenerative diseases).
- "Industry Risk" Strategies
  A. The company team is specialized and experienced in developing the two core technology platforms: "Focused Ultrasound System" and "Therapeutic Guidance and Tracking System," with the ability to independently execute product design, verification, and clinical trials. Additionally, the company links with domestic and international physician experts for consulting and cooperation. The company has also actively introduced strategic investors from the medical and electronics industries, such as Youngtek Electronics, who can contribute networks and experience in market and operational aspects, reducing uncertainties in commercial pathways.
  B. The company has consistently engaged in communication with potential cooperation partners both directly and indirectly, including domestic and international industry competitors, pharmaceutical companies, medical device brand owners, contract manufacturers, distributors, and investors. It has accumulated a preliminary contact network that continues to deepen. Throughout this process, the company has also established foundations for future cooperation by discussing joint development and collaboration. The company's collaboration with Youngtek Electronics to jointly develop and produce NaviFUS commercial machines, along with clinical validation and market launch, serves as clear evidence of this approach. Additionally, the company collaborates with the Focused Ultrasound Society (FUSF) in the US, which not only became a shareholder by investing in the company but also provides valuable strategic alliance opportunities through its international network. The company has also signed a cooperation agreement with Brainlab, a global leader in surgical image navigation. Through gradually deepening this cooperative relationship

and integrating resources and products from both parties, the company aims to develop more competitive medical solutions for the market. In the future, the company will continue to cultivate and seek common value for licensing, strategic alliances, and cooperation in capital, industry, and market aspects.

C. The company already owns patents sufficient to protect existing product sales. However, to address product technology upgrades and market demand responses, it needs to establish and maintain the operation of technology and product development teams. Therefore, in addition to actively maintaining industry-academia cooperation relationships with academic institutions to supply talent, the company will also actively cultivate personnel that meet company needs and build cohesion through growth-sharing methods such as stock options.

VII. Other Important Matters:

(I) Australian Clinical Research Collaboration

In May 2018, the company strategically established a joint venture (50% shareholding each) with GENOVATE BIOTECHNOLOGY CO., LTD. (referred to as GENOVATE), forming the investment company Genovate-NaviFUS Inc. (GNI) and its 100% owned Australian company Genovate-NaviFUS (Australia) Pty Ltd (GNIA). (However, in August 2020, GNI conducted a cash capital increase fully subscribed by NaviFUS, resulting in NaviFUS holding 69.77% of its shares and gaining control, making it now a consolidated entity of the company.)

This venture primarily focuses on developing treatments for neurodegenerative diseases (such as Alzheimer's) and epilepsy, which are non-cancer diseases. Since Australian medical regulations have high acceptance for pioneering clinical trials and offer preferential R&D subsidies, the company plans to collaborate with GENOVATE to execute clinical development for non-cancer diseases in that region. This leverages more resources to expand product applications. In terms of division of work, NaviFUS will provide ultrasound equipment systems and related education and training to support clinical research, while GENOVATE will assist GNI with operations and clinical trial execution in Australia.

Furthermore, considering the convenience of future licensing to other overseas subsidiaries (such as in Europe), the company signed a patent licensing agreement for surgical navigation focused ultrasound with GNI in May 2018, with specified fees. Currently, the licensed regions are New Zealand, Australia, and Europe, with indications for non-cancer central nervous system diseases. However, the company will continue to make necessary arrangements and adjustments based on actual operational conditions in the future.

(II) NAVIRFA Product Collaboration

In February 2022, the company originally signed a NAVIRFA (official name: NAVIRFA Needle Tracking System) product collaboration agreement with UNI PHARMA CO., LTD. (referred to as UNI PHARMA). The product received market approval from the Ministry of Health and Welfare as a Class II medical device in April 2022 and passed the FDA 510(k) Premarket Notification review in May 2022. However, in March 2024, the company

transferred the US and Taiwan medical device licenses for one of its technology business qualification products, "NAVIRFA Optical Guided Treatment Tracking System," to UNI PHARMA. For information regarding the reasons, rationality, and impact on shareholder equity of the company transferring its only product with medical device licenses to UNI PHARMA, please refer to the explanations in the prospectus issued before the initial OTC listing of the company's stock.

Six. Special Record Items

I. Related Enterprise Information:

(I) Consolidated Business Report of Related Enterprises

The Company's 2024 Consolidated Business Report of Related Enterprises has been uploaded to the Market Observation Post System (MOPS). Please refer to the dedicated section for the three statements of related enterprises in the electronic book.

(II) Consolidated Financial Statements of Related Enterprises:

The companies that should be included in the preparation of the consolidated financial statements of related enterprises are the same as those that should be included in the preparation of the parent-subsidiary consolidated financial statements. Furthermore, the relevant information disclosed in the consolidated financial statements of related enterprises has already been disclosed in the aforementioned parent-subsidiary consolidated financial statements. Therefore, a separate consolidated financial statement of related enterprises is not prepared.

(III) Relationship Report: Not applicable.

II. Private Placement of Securities in the Most Recent Year and up to the Printing Date of the Annual Report: None.

III. Other Necessary Supplementary Explanations: None.

Seven. Material Events Affecting Shareholders' Equity or Security Prices as Defined in Paragraph 3, Subparagraph 2 of Article 36 of the Securities and Exchange Act in the Most Recent Year and up to the Printing Date of the Annual Report: None.

NaviFUS Corporation

Chairman Jen Chen