

# NaviFUS Corporation

## 2025 Annual Shareholders' Meeting Meeting Agenda (Translation)

Date and Time : 10:00am, June 11th, 2025 (Wednesday)

Location : 11F., No. 97, Sec. 2, Dunhua S. Rd., Taipei City  
(MasterLink Securities Corp. Education and Training Center)

**DISCLAIMER:**

THIS IS A TRANSLATION OF THE HANDBOOK FOR THE 2025 ANNUAL SHAREHOLDERS' MEETING (THE "HANDBOOK") OF NAVIFUS CORPORATION (THE "COMPANY"). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE, THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE HANDBOOK SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.



浩宇生醫股份有限公司

*NaviFUS Corporation*

Stock Code : 6872

# Table of Contents

<b>Meeting Agenda</b> .....	<b>3</b>
<b>Reported Matters</b> .....	<b>4</b>
1.Business Report for 2024.....	4
2.Inspection Report of Audit Committee for 2024 .....	4
3.To report the Company's loss reached one-half of the paid-in capital.....	4
4.The 2024 Implementation Report for the Sound Business Plan. ....	5
<b>Acknowledged Matters</b> .....	<b>7</b>
1.Business Report and Financial Statements for 2024.....	7
2.Proposal of loss off-setting for 2024.....	7
<b>Matters for Discussion</b> .....	<b>8</b>
1.The Amendments to the "Articles of Incorporation".....	8
2.The Amendments to the " Operational Procedures for Acquisition or Disposal of Assets".....	9
<b>Election Matters</b> .....	<b>10</b>
1.To elect Directors .....	10
<b>Other Proposals</b> .....	<b>11</b>
1.The proposal for releasing the Directors from non-competition restrictions.....	11
<b>Extempore motion(s)</b> .....	<b>12</b>
<b>Attachments</b> .....	<b>13</b>
Attachment 1: 2024 Annual Business Report.....	13
Attachment 2: Inspection Report of Audit Committee for 2024 .....	21
Attachment 3-1: Consolidated Financial Statements and Auditors' Report for 2024 .....	22
Attachment 3-2: Financial Statements and Auditors' Report for 2024 .....	33
Attachment 4: 2024 Loss Off-setting Statement.....	44
Attachment 5: Comparison between the Revision and the Original of "Articles of Incorporation" .....	45
Attachment 6: Comparison between the Revision and the Original of "Operational Procedures for Acquisition or Disposal of Assets".....	46
Attachment 7:Election sixth Term of Board Directors Education and experience of the candidates .....	47
Attachment 8:Details of Concurrent Positions Held by Director Candidates.....	50
<b>Appendices</b> .....	<b>52</b>
Appendice 1: Articles of Incorporation (Before the Revision).....	52
Appendice 2: Board of Directors Election Rules.....	57
Appendice 3: Operational Procedures for Acquisition or Disposal of Assets (Before the Revision).....	61
Appendice 4: Rules of Procedure for Shareholders Meetings .....	80
Appendice 5: Shareholding of All Directors .....	93

# Meeting Agenda

Date and Time : 10:00am, June 11th, 2025(Wednesday)

Location : 11F., No. 97, Sec. 2, Dunhua S. Rd., Taipei City  
(MasterLink Securities Corp. Education and Training Center)

Method of Convening : Physical Shareholders Meeting

1. Report the number of shares present and declare the meeting open.
2. Addresses by the Chairman.
3. Reported Matters:
  - (1) Business Report for 2024
  - (2) Inspection Report of Audit Committee for 2024
  - (3) To report the Company's loss reached one-half of the paid-in capital
  - (4) The 2024 Implementation Report for the Sound Business Plan
4. Acknowledged Matters:
  - (1) Business Report and Financial Statements for 2024
  - (2) Proposal of loss off-setting for 2024
5. Matters for Discussion:
  - (1) The Amendments to the "Articles of Incorporation"
  - (2) The Amendments to the "Operational Procedures for Acquisition or Disposal of Assets"
6. Election Matters:
  - (1) To elect Directors
7. Other Proposals:
  - (1) The proposal for releasing the Directors from non-competition restrictions
8. Extempore motion(s)
9. Meeting adjourned

# Reported Matters

## Proposal 1

### Subject Matter: Business Report for 2024

Explanation: Please refer to Attachment 1 for 2024 Annual Business Report.

## Proposal 2

### Subject Matter: Inspection Report of Audit Committee for 2024

Explanation: Please refer to Attachment 2 for Inspection Report of Audit Committee for 2024.

## Proposal 3

### Subject Matter: To report the Company's loss reached one-half of the paid-in capital

Explanation: The accumulated loss of the Company as of December 31, 2024, after being audited by the accountant, amounts to NT\$539,801,597, which is half of the paid-in capital of NT\$623,720,110. In accordance with Article 211 of the Company Act, this is reported at the shareholders' annual meeting.

## Proposal 4

### **Subject Matter: The 2024 Implementation Report for the Sound Business Plan.**

**Explanation:** In accordance with the Taipei Exchange Letter No. 1130011560 dated December 25, 2024, the Company's Sound Business Plan must be reviewed by the Board of Directors on a quarterly basis for monitoring and reported to the Shareholders' Meeting annually.

For the year 2024, the actual number of NaviFUS products research-use units sold or leased was lower than expected due to delays in shipment schedules, as customers' clinical trial projects had not yet reached definitive conclusions. In addition, for service-based projects, the final contract balance can only be recognized after the customer has formally confirmed and signed off on the final trial report. As a result of the above factors, the achievement rates for both operating revenue and operating costs were relatively low.

The achievement rate for operating expenses in 2024 was 94%. This was mainly due to delays in the initiation of patient enrollment for the NaviFUS combined with Avastin treatment for recurrent glioblastoma (rGBM), as well as the NaviFUS treatment for drug-resistant epilepsy, both originally scheduled to begin in Q4 2024 in the United States. The actual progress has been postponed to the first half of 2025, resulting in the

deferral of related clinical R&D expenses to 2025. Other than this, there were no significant variances.

The Company will continue to invest in the research and development of NaviFUS products and their indications through both domestic and international clinical trials, and will also proceed with subsequent regulatory approval activities.

The main variance in non-operating income and expenses was primarily due to temporary foreign exchange gains arising from the continued appreciation of the U.S. dollar, which increased the value of foreign currency-denominated assets. In addition, the originally anticipated R&D cash rebate from clinical trials conducted in Australia was received in the first half of 2025 instead of 2024, resulting in a discrepancy compared to the planned amount.

## Acknowledged Matters

### Proposal 1 (Proposed by the Board)

**Subject Matter: Business Report and Financial Statements for 2024**

Explanation:

- (1) The 2024 Financial Statements, including Consolidated Financial Statements, and Business Report, were audited by independent auditors, Hsiao-Tzu Chou and Kuan-Hung Lin of PwC Taiwan. Also, Financial Statements and Consolidated Financial Statements have been approved by the Boards of Directors and examined by the Audit Committee.
- (2) Please refer to Attachment 1、Attachment 3-1 and Attachment 3-2 for 2024 Business Report and Financial Statements and Consolidated Financial Statements.

Resolution:

### Proposal 2 (Proposed by the Board)

**Subject Matter: Proposal of loss off-setting for 2024**

Explanation:

Please refer to Attachment 4 for 2024 loss Off-setting Statement.

Resolution:

## Matters for Discussion

### Proposal 1 (Proposed by the Board)

#### **Subject Matter: The Amendments to the "Articles of Incorporation"**

Explanation:

- (1) In order to comply with the amendment of Article 14, Paragraph 6 of the Securities and Exchange Act and to safeguard the remuneration of grassroots employees, certain provisions of the Company's Articles of Incorporation have been revised.
- (2) Please refer to Attachment 5 for the comparison table of the revised and previous provisions of the Company's Articles of Incorporation.

Resolution:

## Proposal 2 (Proposed by the Board)

**Subject Matter: The Amendments to the "Operational Procedures for Acquisition or Disposal of Assets"**

Explanation:

- (1) In order to align with the Company's actual operational practices and the provisions of Article 7 of the current "Regulations Governing the Acquisition and Disposal of Assets by Public Companies," certain provisions of the Company's "Operational Procedures for the Acquisition or Disposal of Assets" have been amended accordingly.
- (2) Please refer to Attachment 6 for the comparison table of the revised and previous provisions of the Company's Operational Procedures for Acquisition or Disposal of Assets.

Resolution:

# Election Matters

## Proposal 1 (Proposed by the Board)

### Subject Matter: To elect Directors

Explanation:	<p>(1) The term of the Company's directors will expire on March 17, 2025. It is proposed to fully re-elect ten directors, including four independent directors, at the Annual General Meeting on June 11, 2025.</p> <p>(2) The term of the newly elected directors will be three years, from June 11, 2025, to June 10, 2028. The term of the current directors and independent directors will be extended until the re-election at this Annual General Meeting.</p> <p>(3) The full re-election of directors will be conducted in accordance with the Company's Articles of Incorporation and relevant laws and regulations, adopting the candidate nomination system. Shareholders shall elect directors from the list of nominated candidates. The list of qualified candidates for the 6th term of directors (including independent directors), reviewed and approved by the Board of Directors on March 13, 2025, please refer to <u>Attachment 7</u>.</p>
Election Results:	

## Other Proposals

### Proposal 1 (Proposed by the Board)

**Subject Matter: The proposal for releasing the Directors from non-competition restrictions**

Explanation:

- (1) In accordance with Article 209 of the Company Act, if a director engages in activities that fall within the company's business scope for their own benefit or on behalf of others, they must explain the key details of such activities to the shareholders' meeting and obtain its approval.
- (2) In view of the possibility that newly elected directors and their representatives may simultaneously serve as directors of companies engaged in the same or similar business as the company after the re-election, and provided that it does not harm the interests of the company, it is proposed that the shareholders' meeting approve the lifting of the non-compete restriction.
- (3) Details of Concurrent Positions Held by Director Candidates, please refer to Attachment 8.

Resolution:

## Extempore motion(s)

**Meeting adjourned**

## Attachments

### Attachment 1: 2024 Annual Business Report

#### NaviFUS Corporation

#### 2024 Annual Business Report

##### 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.

## Attachment 2: Inspection Report of Audit Committee for 2024

### Inspection Report of Audit Committee

(This English version is only a translation of the Chinese version.)

The Audit Committee has duly inspected and approved the financial statements for 2024 (including consolidated and individual financial statements), the business report and proposal for profit distribution (loss appropriation) prepared and proposed by the Board of Directors, with the financial statements having been audited and certified by CPAs Chou, Hsiao-Tzu and Lin, Kuan-Hung from PricewaterhouseCoopers, hereby submit this report pursuant to Article 14 of Securities and Exchange Act and Article 219 of the Company Act.

To

2025 Annual Shareholders Meeting of NaviFUS Corporation

NaviFUS Corporation  
Audit Committee Convener: Hann-Tarn, Jeng

Date: March 13, 2025

## Attachment 3-1: Consolidated Financial Statements and Auditors' Report for 2024

### INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of NaviFUS Corporation

#### ***Opinion***

We have audited the accompanying consolidated balance sheets of NaviFUS Corporation and subsidiaries (the "Group") as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

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

#### ***Basis for opinion***

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

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

#### **Existence of cash in banks and financial assets at amortized cost**

##### Description

Refer to Notes 4(6) and 4(8) for the accounting policy on cash in banks and financial assets at amortized cost. As stated in Note 6(1), the balances of cash in banks amounted to NT\$162,923 thousand, constituting 30% of total assets. Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. As of December 31, 2024, time deposits that did not meet the definition of cash equivalents amounted to NT\$200,918 thousand, constituting 37% of total assets and were classified as financial assets at amortized cost. Since the abovementioned represent 67% of total assets, and have high inherent risk, thus, the audit of the existence of cash in bank and financial assets at amortized cost were considered a key audit matter.

##### How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained detailed listings of cash in banks. Sent confirmation letters to all financial institutions and reviewed special terms and agreements in order to ensure the existence and rights and obligations of cash in banks.
2. Obtained the year-end bank reconciliation statement to check for any unusual reconciling items.

3. Verified whether the contact information of the bank is correct.
4. Randomly checked transactions involving significant amounts of cash receipts and payments to confirm that their transaction nature is necessary for business needs.

***Other matter-Parent company only financial statements***

We have audited and expressed an unmodified opinion with an other matters section on the parent company only financial statements of NaviFUS Corporation as at and for the years ended December 31, 2024 and 2023.

***Responsibilities of management and those charged with governance for the consolidated financial statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group’s financial reporting process.

### ***Auditor's responsibilities for the audit of the consolidated financial statements***

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

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

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

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Chou, Hsiao-Tzu

Lin, Kuan-Hung

For and on behalf of PricewaterhouseCoopers, Taiwan

March 13, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

**NAVIFUS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
 (Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 162,973	30	\$ 155,822	32
1110	Current financial assets at fair value	6(2)				
	through profit or loss		10,960	2	11,960	3
1136	Current financial assets at amortised cost	6(3)				
			200,918	37	205,800	42
1196	Operating lease receivable, net	6(7)	160	-	-	-
1200	Other receivables		1,052	-	1,094	-
1410	Prepayments		18,219	3	6,873	1
1479	Other current assets, others		400	-	400	-
11XX	<b>Current Assets</b>		<u>394,682</u>	<u>72</u>	<u>381,949</u>	<u>78</u>
<b>Non-current assets</b>						
1600	Property, plant and equipment	6(5)	107,866	20	66,108	14
1755	Right-of-use assets	6(6)	26,342	5	31,624	6
1780	Intangible assets	6(8)	6,348	1	7,080	1
1900	Other non-current assets	6(5)	11,449	2	3,774	1
15XX	<b>Non-current assets</b>		<u>152,005</u>	<u>28</u>	<u>108,586</u>	<u>22</u>
1XXX	<b>Total assets</b>		<u>\$ 546,687</u>	<u>100</u>	<u>\$ 490,535</u>	<u>100</u>

(Continued)

**NAVIFUS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
 (Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2024		December 31, 2023			
			AMOUNT	%	AMOUNT	%		
<b>Liabilities</b>								
<b>Current liabilities</b>								
2130	Current contract liabilities	6(15)	\$ 3,409	1	\$ 1,968	1		
2170	Accounts payable		323	-	-	-		
2200	Other payables	6(9)	21,723	4	18,121	4		
2280	Current lease liabilities	6(6)	7,354	1	6,856	1		
2300	Other current liabilities		755	-	619	-		
21XX	<b>Current Liabilities</b>		<b>33,564</b>	<b>6</b>	<b>27,564</b>	<b>6</b>		
<b>Non-current liabilities</b>								
2580	Non-current lease liabilities	6(6)	20,174	4	25,837	5		
2600	Other non-current liabilities		300	-	-	-		
25XX	<b>Non-current liabilities</b>		<b>20,474</b>	<b>4</b>	<b>25,837</b>	<b>5</b>		
2XXX	<b>Total Liabilities</b>		<b>54,038</b>	<b>10</b>	<b>53,401</b>	<b>11</b>		
<b>Equity</b>								
	Share capital	6(12)						
3110	Share capital - common stock		623,720	114	563,720	115		
3140	Advance receipts for share capital		60	-	-	-		
	Capital surplus	6(13)						
3200	Capital surplus		397,923	73	303,990	62		
	Retained earnings	6(14)						
3350	Accumulated deficit		( 539,801)	( 99)	( 444,676)	( 91)		
	Other equity interest							
3400	Other equity interest		( 398)	-	( 38)	-		
31XX	<b>Equity attributable to owners of</b>							
	<b>parent</b>		481,504	88	422,996	86		
36XX	<b>Non-controlling interests</b>		11,145	2	14,138	3		
3XXX	<b>Total equity</b>		<b>492,649</b>	<b>90</b>	<b>437,134</b>	<b>89</b>		
	Significant contingent liabilities and unrecognized contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	<b>Total liabilities and equity</b>		<b>\$ 546,687</b>	<b>100</b>	<b>\$ 490,535</b>	<b>100</b>		

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

**NAVIFUS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

(Expressed in thousands of New Taiwan dollars, except loss per share amount)

Items	Notes	Year ended December 31			
		2024		2023	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(15) and 7	\$ 27,530	100	\$ 22,481	100
5000 Operating costs	6(4)(17)(18)	( 17,848)	( 65)	( 10,654)	( 47)
5900 Net operating margin		9,682	35	11,827	53
Operating expenses	6(17)(18) and 7				
6100 Selling expenses		( 9,777)	( 35)	( 7,078)	( 32)
6200 General and administrative expenses		( 26,635)	( 97)	( 22,245)	( 99)
6300 Research and development expenses		( 84,152)	( 306)	( 58,930)	( 262)
6000 Total operating expenses		( 120,564)	( 438)	( 88,253)	( 393)
6900 Operating loss		( 110,882)	( 403)	( 76,426)	( 340)
Non-operating income and expenses					
7100 Interest income	6(3)	7,840	28	5,575	25
7010 Other income	7	5	-	2,078	9
7020 Other gains and losses	6(2)(16)	5,660	21	( 363)	( 2)
7050 Finance costs	6(6)	( 585)	( 2)	( 429)	( 2)
7000 Non-operating income and expenses		12,920	47	6,861	30
7900 <b>Loss before income tax</b>		( 97,962)	( 356)	( 69,565)	( 310)
8200 <b>Loss for the year</b>		<u><u>(\$ 97,962)</u></u>	<u><u>( 356)</u></u>	<u><u>(\$ 69,565)</u></u>	<u><u>( 310)</u></u>
Components of other comprehensive (loss)income that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations		<u><u>(\$ 516)</u></u>	<u><u>( 2)</u></u>	<u><u>\$ 151</u></u>	<u><u>1</u></u>
8300 <b>Other comprehensive (loss)income for the year</b>		<u><u>(\$ 516)</u></u>	<u><u>( 2)</u></u>	<u><u>\$ 151</u></u>	<u><u>1</u></u>
8500 <b>Total comprehensive loss for the year</b>		<u><u>(\$ 98,478)</u></u>	<u><u>( 358)</u></u>	<u><u>(\$ 69,414)</u></u>	<u><u>( 309)</u></u>
Loss attributable to:					
8610 Owners of the parent		<u><u>(\$ 95,125)</u></u>	<u><u>( 346)</u></u>	<u><u>(\$ 65,729)</u></u>	<u><u>( 293)</u></u>
8620 Non-controlling interests		<u><u>( 2,837)</u></u>	<u><u>( 10)</u></u>	<u><u>( 3,836)</u></u>	<u><u>( 17)</u></u>
		<u><u>(\$ 97,962)</u></u>	<u><u>( 356)</u></u>	<u><u>(\$ 69,565)</u></u>	<u><u>( 310)</u></u>
Comprehensive loss attributable to:					
8710 Owners of the parent		<u><u>(\$ 95,485)</u></u>	<u><u>( 347)</u></u>	<u><u>(\$ 65,624)</u></u>	<u><u>( 292)</u></u>
8720 Non-controlling interests		<u><u>( 2,993)</u></u>	<u><u>( 11)</u></u>	<u><u>( 3,790)</u></u>	<u><u>( 17)</u></u>
		<u><u>(\$ 98,478)</u></u>	<u><u>( 358)</u></u>	<u><u>(\$ 69,414)</u></u>	<u><u>( 309)</u></u>
Loss per share	6(20)				
9750 Basic loss per share (in dollars)		<u><u>(\$ 1.56)</u></u>		<u><u>(\$ 1.17)</u></u>	
9850 Diluted loss per share (in dollars)		<u><u>(\$ 1.56)</u></u>		<u><u>(\$ 1.17)</u></u>	

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

**NAVITU'S CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

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

**NAVIFUS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**  
 (Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		( \$ 97,962 )	( \$ 69,565 )
Adjustments			
Adjustments to reconcile profit (loss)			
Loss(gain) on valuation of financial assets at fair value through profit or loss	6(2)(16)	1,000	( 456 )
Depreciation expense(including right-of-use assets)	6(5)(6)(17)	19,613	12,609
Property, plant and equipment transferred to expenses	6(5)	728	1,046
Amortization expense	6(8)(17)	732	732
Interest income		( 7,840 )	( 5,575 )
Interest expense		585	429
Gains on disposal of property, plant and equipment	6(16)	-	5 )
Share-based compensation cost	6(11)	3,903	3,673
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts payable - related parties		-	2,250
Operating lease receivable, net		( 160 )	-
Other receivables		( 27 )	429
Inventories		-	4,640
Prepayments		( 10,924 )	( 1,257 )
Other current assets		-	400 )
Changes in operating liabilities			
Current contract liabilities		1,441	1,968
Accounts payable		323	( 74 )
Other payables		3,537	2,452 )
Other current liabilities		136	994 )
Increase in guarantee deposits received		300	-
Cash outflow generated from operations		( 84,615 )	( 53,002 )
Interest received		7,880	4,880
Interest paid		( 556 )	( 298 )
Income tax paid		( 422 )	( 272 )
Net cash flows used in operating activities		( 77,713 )	( 48,692 )
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of financial assets at amortised cost	6(3)	4,882	24,200
Acquisition of property, plant and equipment	6(21)	( 51,562 )	( 39,436 )
Proceeds from disposal of property, plant and equipment		-	952
Increase in prepayments for business facilities		( 4,592 )	( 9 )
Increase in refundable deposits		( 840 )	1,465 )
Increase in other non-current assets		( 5,964 )	-
Net cash flows used in investing activities		( 58,076 )	( 15,758 )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities	6(6)	( 7,069 )	( 3,587 )
Proceeds from issuing shares	6(12)	150,000	-
Exercise of employee stock warrants	6(11)	90	-
Net cash flows from (used in) financing activities		( 143,021 )	( 3,587 )
Changes in foreign currency exchange		( 81 )	( 232 )
Net increase (decrease) in cash and cash equivalents		7,151	( 67,805 )
Cash and cash equivalents at beginning of year		155,822	223,627
Cash and cash equivalents at end of year		\$ 162,973	\$ 155,822

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

## Attachment 3-2: Financial Statements and Auditors' Report for 2024

### INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of NaviFUS Corporation

#### ***Opinion***

We have audited the accompanying parent company only balance sheets of NaviFUS Corporation (the "Company") as at December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

#### ***Basis for opinion***

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

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2024 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2024 parent company only financial statements of the current period are stated as follows:

#### **Existence of cash in banks and financial assets at amortized cost**

##### Description

Refer to Notes 4(5) and 4(7) for the accounting policy on cash in banks and financial assets at amortized cost. As stated in Note 6(1), the balances of cash in banks amounted to NT\$149,860 thousand, constituting 28% of total assets. Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. As of December 31, 2024, time deposits that did not meet the definition of cash equivalents amounted to NT\$200,918 thousand, constituting 37% of total assets and were classified as financial assets at amortized cost. Since the abovementioned represent 65% of total assets, and have high inherent risk, thus, the audit of the existence of cash in bank and financial assets at amortized cost were considered a key audit matter.

##### How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained detailed listings of cash in banks. Sent confirmation letters to all financial institutions and reviewed special terms and agreements in order to ensure the existence and rights and obligations of cash in banks.
2. Obtained the year-end bank reconciliation statement to check for any unusual reconciling items.

3. Verified whether the contact information of the bank is correct.
4. Randomly checked transactions involving significant amounts of cash receipts and payments to confirm that their transaction nature is necessary for business needs.

***Responsibilities of management and those charged with governance for the parent company only financial statements***

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company’s financial reporting process.

### ***Auditor's responsibilities for the audit of the parent company only financial statements***

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

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

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

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Chou, Hsiao-Tzu

Lin, Kuan-Hung

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 13, 2025

---

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

**NAVIFUS CORPORATION**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
 (Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 149,910	28	\$ 137,842	29
1110	Current financial assets at fair value	6(2)				
	through profit or loss		10,960	2	11,960	2
1136	Current financial assets at amortised cost	6(3)				
			200,918	37	205,800	43
1196	Operating lease receivable, net	6(8)	160	-	-	-
1200	Other receivables		840	-	751	-
1410	Prepayments		18,365	3	7,019	1
1479	Other current assets, others		400	-	400	-
11XX	<b>Current Assets</b>		<b>381,553</b>	<b>70</b>	<b>363,772</b>	<b>75</b>
<b>Non-current assets</b>						
1550	Investments accounted for using equity method	6(5)	17,303	3	21,305	4
1600	Property, plant and equipment	6(6)	103,825	19	60,142	12
1755	Right-of-use assets	6(7)	26,342	5	31,624	7
1780	Intangible assets	6(9)	2,110	1	2,842	1
1900	Other non-current assets	6(6)	11,449	2	3,774	1
15XX	<b>Non-current assets</b>		<b>161,029</b>	<b>30</b>	<b>119,687</b>	<b>25</b>
1XXX	<b>Total assets</b>		<b>\$ 542,582</b>	<b>100</b>	<b>\$ 483,459</b>	<b>100</b>

(Continued)

**NAVIFUS CORPORATION**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
 (Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2024		December 31, 2023			
			AMOUNT	%	AMOUNT	%		
<b>Liabilities</b>								
<b>Current liabilities</b>								
2130	Current contract liabilities	6(16) and 7	\$ 10,494	2	\$ 9,053	2		
2170	Accounts payable		323	-	-	-		
2200	Other payables	6(10)	21,678	4	18,098	4		
2280	Current lease liabilities	6(7)	7,354	1	6,856	1		
2300	Other current liabilities		755	-	619	-		
21XX	<b>Current Liabilities</b>		<u>40,604</u>	<u>7</u>	<u>34,626</u>	<u>7</u>		
<b>Non-current liabilities</b>								
2580	Non-current lease liabilities	6(7)	20,174	4	25,837	6		
2600	Other non-current liabilities		300	-	-	-		
25XX	<b>Non-current liabilities</b>		<u>20,474</u>	<u>4</u>	<u>25,837</u>	<u>6</u>		
2XXX	<b>Total Liabilities</b>		<u>61,078</u>	<u>11</u>	<u>60,463</u>	<u>13</u>		
<b>Equity</b>								
	Share capital	6(13)						
3110	Share capital - common stock		623,720	115	563,720	117		
3140	Advance receipts for share capital		60	-	-	-		
	Capital surplus	6(14)						
3200	Capital surplus		397,923	73	303,990	62		
	Retained earnings	6(15)						
3350	Accumulated deficit		( 539,801 )	( 99 )	( 444,676 )	( 92 )		
	Other equity interest							
3400	Other equity interest		( 398 )	-	( 38 )	-		
3XXX	<b>Total equity</b>		<u>481,504</u>	<u>89</u>	<u>422,996</u>	<u>87</u>		
	Significant contingent liabilities and unrecognized contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	<b>Total liabilities and equity</b>		<u>\$ 542,582</u>	<u>100</u>	<u>\$ 483,459</u>	<u>100</u>		

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

**NAVIFUS CORPORATION**  
**PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**  
 (Expressed in thousands of New Taiwan dollars, except loss per share amount)

Items	Notes	Year ended December 31				
		2024	%	2023	%	
4000	Operating revenue	6(16) and 7	\$ 27,530	100	\$ 22,481	100
5000	Operating costs	6(4)(18)(19)	( 17,848)	( 65)	( 10,654)	( 47)
5900	Net operating margin		9,682	35	11,827	53
5920	Realized profit from sales	6(5)	2,907	10	2,743	12
5950	Net operating margin		12,589	45	14,570	65
	Operating expenses	6(18)(19) and 7				
6100	Selling expenses		( 9,777)	( 35)	( 7,078)	( 31)
6200	General and administrative expenses		( 26,036)	( 95)	( 21,700)	( 97)
6300	Research and development expenses		( 77,108)	( 280)	( 47,505)	( 211)
6000	Total operating expenses		( 112,921)	( 410)	( 76,283)	( 339)
6900	Operating loss		( 100,332)	( 365)	( 61,713)	( 274)
	Non-operating income and expenses					
7100	Interest income	6(3)	7,798	28	5,527	24
7010	Other income	7	5	-	234	1
7020	Other gains and losses	6(2)(17)	4,538	17	( 497)	( 2)
7050	Finance costs	6(7)	( 585)	( 2)	( 429)	( 2)
7070	Share of loss of subsidiaries, associates and joint ventures accounted for using equity method	6(5)				
			( 6,549)	( 24)	( 8,851)	( 39)
7000	Non-operating income and expenses		5,207	19	( 4,016)	( 18)
7900	<b>Loss before income tax</b>		( 95,125)	( 346)	( 65,729)	( 292)
8200	<b>Loss for the year</b>		<u>( 95,125)</u>	<u>( 346)</u>	<u>( 65,729)</u>	<u>( 292)</u>
8361	Financial statements translation differences of foreign operations		<u>( \$ 360)</u>	<u>( 1)</u>	<u> \$ 105</u>	<u>-</u>
8300	<b>Other comprehensive (loss)income for the year</b>		<u>( \$ 360)</u>	<u>( 1)</u>	<u> \$ 105</u>	<u>-</u>
8500	<b>Total comprehensive loss for the year</b>		<u>( \$ 95,485)</u>	<u>( 347)</u>	<u>( \$ 65,624)</u>	<u>( 292)</u>
	Loss per share	6(21)				
9750	Basic loss per share (in dollars)		<u>( \$ 1.56)</u>	<u>( \$ 1.17)</u>		
9850	Diluted loss per share (in dollars)		<u>( \$ 1.56)</u>	<u>( \$ 1.17)</u>		

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

**NAVIFUS CORPORATION**  
**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**  
 (Expressed in thousands of New Taiwan dollars)

Notes	Share Capital		Capital Surplus			Accumulated deficit	Other Equity Interest	Financial statements translation differences of foreign operations	Total equity
	Common stock	Notes	Advance receipts for share capital	Additional paid-in capital	Employee stock warrants				
<b>2023</b>									
	\$ 563,720		\$ 296,814	\$ 1,510	\$ 1,993	(\$ 378,947)	(\$ 143)	\$ 484,947	
Balance at January 1, 2023						-	( 65,729)	-	( 65,729)
Loss for the year	-		-	-	-	-	-	-	105
Other comprehensive income	-		-	-	-	-	-	-	105
Total comprehensive (loss)income	-		-	-	-	-	( 65,729)	-	( 65,624)
Share-based payments	-		-	-	-	-	-	-	-
Balance at December 31, 2023	\$ 563,720		\$ 296,814	\$ 5,183	\$ 1,993	(\$ 444,676)	(\$ 38)	\$ 422,996	
<b>2024</b>									
Balance at January 1, 2024	\$ 563,720		\$ 296,814	\$ 5,183	\$ 1,993	(\$ 444,676)	(\$ 38)	\$ 422,996	
Loss for the year	-		-	-	-	-	( 95,125)	-	( 95,125)
Other comprehensive loss	-		-	-	-	-	-	( 360)	( 360)
Total comprehensive loss	-		-	-	-	-	( 95,125)	( 360)	( 95,485)
Issuance of shares	6(13)	60,000	-	90,000	-	-	-	-	150,000
Share-based payments	6(12)	-	-	490	3,413	-	-	-	3,903
Expired employee stock warrants	6(12)	-	-	-	( 63)	63	-	-	-
Exercise of employee stock warrants	6(12)	-	60	84	( 54)	-	-	-	-
Balance at December 31, 2024	\$ 623,720		\$ 60	\$ 387,388	\$ 8,479	\$ 2,056	(\$ 539,801)	(\$ 398)	\$ 481,504

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

**NAVIFUS CORPORATION**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**  
 (Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		(\$ 95,125 )	(\$ 65,729 )
Adjustments			
Adjustments to reconcile profit (loss)			
Loss(gain) on valuation of financial assets at fair value through profit or loss	6(2)(17)	1,000 ( 456 )	
Loss on investments accounted for using equity method	6(5)	6,549 ( 8,851 )	
Realized profit from sales	6(5)	( 2,907 ) ( 2,743 )	
Depreciation expense (including right-of-use assets)	6(6)(7)(18)	18,122 ( 11,119 )	
Property, plant and equipment transferred to expenses	6(6)	728 ( 1,046 )	
Amortization expense	6(9)(18)	732 ( 732 )	
Interest income		( 7,798 ) ( 5,527 )	
Interest expense		585 ( 429 )	
Gains on disposal of property, plant and equipment	6(17)	- ( 5 )	
Share-based compensation cost	6(12)	3,903 ( 3,673 )	
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable - related parties		- ( 2,250 )	
Operating lease receivable, net		( 160 ) -	
Other receivables		( 157 ) ( 651 )	
Inventories		- ( 4,640 )	
Prepayments		( 10,924 ) ( 1,257 )	
Other current assets		- ( 400 )	
Changes in operating liabilities			
Current contract liabilities		1,441 ( 1,968 )	
Accounts payable		323 ( 74 )	
Other payables		3,515 ( 2,475 )	
Other current liabilities		136 ( 994 )	
Increase in guarantee deposits received		300 -	
Cash outflow generated from operations		( 79,737 ) ( 44,301 )	
Interest received		7,838 ( 4,833 )	
Interest paid		( 556 ) ( 298 )	
Income tax paid		( 422 ) ( 272 )	
Net cash flows used in operating activities		( 72,877 ) ( 40,038 )	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of financial assets at amortised cost	6(3)	4,882 ( 24,200 )	
Acquisition of property, plant and equipment	6(22)	( 51,562 ) ( 39,436 )	
Proceeds from disposal of property, plant and equipment		- ( 952 )	
Increase in other non-current assets		( 5,964 ) -	
Increase in prepayments for business facilities		( 4,592 ) ( 9 )	
Increase in refundable deposits		( 840 ) ( 1,465 )	
Net cash flows used in investing activities		( 58,076 ) ( 15,758 )	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities	6(7)	( 7,069 ) ( 3,587 )	
Proceeds from issuing shares	6(13)	150,000 -	
Exercise of employee stock warrants	6(12)	90 -	
Net cash flows from (used in) financing activities		( 143,021 ) ( 3,587 )	
Net increase (decrease) in cash and cash equivalents		12,068 ( 59,383 )	
Cash and cash equivalents at beginning of year		137,842 ( 197,225 )	
Cash and cash equivalents at end of year		\$ 149,910 \$ 137,842	

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

## Attachment 4: 2024 Loss Off-setting Statement

**NAVIFUS CORPORATION**  
**2024 Loss Off-setting Statement**

Item	Amount	In NTD
Accumulated profit and loss at the beginning of the period	(	444,676,960)
Add: Net loss of current year	(	95,124,637)
Deficit yet to be compensated	(	539,801,597)
Accumulated profit and loss at the end of the period	(	539,801,597)

Chairman:Chen Jen

Manager:Lung Chen-Yu

Accounting Supervisor:Chen Chang-Hsin

## Attachment 5: Comparison between the Revision and the Original of “Articles of Incorporation”

Comparison between the Revision and the Original of “Articles of Incorporation”

Modification of Article Numbers	Proposed Revision	Current Clauses	Note
Article 24	<p>If the Company has profits in a given year, it shall allocate no less than 1% for employee compensation and no more than 2% for director compensation. However, if the Company has accumulated losses, it must first reserve an amount to cover the losses before allocating employee and director compensation according to the aforementioned ratios.</p> <p><u>The employee compensation mentioned above shall allocate no less than 0.15% to be distributed to frontline employees.</u></p> <p>Employee compensation may be distributed in the form of stock or cash, and the recipients may include employees of the Company and employees of subsidiaries who meet certain criteria. The distribution of employee and director compensation shall be approved by the Board of Directors with the attendance of at least two-thirds of the directors and the approval of a majority of the attending directors, and reported to the shareholders' meeting.</p>	<p>If the Company has profits in a given year, it shall allocate no less than 1% for employee compensation and no more than 2% for director compensation. However, if the Company has accumulated losses, it must first reserve an amount to cover the losses before allocating employee and director compensation according to the aforementioned ratios.</p> <p>Employee compensation may be distributed in the form of stock or cash, and the recipients may include employees of the Company and employees of subsidiaries who meet certain criteria. The distribution of employee and director compensation shall be approved by the Board of Directors with the attendance of at least two-thirds of the directors and the approval of a majority of the attending directors, and reported to the shareholders' meeting.</p>	In compliance with the amendment to Article 14, Section 6 of the Securities Exchange Act and to safeguard the compensation of frontline employees.
Article 28	<p>These Articles of Incorporation was established on 09 March 2015.</p> <p>The first amendment on 17 April 2015;</p> <p>The second amendment on 18 May 2015;</p> <p>The third amendment on 23 June 2015;</p> <p>The fourth amendment on 12 August 2016;</p> <p>The fifth amendment on 26 June 2018;</p> <p>The sixth amendment on 29 June 2020;</p> <p>The seventh amendment on 31 August 2021;</p> <p>The eighth amendment on 18 January 2022;</p> <p>The ninth amendment on 18 March 2022;</p> <p>The tenth amendment on 26 June 2023;</p> <p>The eleventh amendment on 24 June 2024;</p> <p><u>The twelfth amendment on 11 June 2025</u></p>	<p>These Articles of Incorporation was established on 09 March 2015.</p> <p>The first amendment on 17 April 2015;</p> <p>The second amendment on 18 May 2015;</p> <p>The third amendment on 23 June 2015;</p> <p>The fourth amendment on 12 August 2016;</p> <p>The fifth amendment on 26 June 2018;</p> <p>The sixth amendment on 29 June 2020;</p> <p>The seventh amendment on 31 August 2021;</p> <p>The eighth amendment on 18 January 2022;</p> <p>The ninth amendment on 18 March 2022;</p> <p>The tenth amendment on 26 June 2023;</p> <p>The eleventh amendment on 24 June 2024</p>	Add the date and number of times of this amendment.

## Attachment 6: Comparison between the Revision and the Original of “Operational Procedures for Acquisition or Disposal of Assets”

Comparison between the Revision and the Original of “Operational Procedures for Acquisition or Disposal of Assets”

Modification of Article Numbers	Proposed Revision	Current Clauses	Note
Article 5-1	<p><u>Limits on Investment in Non-Operating Real Estate, Right-of-Use Assets, and Marketable Securities</u></p> <p><u>The limits for the acquisition of the aforementioned assets by the Company and its subsidiaries individually are as follows:</u></p> <ol style="list-style-type: none"> <li>1. <u>The total amount shall be limited to 20% of the Company's net worth as stated in the most recent financial statements.</u></li> <li>2. <u>Total investment in marketable securities (based on original investment amount):</u> <u>Shall be limited to 100% of the Company's paid-in capital as stated in the most recent financial statements.</u></li> <li>3. <u>Investment in individual marketable securities (based on original investment amount):</u> <u>Shall be limited to 50% of the Company's paid-in capital as stated in the most recent financial statements.</u></li> </ol> <p><u>The term “most recent financial statements” refers to the financial statements of the Company that have been audited or reviewed by a certified public accountant prior to the acquisition or disposal of the asset.</u></p>	None	Amended in accordance with Point 5, Item 1, Article 7 of the current "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."
Article 9	<ol style="list-style-type: none"> <li>1. When the Company acquires or disposes of assets with related parties, in addition to complying with the procedures set forth in Articles 6 to 8 and following the resolution procedures and evaluation of the reasonableness of transaction terms as specified below, if the transaction amount reaches 10% or more of the Company's total assets, the Company shall also obtain a valuation report issued by a professional appraiser or an opinion from a certified public accountant in accordance with Articles 6 to 8.</li> </ol>	<ol style="list-style-type: none"> <li>1. When the Company acquires or disposes of assets with related parties, in addition to following the procedures for real estate transactions as stipulated in Article 7 and complying with the resolution procedures and the assessment of the reasonableness of transaction terms as outlined below, if the transaction amount reaches 10% or more of the Company's total assets, the Company shall also obtain a valuation report issued by a professional appraiser or an opinion from a certified public accountant in accordance with Article 7.</li> </ol>	The wording has been appropriately revised to reflect the actual circumstances.

## Attachment 7:Election sixth Term of Board Directors

### Education and experience of the candidates

Name of Director/ Representative	Education and Experience	Other Position	Number of shares held
GENOVATE BIOTECHNOLOGY CO., LTD.	N/A	None	9,587,086
Representative: Jen, Chen	<ul style="list-style-type: none"> <li>-Master's and Ph.D. in Chemistry, University of Rochester, USA</li> <li>-Lead Investigator of New Drug Development Programs, Novartis International AG</li> <li>-Vice President of Asia Operations, Genelabs Technologies, Inc.</li> <li>-Chairman, QPS-QUALITIX CLINICAL RESEARCH CO., LTD</li> <li>-General Manager, Genovate Biotechnology Co. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>-Chairman and CSO, NaviFUS Corporation</li> <li>-Director, GENOVATE-NAVIFUS (AUSTRALIA) PTY LTD.</li> <li>-Chairman, Genovate Biotechnology Co., LTD.</li> <li>-Legal Representative (Director), QUEST PHARMACEUTICAL SERVICES TAIWAN CO., LTD.</li> <li>-Chairman, Uni Pharma Co., Ltd.</li> <li>-Legal Representative (Director), Reber Genetics Co. Ltd.</li> <li>-Legal Representative (Director), Savior Lifetec Corporation</li> <li>-Director, Lin En Ru Co., Ltd.</li> </ul>	420,000
Chen-Yu, Lung	<ul style="list-style-type: none"> <li>-Ph.D. in Medical Engineering, National Yang Ming Chiao Tung University</li> <li>-Master's degree from the Department of Mechanical Engineering, University of Wisconsin-Madison, USA</li> <li>-Senior Manager, United Orthopedic Corporation</li> <li>-Senior Marketing Manager, Medtronic (Taiwan) Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>-General Manager, NaviFUS Corporation</li> <li>-Director, Genovate NaviFus (Australia) Pty. Ltd.</li> <li>-General Manager, NaviFUS US LLC</li> </ul>	395,000
Hao-Li, Liu	-Ph.D. and Master's degrees, Institute of Electrical Engineering, National Taiwan University	-Technical Consultant, NaviFUS Corporation	2,708,660

	<ul style="list-style-type: none"> <li>-Researcher, Division of Medical Engineering Research, National Health Research Institutes</li> <li>-Distinguished Professor, Department of Electrical Engineering, Chang Gung University</li> </ul>	<ul style="list-style-type: none"> <li>-Legal Representative (Director), Genovate-NaviFUS Inc.</li> <li>-Director, GENOVATE-NAVFUS (AUSTRALIA) PTY LTD.</li> <li>-Professor, Department of Electrical Engineering, National Taiwan University</li> </ul>	
Gui-Biao, Chen	<ul style="list-style-type: none"> <li>-Bachelor's degree in Science B. S., National Taiwan University of Science and Technology (Taiwan Institute of Industrial Technology)</li> <li>-Manager, HUALON MICROELECTRONICS CORP.</li> <li>-Senior Manager, First International Computer</li> <li>-General Manager, YOUNGTEK ELECTRONICS CORPORATION</li> </ul>	<ul style="list-style-type: none"> <li>-Vice Chairman, YOUNGTEK ELECTRONICS CORPORATION</li> <li>-Legal Representative Director, Sissca Inc Co., Ltd</li> </ul>	54,789
UNI PHARMA CO., LTD.	N/A	None	2,520,322
Teh-Fang, Chen	<ul style="list-style-type: none"> <li>-PhD in Industrial and Physical Pharmacy, Purdue University, USA</li> <li>-Independent Director, Genovate Biotechnology Co. Ltd.</li> <li>-Executive Director of Product Development/ Business Development, CIBA Consumer Pharmaceutical (Norvartis)</li> <li>-Director of Product Development, ICI America (AstraZeneca)</li> <li>-Chairman/CEO, ACTS GLOBAL HEALTHCARE, INC.</li> <li>-Chairman/CEO, Amarillo Biosciences</li> <li>-Chairman/CEO, Amarillo Biosciences (US)</li> </ul>	<ul style="list-style-type: none"> <li>-Director, UNI PHARMA CO., LTD.</li> <li>-Founder/Director/CEO, ACTS International INC.</li> </ul>	107,957
Hann-Tarn, Jeng (Independent Director)	<ul style="list-style-type: none"> <li>-Ph.D. in Finance and Financial Management,</li> <li>Master's degree in Accounting and Statistics, University of Alabama, USA</li> <li>-Director of General Affairs and Executive Director of EMBA, National Central University</li> </ul>	<ul style="list-style-type: none"> <li>-Chairman, AWESOME BUSINESS MODEL INNOVATION CO., LTD.</li> <li>-Independent Director, JDV CONTROL VALVES CO., LTD.</li> <li>-Independent Director, BioLASCO Taiwan Co., Ltd.</li> </ul>	-

	<p>-Director of the Graduate Institute of Accounting and Associate Professor, National Central University</p>		
Chia-Lin, Chen (Independent Director)	<p>-Ph.D. in Business Administration, University of Illinois, USA</p> <p>-Master's degree in Civil and Environmental Engineering, Massachusetts Institute of Technology (MIT), USA</p> <p>-Associate Dean of the College of Management, Executive Director of EMBA, National Taiwan University,</p>	<p>-Independent Director, H.H.GALAXY CO., LTD.</p> <p>-Professor of the Department of Business Administration and Graduate Institute of Business, National Taiwan University</p>	-
Jia-Jin, Chen (Independent Director)	<p>-Ph.D. and Master's in Biomedical Engineering, Vanderbilt University, USA</p> <p>-Committee Member of the Biotechnology Industry Strategy Advisory (BTC), Executive Yuan</p> <p>-Professor and Chair of the Department of Biomedical Engineering, National Cheng Kung University</p> <p>-Chief Technology Officer, Taiwan Biotechnology Incubation Center</p> <p>-Convenor, Medical Engineering Division, Ministry of Science and Technology</p> <p>-President, Chinese Society of Biomedical Engineering</p>	<p>-Professor of the Department of Biomedical Engineering, National Cheng Kung University</p>	-
Hsiou-Chi, Liou (Independent Director)	<p>-Ph.D., HARVARD UNIVERSITY SCHOOL OF PUBLIC HEALTH</p> <p>-Postdoctoral Fellow, MIT, CAMBRIDGE, MA/ROCKEFELLER UNIVERSITY, NEW YORK</p> <p>-Professor of WEILL MEDICAL COLLEGE OF CORNELL UNIVERSITY</p> <p>-CFA Charterholder</p> <p>-Senior Director of Finance, Aprinoia Therapeutics</p> <p>-Investment Advisor, Bank of America Merrill Lynch</p> <p>-Equity Analyst, Biovantage Investments</p>	<p>- Head, Corporate Development&amp;Strategy, Aprinoia Therapeutics</p>	-

## Attachment 8: Details of Concurrent Positions Held by Director Candidates

Category	Name of Director/ Representative	Other Position
Director	GENOVATE BIOTECHNOLOGY CO., LTD.	None
	Representative: Jen, Chen	<ul style="list-style-type: none"> <li>-Director, GENOVATE-NAVIFUS (AUSTRALIA) PTY LTD.</li> <li>-Chairman, Genovate Biotechnology Co., LTD.</li> <li>-Legal Representative (Director), QUEST PHARMACEUTICAL SERVICES TAIWAN CO., LTD.</li> <li>-Chairman, Uni Pharma Co., Ltd.</li> <li>-Legal Representative (Director), Reber Genetics Co. Ltd.</li> <li>-Legal Representative (Director), Savior Lifetec Corporation</li> <li>-Director, Lin En Ru Co., Ltd.</li> </ul>
	Chen-Yu, Lung	<ul style="list-style-type: none"> <li>-General Manager, NaviFUS Corporation</li> <li>-Director, Genovate NaviFus (Australia) Pty. Ltd.</li> <li>-General Manager, NaviFUS US LLC</li> </ul>
	Hao-Li, Liu	<ul style="list-style-type: none"> <li>-Legal Representative (Director), Genovate-NaviFUS Inc.</li> <li>-Director, GENOVATE-NAVIFUS (AUSTRALIA) PTY LTD.</li> <li>-Professor, Department of Electrical Engineering, National Taiwan University</li> </ul>
	Gui-Biao, Chen	-Vice Chairman, YOUNGTEK ELECTRONICS CORPORATION

		-Legal Representative Director, Sissca Inc Co., Ltd
	Teh-Fang, Chen	-Director, UNI PHARMA CO., LTD. -Founder/Director/CEO, ACTS International INC.
Independent Director	Hann-Tarn, Jeng	-Chairman, AWESOME BUSINESS MODEL INNOVATION CO., LTD. -Independent Director, JDV CONTROL VALVES CO., LTD. -Independent Director, BioLASCO Taiwan Co., Ltd.
	Chia-Lin, Chen	-Independent Director, H.H.GALAXY CO., LTD. -Professor of the Department of Business Administration and Graduate Institute of Business, National Taiwan University
	Jia-Jin, Chen	-Professor of the Department of Biomedical Engineering, National Cheng Kung University
	Hsiou-Chi, Liou	- Head, Corporate Development&Strategy, Aprinoia Therapeutics

# Appendices

## Appendice 1: Articles of Incorporation (Before the Revision)

### **NaviFUS Corporation Articles of Incorporation**

#### **Chapter 1 General Provisions**

Article 1: The Company is organized in accordance with the provisions of the Company Act and is named "NaviFUS Corporation"

Article 2: The business scope of the Company is as follows:

1. CC01080 Electronics Components Manufacturing
2. F107070 Wholesale of Veterinary Drugs
3. F107080 Wholesale of Environmental Agents
4. CF01011 Medical Devices Manufacturing
5. F108031 Wholesale of Medical Devices
6. F208031 Retail Sale of Medical Apparatus
7. F113030 Wholesale of Precision Instruments
8. F213040 Retail Sale of Precision Instruments
9. F601010 Intellectual Property Rights
10. IC01010 Medicine Inspection
11. IG01010 Biotechnology Services
12. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The total amount of the Company's reinvestment is not subject to the investment ratio restrictions stipulated in Article 13 of the Company Act.

Article 4: For business needs, the Company authorizes the Board of Directors to provide external endorsements and guarantees.

Article 5: The Company shall establish its headquarters in Taipei City and may set up branches domestically or abroad as necessary, subject to a resolution by the Board of Directors.

Article 6: The Company's announcement method shall be conducted in accordance with the provisions of Article 28 of the Company Act.

#### **Chapter 2 Capital stocks**

Article 7: The total capital of the Company is NT\$30,305,500,000 divided into 3,030,550,000 shares with a par value of NT\$10 each. The Board of Directors is authorized to issue the shares in installment in consideration of the business needs of the Company.

Within the aforementioned total authorized capital, NT\$150,000,000, equivalent to 15,000,000 shares with a par value of NT\$10 per share, shall be reserved for the issuance of employee stock warrants. The Board of Directors is authorized to issue them in installments as needed.

The transferees of shares repurchased by the Company in accordance with the law, the recipients of employee stock warrants, the recipients of restricted employee shares, and the

parties eligible to subscribe to newly issued shares may include employees of the Company's qualifying parent or subsidiary companies. The specific conditions and allocation methods shall be determined by a resolution of the Board of Directors.

Article 8: The Company's shares shall be in registered form and shall be issued with the signature or seal of the Director representing the Company, duly certified in accordance with the law. The Company may issue shares without printing physical stock certificates; however, such shares must be registered with a central securities depository institution.

The Company's stock-related affairs shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" as promulgated by the competent authority.

Article 9: Any changes to the shareholder register shall not be made within 60 days prior to the annual general meeting, 30 days prior to the extraordinary general meeting, or 5 days prior to the record date set by the Company for the distribution of dividends, bonuses, or other benefits.

### **Chapter 3 Shareholders' Meeting**

Article 10: The shareholders' meeting consists of the annual general meeting and extraordinary general meetings. The annual general meeting shall be held at least once a year, within six months after the end of each fiscal year, convened by the Board of Directors in accordance with the law. Extraordinary general meetings shall be convened when necessary, according to the law. The convening of the Company's shareholders' meeting shall be conducted in accordance with Article 172 of the Company Act.

The Company's shareholders' meeting may be held via video conference or by other methods announced by the central competent authority.

Article 11: Shareholders may issue a proxy form provided by the Company for each shareholders' meeting, specifying the scope of authorization and the appointed proxy to attend the meeting.

Article 12: The method for shareholders to appoint proxies to attend the meeting shall be handled in accordance with the provisions of Article 177 of the Company Act and the "Regulations Governing the Use of Proxy Forms for Shareholders' Meetings of Publicly Listed Companies" promulgated by the competent authority.

Article 13: Each shareholder of the Company, unless otherwise stipulated by law, has one voting right per share.

When the Company convenes a shareholders' meeting, shareholders may exercise their voting rights by written or electronic means. The method for exercising voting rights by written or electronic means shall be specified in the notice of the shareholders' meeting.

When the Company falls within the scope required by the securities regulatory authority to adopt electronic voting, from the effective date onward, electronic voting shall be one of the methods for exercising voting rights at shareholders' meetings.

Article 14: Resolutions of the shareholders' meeting, unless otherwise stipulated by the Company Act, shall require the presence of shareholders representing more than half of the total issued

shares, and approval by a majority of the voting rights of the attending shareholders.

The resolutions of the shareholders' meeting shall be recorded in meeting minutes, which shall be signed or sealed by the chairperson and distributed to shareholders within 20 days after the meeting. The distribution of the meeting minutes may be carried out by public announcement. The preparation and distribution of the meeting minutes shall be handled in accordance with the provisions of Article 183 of the Company Act.

Article 15: If the Company is solely organized by a government entity or a single corporate shareholder, the powers of the shareholders' meeting shall be exercised by the Board of Directors, and the provisions related to the shareholders' meeting in these Articles of Incorporation shall not apply.

### Chapter 4 Board of Directors and Audit Committee

Article 16: The Company shall have between 5 to 11 directors, with a term of 3 years. The selection method shall follow a candidate nomination system, with directors elected from the list of nominees by the shareholders' meeting. Directors may be re-elected if continuously nominated.

In accordance with Article 14-2 of the Securities and Exchange Act, the number of independent directors in the aforementioned board composition shall not be less than three, and shall not be less than one-third of the total number of directors. Matters regarding the professional qualifications, shareholding, restrictions on concurrent positions, and other compliance requirements for independent directors shall be handled in accordance with the regulations set by the securities regulatory authority.

The Company adopts a cumulative voting system for the election of directors. Each share carries voting rights equal to the number of directors to be elected. The votes may be concentrated on a single candidate or distributed among multiple candidates. The candidate with the highest number of votes will be elected as a director.

Article 17: The Board of Directors shall be composed of directors. A Chairperson shall be elected from among them by the attendance of at least two-thirds of the directors and with the approval of a majority of the attending directors. The Chairperson shall represent the Company externally.

Article 18: If the Chairperson takes leave or is unable to perform their duties for any reason, their duties shall be handled in accordance with Article 208 of the Company Act.

If a director is unable to attend a board meeting, they may appoint another director as their proxy. However, a director may only act as a proxy for one other director.

If a board meeting is held via video conference, directors participating through video conferencing shall be deemed as attending in person.

The convening of a board meeting shall specify the agenda and be notified to all directors at least seven days in advance. However, in case of an emergency, a meeting may be convened at any time.

The aforementioned meeting notice may be given in writing, by fax, or via email (E-mail).

Article 19: If the number of director vacancies reaches one-third of the total, the Board of Directors shall convene an extraordinary shareholders' meeting within 60 days to hold a by-election, with the term of the newly elected directors limited to completing the original term.

If an independent director is dismissed, causing the number of independent directors to fall below the required seats stipulated in the Articles of Incorporation, a by-election shall be held at the next shareholders' meeting. If all independent directors are dismissed, the Company shall convene an extraordinary shareholders' meeting within 60 days from the date of occurrence to hold a by-election.

Article 20: The remuneration of the Company's directors shall be determined by the Board of Directors based on the level of their participation in the Company's operations, their contributions, and the prevailing industry standards.

The Company may purchase liability insurance for its directors during their term of office to cover compensation liabilities arising from the execution of their duties in accordance with the law.

Article 21: The Company shall establish an Audit Committee in accordance with the Securities and Exchange Act. The Audit Committee shall be composed entirely of independent directors, with no fewer than three members. One member shall serve as the convener, and at least one member must have expertise in accounting or finance. The Audit Committee and its members shall perform the duties of supervisors in accordance with the Company Act, the Securities and Exchange Act, and other applicable laws and regulations.

The Company's Board of Directors may establish a Compensation Committee, an Audit Committee, or other functional committees as needed for business operations. The establishment and duties of such committees shall be conducted in accordance with the regulations set forth by the competent authority.

### **Chapter 5 Managerial officers**

Article 22: The Company may appoint managers, and their appointment, discharged, and compensation shall be handled in accordance with the provisions of Article 29 of the Company Act.

### **Chapter 6 Accounting**

Article 23: At the end of each fiscal year, the Board of Directors shall prepare the Business Report, Financial statements, and the Proposal for the distribution of profits or allocation of losses. These documents shall be submitted to the Audit Committee for review and issuance of an audit report, and shall then be presented to the shareholders at the annual general meeting for approval, at least 30 days before the meeting.

Article 24: If the Company has profits in a given year, it shall allocate no less than 1% for employee compensation and no more than 2% for director compensation. However, if the Company has accumulated losses, it must first reserve an amount to cover the losses before allocating

employee and director compensation according to the aforementioned ratios. Employee compensation may be distributed in the form of stock or cash, and the recipients may include employees of the Company and employees of subsidiaries who meet certain criteria. The distribution of employee and director compensation shall be approved by the Board of Directors with the attendance of at least two-thirds of the directors and the approval of a majority of the attending directors, and reported to the shareholders' meeting.

Article 25: If the Company has profits at the end of the fiscal year, it shall first pay taxes and cover any accumulated losses. Then, 10% of the remaining amount shall be allocated to legal reserve. However, if the legal reserve has reached the Company's paid-in capital, no further allocation is required. Additionally, any special reserves required by law or as needed may be allocated or reversed. The remaining balance, together with any accumulated undistributed earnings, shall be submitted by the Board of Directors as a proposal for the distribution of dividends to the shareholders, subject to approval at the shareholders' meeting.

Article 26: The Company's dividend policy is based on operational strategies, short, medium, and long-term investment plans, capital budgets, and changes in both internal and external environments. It also takes into account the profitability of the current year while balancing the interests of investors. The distribution plan shall be proposed by the Board of Directors and implemented upon approval by the shareholders' meeting.

The distribution follows the principle of balanced dividends, with no less than 50% of the available earnings for distribution in the current year allocated as shareholder dividends. However, if the accumulated available earnings for distribution are less than 10% of the paid-in capital, no distribution may be made. Of the total dividends, the cash dividend will be no less than 10%, and the actual amount to be distributed will be determined by the amount approved at the shareholders' meeting.

Article 27: Matters not provided herein shall be in accordance with the Company Act.

Article 28: These Articles of Incorporation was established on 09 March 2015.

The first amendment on 17 April 2015;

The second amendment on 18 May 2015;

The third amendment on 23 June 2015;

The fourth amendment on 12 August 2016;

The fifth amendment on 26 June 2018;

The sixth amendment on 29 June 2020;

The seventh amendment on 31 August 2021;

The eighth amendment on 18 January 2022;

The ninth amendment on 18 March 2022;

The tenth amendment on 26 June 2023;

The eleventh amendment on 24 June 2024

## Appendice 2: Board of Directors Election Rules

### **Board of Directors Election Rules**

Doc. No.: IM-20

Version: v3.0

Effective Date: 30 December 2019

Approved by Board of Directors: 30 December 2019

1st Edited: 30 June 2022

2nd Edited: 24 June 2024

#### Article 1

To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

#### Article 2

Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

#### Article 3

The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership ability.
8. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

#### Article 4

The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

#### Article 5

The election of independent directors of the company shall be conducted in accordance with the candidate nomination system procedure as stipulated in Article 192-1 of the Company Act. This includes reviewing the qualifications, academic and professional background, and any circumstances listed in Article 30 of the Company Act for director candidates. No additional qualification requirements or supporting documents may be arbitrarily added. The results of the review shall be provided to shareholders for reference, in order to select qualified directors.

When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

#### Article 6

The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

#### Article 7

The convener shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

#### Article 8

The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

#### Article 9

Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the convener and publicly checked by the vote monitoring personnel before voting commences.

#### Article 10

The voter must fill in the name or household name of the candidate in the candidate column on the election ballot. However, if the candidate is a government or corporate shareholder, the household name column on the election ballot should include the name of the government or corporation. It may also include the name of the representative of the government or corporation. If there are multiple representatives, the names of all representatives should be listed separately.

#### Article 11

A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by a person with the right to convene.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered in the ballot does not conform to the director candidate list. If the person listed as a candidate is not a shareholder, and their name and identification document number do not match upon verification, the candidate shall be disqualified.
5. If any other text is written on the ballot besides the name or household name of the candidate.
6. If more than one candidate is listed on the same ballot.

#### Article 12

The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

#### Article 13

The board of directors of this Corporation shall issue notifications to the persons elected as directors.

#### Article 14

These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

## Appendice 3: Operational Procedures for Acquisition or Disposal of Assets (Before the Revision)

### **Operational Procedures for Acquisition or Disposal of Assets**

**Doc. No.: IP-01**

Version: v3.0

Effective Date: 31 December 2019

Approved by Board of Directors: 31 December 2019

1st Edited: 08 January 2021

2nd Edited: 30 June 2022

3rd Edited: 24 June 2024

#### Article 1 : Purpose

To safeguard assets and ensure information transparency, these procedures are hereby established.

#### Article 2 : Legal Basis

These procedures are established in accordance with Article 36-1 of the Securities and Exchange Act (hereinafter referred to as "the Act") and the relevant provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" promulgated by the competent authority.

#### Article 3 : The term "assets" as used in these Procedures includes the following:

1. Marketable Securities: Includes investments in stocks, government bonds, corporate bonds, financial bonds, securities representing funds, depositary receipts, call (put) warrants, beneficiary certificates, and asset-backed securities.
2. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
3. Memberships.
4. Patents, copyrights, trademarks, franchise rights, and other intangible assets.
5. Right-of-use assets.
6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7. Derivatives.
8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
9. Other major assets.

#### Article 4 : Terms used in these Regulations are defined as follows:

1. Derivatives: Refers to derivative products as defined in Article 4, Paragraph 1 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."
2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.
3. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
5. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
6. Mainland China area investment: Refers to investments in the mainland China area approved

by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.

7. Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.
8. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
9. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.

Article 5 : Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
2. May not be a related party or de facto related party of any party to the transaction.
3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:

- (1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
- (2) When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
- (3) They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance

of the appraisal report or the opinion.

(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.

#### Article 6 : Procedures for the Acquisition or Disposal of Real Estate, Equipment, or Right-of-Use Assets

##### 1. Evaluation Procedures and Approval Limits

(1) For the acquisition or disposal of real estate, reference shall be made to the publicly announced current value, appraised value, and actual transaction prices of nearby properties to determine the transaction terms and price. An analysis report shall be prepared and submitted for the Chairman's approval, followed by a resolution by the Board of Directors. However, for right-of-use assets, the transaction amount shall be based on the contract value and approved in accordance with the Company's hierarchical approval authority procedures.

(2) For the acquisition or disposal of equipment, one of the following methods shall be adopted: inquiry, price comparison, negotiation, or public bidding. The transaction shall be approved in accordance with the Company's hierarchical approval authority procedures.

(3) If the acquisition or disposal of assets by the Company is required to be approved by the Board of Directors under the established procedures or other applicable laws, and any director expresses an objection that is recorded or stated in writing, the Company shall submit such objection materials to the Audit Committee.

When a proposal for the acquisition or disposal of assets is submitted to the Board of Directors for discussion, and the Company has appointed independent directors, their opinions shall be fully considered. If any independent director expresses an objection or a reservation, it shall be clearly recorded in the minutes of the Board meeting.

##### 2. Executing Units

When the Company acquires or disposes of real estate, equipment, or right-of-use assets, the transaction shall be executed by the user department and the administration department after obtaining approval in accordance with the hierarchical approval authority specified in the preceding section.

##### 3. Appraisal Report for Real Estate or Equipment

When the Company acquires or disposes of real estate, equipment, or right-of-use assets—excluding transactions with government agencies, build-to-suit projects on company-owned or leased land, or the acquisition/disposal of equipment or right-of-use assets for business operations—and the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, a valuation report issued by a professional appraiser shall be obtained before the occurrence of the transaction, and the following requirements must be met:

(1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.

- (2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
- (3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
  - A. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.
  - B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.
- (4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.

#### Article 7 : Procedures for the Acquisition or Disposal of Marketable Securities Investments

##### 1. Evaluation Procedures and Approval Limits

- (1) Prior to acquiring or disposing of marketable securities, the Company shall obtain the most recent financial statements of the target company, audited or reviewed by a certified public accountant, as a reference for evaluating the transaction price.
- (2) For transactions involving marketable securities with an amount of NT\$10 million or less, the Chairman is authorized to approve, and the transaction shall be reported to the next Board of Directors meeting for ratification. For transactions exceeding NT\$10 million, prior approval by the Board of Directors is required. However, for short-term capital utilization—such as investments in principal-protected, interest-bearing short-term securities including government bonds, bond funds, or money market funds—transactions under NT\$30 million may be conducted with the Chairman's approval.
- (3) If the acquisition or disposal of assets requires approval by the Board of Directors under the Company's procedures or applicable laws and any director raises an objection that is recorded or submitted in writing, the Company shall submit the objection materials to the Audit Committee.

When a proposal for the acquisition or disposal of marketable securities is submitted to the Board of Directors for discussion, and the Company has appointed independent directors, their opinions shall be fully considered. If any independent director expresses an objection or a reservation, it shall be clearly recorded in the minutes of the Board meeting.

##### 2. Executing Unit

For both short-term and long-term investments in marketable securities, the Company shall follow the approval authority outlined in the preceding section. Upon approval, the Finance and Accounting Department shall be responsible for executing the transaction.

##### 3. Obtaining Expert Opinion

If the transaction amount for the acquisition or disposal of marketable securities reaches 20%

of the Company's paid-in capital or NT\$300 million or more, the Company shall, prior to the occurrence of the transaction, engage a certified public accountant to provide an opinion on the reasonableness of the transaction price. However, this requirement does not apply if the securities are publicly quoted in an active market or if otherwise specified by the Financial Supervisory Commission (FSC).

**Article 8 : Procedures for the Acquisition or Disposal of Intangible Assets, Right-of-Use Assets, or Membership Certificates**

1. The calculation of the transaction amount under these procedures shall be conducted in accordance with Article 12. The term "within one year" shall be based on the date the current transaction occurs and calculated retroactively over the past year. Any portion for which an appraisal report issued by a professional appraiser or an accountant's opinion has already been obtained in accordance with these procedures may be excluded from the cumulative calculation.
2. If the Company acquires or disposes of assets through a court auction process, the certification documents issued by the court may be used in place of an appraisal report or an accountant's opinion.
3. Evaluation Procedures and Approval Limits
  - (1) When acquiring or disposing of membership certificates or intangible assets, the Company shall consider the potential future benefits of the asset and its fair market value. Expert opinions may be referenced if necessary. The transaction terms shall be negotiated with the counterparty accordingly.
  - (2) For transactions with an amount of NT\$10 million or less, approval from the Chairman is required prior to execution. For transactions exceeding NT\$10 million, prior approval by the Board of Directors is required.
  - (3) If the acquisition or disposal of assets requires approval by the Board of Directors in accordance with these procedures or other legal provisions, and any director expresses an objection that is recorded or submitted in writing, the Company shall submit the objection materials to the Audit Committee.
- When the acquisition or disposal of intangible assets, right-of-use assets, or membership certificates is submitted to the Board of Directors for discussion, and the Company has appointed independent directors, their opinions shall be fully considered. If any independent director expresses an objection or reservation, it shall be clearly recorded in the minutes of the Board meeting.
4. Executing Unit  
When the Company acquires or disposes of intangible assets, right-of-use assets, or membership certificates, the transaction shall be submitted for approval in accordance with the hierarchical approval authority outlined above. Upon approval, the Finance and Accounting Department shall be responsible for executing the transaction.
5. Obtaining Expert Opinion  
If the transaction amount for the acquisition or disposal of intangible assets, right-of-use assets, or membership certificates reaches 20% of the Company's paid-in capital or NT\$300 million or more—excluding transactions with domestic government agencies—the Company shall, prior to the occurrence of the transaction, engage a certified public accountant to provide an

opinion on the reasonableness of the transaction price.

#### Article 9 : Related Party Transactions

1. When the Company acquires or disposes of assets with related parties, in addition to following the procedures specified in Article 6 to Article 8 and complying with the relevant resolution procedures and assessments of transaction reasonableness outlined below, if the transaction amount reaches 10% or more of the Company's total assets, the Company shall also obtain an appraisal report issued by a professional appraiser or an accountant's opinion in accordance with Article 6 to Article 8. The calculation of the transaction amount shall be conducted in accordance with the provisions of Article 12. The term "within one year" shall be based on the date of the current transaction and calculated retroactively over the past year. Any portion for which a professional appraisal report or an accountant's opinion has already been obtained under these procedures may be excluded from the cumulative calculation.

In determining whether the counterparty qualifies as a related party, consideration shall be given not only to the legal form but also to the substance of the relationship.

2. Evaluation and Operational Procedures

If the Company acquires or disposes of real estate or right-of-use assets from or to a related party, or acquires or disposes of other assets from or to a related party and the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT\$300 million or more, the following information (except for transactions involving government bonds, repurchase/reverse repurchase bonds, or the purchase or redemption of domestic money market funds issued by securities investment trust enterprises) must be approved by the Audit Committee and then submitted to the Board of Directors for approval before signing the transaction agreement and making any payment:

- (1) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
- (2) The reason for choosing the related party as a transaction counterparty.
- (3) Supporting documents used to evaluate the reasonableness of the transaction terms when acquiring real estate or right-of-use assets from a related party, in accordance with Subparagraphs (1) and (2) of Paragraph 3 of this Article.
- (4) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.
- (5) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
- (6) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.
- (7) Restrictive covenants and other important stipulations associated with the transaction.

For the 10% total asset threshold, the calculation shall be based on the total assets reported in the most recent standalone or individual financial statements prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. If the Company's shares have no par value or a par value other than NT\$10, the 20% of paid-in capital threshold shall be replaced by 10% of equity attributable to owners of the

parent company.

When the Company and its subsidiaries, or subsidiaries wholly owned directly or indirectly, acquire or dispose of equipment or right-of-use assets for operational use, or acquire or dispose of right-of-use assets of real estate for operational use, the Board of Directors may authorize the Chairman to approve transactions not exceeding NT\$10 million. Such transactions shall be subsequently submitted to the next Board meeting for ratification.

When submitting transactions for discussion at the Board of Directors under the above provisions, if independent directors are appointed, their opinions must be fully considered. If any independent director expresses an objection or reservation, it shall be recorded in the minutes of the Board meeting.

Matters requiring approval by the Audit Committee shall be handled in accordance with Paragraphs 3 and 4 of Article 15.

If the Company or a subsidiary that is not a domestic public company engages in a transaction described in Paragraph 1 and the amount reaches 10% or more of the Company's total assets, the information listed in Paragraph 1 must be submitted for approval at a Shareholders' Meeting before any agreement is signed or payment is made. However, this requirement does not apply to transactions between the Company and its subsidiaries, or between wholly owned (directly or indirectly) subsidiaries.

The calculation of transaction amounts for Paragraph 1 and the preceding paragraph shall follow the method prescribed in Article 12. The term "within one year" refers to the 12-month period prior to the occurrence of the current transaction. Any portion already approved by the Shareholders' Meeting, Board of Directors, or Audit Committee under these regulations may be excluded from the cumulative calculation.

3. If necessary, the Company may seek opinions from external professionals such as accountants or legal advisors to ensure that the transaction terms are fair and in line with market practices.
  - (1) The Company's Acquisition of Real Estate or Right-of-Use Assets from Related Parties
    - A. The reasonableness of the transaction cost shall be assessed using the following methods:
      - a. Based on the transaction price with the related party, plus necessary interest on funds and any costs legally borne by the buyer. The so-called necessary interest on funds shall be calculated using the weighted average interest rate of the loans obtained by the Company in the year the asset is acquired. However, this rate shall not exceed the maximum lending rate for non-financial enterprises as announced by the Ministry of Finance.
      - b. If the related party has previously used the subject property as collateral for a mortgage loan from a financial institution, the total appraised value of the property as assessed by the financial institution may be used. However, the actual cumulative loan amount disbursed by the financial institution for the property must reach at least 70% of the appraised value, and the loan period must have exceeded one year. This provision does not apply if the financial institution and either party to the transaction are related parties.
    - B. For the combined purchase of land and buildings of the same subject property, the

transaction cost may be assessed separately for the land and the building using any of the methods listed in the preceding item.

- C. The cost of real estate or its right-of-use assets shall be assessed in accordance with the provisions of points A and B above, and a certified public accountant must be consulted for a review and provide a specific opinion.
- D. In any of the following situations, the evaluation and procedural requirements set forth in Paragraph 2 of this Article shall apply, and the provisions regarding the reasonableness of transaction costs in Points A to C shall not apply:
  - a. The related party acquires the real estate or its right-of-use assets through inheritance or gift.
  - b. The related party entered into the contract to acquire the real estate or its right-of-use assets more than five years prior to the date of this transaction.
  - c. The real estate is acquired by signing a joint construction contract with a related party, or by commissioning a related party to construct the real estate through land development or leasing agreements.
  - d. The Company acquires real estate right-of-use assets for business use between itself and its parent company, subsidiaries, or subsidiaries that directly or indirectly hold 100% of the issued shares or total capital.
- (2) If the evaluation results based on the provisions of Subparagraph (1), Points A and B of Paragraph 3 of this Article show that the real estate acquired from a related party is valued lower than the transaction price, the provisions of Paragraph 3, Subparagraph (3) of this Article shall apply. However, if objective evidence is provided, along with a professional real estate appraisal and specific reasonable opinions from a certified public accountant, the following situations are exempt from this limitation:
  - A. If the related party acquires raw land or leases land for further construction, it may provide evidence that it meets one of the following conditions:
    - a. The raw land is evaluated according to the methods set forth in the previous article, and the building is assessed based on the related party's construction cost plus a reasonable construction profit. The total sum must exceed the actual transaction price. The term "reasonable construction profit" shall be based on the lower of the average gross profit margin of the related party's construction department over the past three years or the most recent gross profit margin for the construction industry published by the Ministry of Finance.
    - b. Other transaction cases within one year involving the same property, including other floors or properties in nearby areas, conducted by non-related parties, where the floor area is similar. The transaction conditions, after being assessed for reasonable price differences between floors or areas based on real estate transaction norms, must be considered comparable.
    - c. Other rental cases within one year for different floors of the same property, conducted by non-related parties, where the transaction conditions are estimated to be comparable after assessing the reasonable floor price differences according to real estate leasing norms.

B. The Company provides evidence that the transaction conditions for the real estate acquired from a related party are comparable to other non-related party transaction cases in nearby areas within one year, and the floor area is similar. For the purposes of the aforementioned, "nearby areas" refers to properties within the same or adjacent blocks, and within a 500-meter radius of the subject property, or those with similar publicly assessed values. "Similar floor area" means that the floor area of other non-related party transaction cases is no less than 50% of the area of the subject property. The term "within one year" refers to a period starting from the date the real estate or its right-of-use asset is acquired, with a one-year look-back period from that date.

(3) If the real estate or its right-of-use assets acquired by the Company from a related party are evaluated according to the provisions of Subparagraphs (1) and (2) of Paragraph 3 of this Article, and the results are lower than the transaction price, the following actions must be taken:

- A. The Company shall allocate the difference between the transaction price of the real estate or its right-of-use assets and the assessed cost as a Special Reserve in accordance with Article 41, Paragraph 1 of the Securities and Exchange Act. This amount shall not be distributed or used for capital increase or stock dividends. For investors using the equity method to evaluate their investment in the Company, if they are publicly listed companies, they must also allocate a Special Reserve based on the holding ratio according to Article 41, Paragraph 1 of the Securities and Exchange Act for the corresponding amount.
- B. The Audit Committee shall handle matters in accordance with the provisions of Article 218 of the Company Act.
- C. The handling of the matters in Points A and B of this section shall be reported to the shareholders' meeting, and the detailed transaction information shall be disclosed in the annual report and the prospectus.

The Company and publicly listed companies that evaluate their investment in the Company using the equity method, and have allocated a special reserve in accordance with the aforementioned provisions, may only use the special reserve after the following conditions are met: the high-priced purchased or leased assets have been recognized as impairment losses, disposed of, appropriately compensated, restored to their original state, or there is other evidence confirming that there are no unreasonable circumstances. Additionally, the use of the special reserve must be approved by the Financial Supervisory Commission (FSC).

(4) If there is other evidence showing that the transaction of acquiring real estate from a related party does not comply with normal business practices, the Company shall also handle the matter in accordance with the provisions of Subparagraph (3) of this section.

#### Article 10 : Procedures for the Acquisition or Disposal of Derivative

##### 1. Trading Principles and Guidelines

###### (1) Types of Transactions:

The derivatives engaged in by the Company refer to the types of derivatives specified in Article 4, Paragraph 1 of the "Regulations Governing the Acquisition and Disposal of

Assets by Public Companies".

(2) Operating (Hedging) Strategy and Authorized Limits:

The Company shall engage in derivative transactions solely for hedging purposes. The selected derivatives must be used primarily to mitigate risks arising from the Company's business operations. The currencies held must correspond to the Company's actual foreign currency needs related to import and export activities. The Company shall manage internal positions (referring to foreign currency inflows and outflows) on a netting basis, aiming to reduce overall foreign exchange risk and minimize foreign exchange operation costs. For hedging transactions where the amount is USD 2 million or less (inclusive), prior approval from the Chairperson is required, and the transaction must be submitted to the next Board meeting for ratification. For amounts exceeding USD 2 million, prior approval by the Board of Directors is required. The Company does not engage in non-hedging transactions.

(3) Division of Responsibilities:

A. Financial Division

- a. The financial division is responsible for the operation of the aforementioned derivative transactions, as well as for collecting market information on derivatives, analyzing trends and risks, and becoming familiar with various derivative and their operational techniques.

- b. Regular evaluation.

- c. Regular disclosure and reporting.

B. Accounting Division

- a. Provide information on risk exposure positions.

- b. Record transactions and prepare financial statements in accordance with generally accepted accounting principles.

- c. Measurement, supervision, and control of transaction risks.

(4) Performance Evaluation Guidelines:

The financial division shall, after the market close on each contract's expiration date, use the realized net gain or loss positions as the basis for performance evaluation. The performance will then be compared with the set trading objectives, and a regular review of the profit and loss performance will be conducted.

(5) Total Transaction Amount:

The total amount for hedging transactions shall not exceed USD 3 million.

(6) Loss Limit:

The loss limit for hedging transaction contracts shall not exceed 20% of the contract amount, applicable to both individual contracts and the total contracts.

2. Risk Management Measures

(1) Credit Risk Management:

Due to market fluctuations influenced by various factors, which can lead to operational risks in derivative transactions, market risk management shall be carried out based on the following principles:

- A. Counterparties: Primarily focus on reputable domestic and international financial institutions.

B. Transaction Products: Limit transactions to products offered by reputable domestic and international financial institutions.

(2) Market Price Risk Management:

The focus will be on the foreign exchange trading market provided by banks, and the futures market will not be considered at this time.

(3) Liquidity Risk Management:

To ensure market liquidity, when selecting financial products, preference will be given to those with higher liquidity (i.e., those that can be easily netted in the market at any time). The entrusted financial institutions must have sufficient information and the ability to conduct transactions in any market at any time.

(4) Cash Flow Risk Management:

To ensure the stability of the Company's working capital turnover, the funds used for derivative transactions shall be limited to the Company's own funds. The transaction amount should also take into account the funding requirements based on the cash inflows and outflows forecast for the next three months.

(5) Operational Risk Management:

The Company shall strictly adhere to the authorized limits, operational procedures, and internal auditing to prevent operational risks. Personnel involved in derivative transactions, as well as those responsible for confirmation, settlement, and other related operations, shall not hold dual roles. The personnel responsible for measuring, supervising, and controlling risks should belong to a different department from those mentioned above. They must report to the Board of Directors or senior management personnel who do not bear responsibility for trading or position decision-making.

(6) Product Risk Management:

Internal traders must possess comprehensive and accurate professional knowledge of financial products, and banks are required to fully disclose the risks involved, in order to avoid the risk of misusing financial products.

(7) Legal Risk Management:

Documents to be signed with financial institutions must be reviewed by personnel specialized in foreign exchange and legal affairs or by legal counsel before formal execution, to avoid legal risks.

(8) Internal Audit System:

Internal audit personnel shall regularly assess the adequacy of internal controls over derivative transactions and conduct monthly inspections to ensure that the trading division complies with the procedures for handling such transactions. They shall also analyze the transaction cycle and prepare audit reports. If any significant violations are discovered, the internal auditors must notify the supervisors in writing.

Internal audit personnel shall, by the end of February of the following year, input and report relevant matters via the website designated by the competent authority, together with the implementation status of the annual audit plan as stated in the internal audit report. In addition, by the end of May of the following year at the latest, they shall input and report the status of improvements and follow-up on any irregularities via the website designated

by the Securities and Futures Bureau.

(9) Regular Evaluation Method:

The positions held in derivative transactions should be evaluated at least once a week. However, if the transactions are for hedging purposes related to business needs, they should be evaluated at least twice a month. The evaluation reports should be submitted to the senior executives authorized by the board of directors.

(10) Board of Directors' Supervision and Management Principles:

The board of directors shall designate senior executives to monitor and control the risks associated with derivative transactions at all times:

- A. Regularly assess whether the risk management measures currently in use are appropriate and whether they are being carried out in accordance with these guidelines and the company's established procedures for derivative transactions.
- B. Supervise the transactions and profit/loss situations. If any abnormalities are discovered, necessary countermeasures should be taken, and the board of directors should be immediately informed. If the company has appointed independent directors, the board should have an independent director attend and express their opinion.
- C. Regularly evaluate whether the performance of derivative transactions aligns with the established business strategies and whether the risks undertaken are within the company's acceptable limits.
- D. When the company engages in derivative transactions, the relevant personnel shall be authorized according to the procedures established for derivative transactions and be presented to the most recent board of directors meeting afterward.

(11) When the company engages in derivative transactions, it shall establish a record book to document the types and amounts of derivative transactions, the date of approval by the board of directors, and the items that require careful evaluation according to Section 2, Item (9), and Item (10), Points A and C of this article. These details should be clearly recorded in the record book for reference.

(12) If independent directors have been appointed in accordance with the provisions of this regulation, when notifying the matters to the supervisors as mentioned in the previous item, independent directors shall also be notified in writing.

(13) If an audit committee has been established in accordance with the provisions of this regulation, the provisions of Item 2 regarding supervisors shall apply mutatis mutandis to the audit committee.

Article 11 : Mergers and Consolidations, Splits, Acquisitions, or Share Transfers

1. Evaluation and Operational Procedures

When the company conducts mergers, splits, acquisitions, or share transfers, it is advisable to engage lawyers, accountants, and underwriters to jointly discuss the legal procedures and anticipated timelines. A dedicated project team should execute the process in accordance with the legal procedures. Before convening the board of directors to make decisions, the company should request that accountants, lawyers, or securities underwriters provide opinions on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other assets to shareholders. These opinions should be presented to the board of directors for

discussion and approval. However, in cases where the company is merging with a subsidiary that directly or indirectly holds 100% of the issued shares or capital, or in the case of mergers between subsidiaries that directly or indirectly hold 100% of the issued shares or capital, the company may be exempt from obtaining the aforementioned expert opinions.

The company should prepare a public document for shareholders detailing the key terms and related matters of the merger, split, or acquisition before the shareholders' meeting. This document should include the expert opinion from Section 1 of this article, along with the notice of the shareholders' meeting, and be delivered to shareholders as a reference for whether to approve the merger, split, or acquisition. However, this requirement does not apply in cases where other laws allow the merger, split, or acquisition to proceed without a shareholders' meeting decision. Additionally, if a shareholders' meeting of any participating company in the merger, split, or acquisition cannot be convened or decided upon due to insufficient attendance, voting rights, or other legal restrictions, or if the proposal is rejected by the shareholders' meeting, the company involved must immediately provide a public explanation of the cause, the subsequent handling steps, and the planned date for the next shareholders' meeting.

## 2. Other Considerations

(1) Date of Board Meeting: Unless otherwise provided by law or approved in advance by the Financial Supervisory Commission (FSC) due to special circumstances, companies participating in a merger, split, or acquisition shall convene the meetings of the Board of Directors and the shareholders on the same day to resolve matters related to the merger, split, or acquisition. Similarly, unless otherwise provided by law or approved in advance by the FSC due to special circumstances, companies participating in a share transfer shall convene the Board of Directors meeting on the same day.

A listed company or a company whose shares are traded on the business premises of securities firms and that participates in a merger, split, acquisition, or share transfer shall prepare a complete written record of the following information and retain it for five years for inspection purposes:

A. Basic information of personnel: This includes the titles, names, and national identification numbers (or passport numbers for foreign nationals) of all individuals involved in the planning or execution of the merger, split, acquisition, or share transfer prior to public disclosure.

B. Key dates: This includes the dates of signing letters of intent or memoranda of understanding, engagement of financial or legal advisors, contract signing, and meetings of the board of directors.

C. Key documents and meeting minutes: This includes the merger, split, acquisition, or share transfer plan, letters of intent or memoranda of understanding, major contracts, and minutes of board of directors meetings.

Company whose stock is listed on the Taiwan Stock Exchange or the Taipei Exchange that participates in a merger, split, acquisition, or share transfer shall, within two days from the date of resolution by its board of directors, submit items A and B above to FSC for recordation via the internet information reporting system, in the prescribed format.

For companies involved in mergers, splits, acquisitions, or share transfers that are not listed

on the Taiwan Stock Exchange or the Taipei Exchange, the company whose stock is listed on the Taiwan Stock Exchange or the Taipei Exchange must enter into an agreement with them and proceed in accordance with the provisions of items (3) and (4).

- (2) Pre-disclosure Confidentiality Agreement: All individuals who participate in or are aware of the company's merger, split, acquisition, or share transfer plans must provide a written confidentiality agreement. Before the public disclosure of the information, they shall not disclose the contents of the plan to external parties, nor engage in buying or selling the stocks or other equity-related securities of any company involved in the merger, split, acquisition, or share transfer plan, either in their own name or by using another person's name.
- (3) Principles for Determining and Changing the Share Exchange Ratio or Acquisition Price: The companies participating in a merger, split, acquisition, or share transfer shall, prior to the board meetings of both parties, commission accountants, lawyers, or securities underwriters to provide opinions on the fairness of the share exchange ratio, acquisition price, or the distribution of cash or other assets to shareholders. These opinions should be submitted to the shareholders' meeting. The share exchange ratio or acquisition price shall, in principle, not be changed arbitrarily. However, if conditions for change have been stipulated in the contract and publicly disclosed, this limitation does not apply. The share exchange ratio or acquisition price may be changed under the following conditions:
  - A. Cash capital increases, issuance of convertible bonds, stock dividends, issuance of bonds with warrants, preferred stock with warrants, warrants, and other equity-linked securities.
  - B. Disposition of significant assets or other actions affecting the company's financial operations.
  - C. Occurrence of major disasters, significant technological changes, or other events that impact shareholder equity or security prices.
  - D. Adjustments arising from any party in the merger, split, acquisition, or share transfer repurchasing treasury stock.
  - E. Changes in the number or composition of the entities involved in the merger, split, acquisition, or share transfer.
  - F. Other conditions for change as stipulated in the contract and publicly disclosed.
- (4) Contractual Content: When a company participates in a merger, split, acquisition, or share transfer, the contract should specify the rights and obligations of the companies involved in the merger, split, acquisition, or share transfer, and must include the following items:
  - A. Handling of breach of contract.
  - B. The treatment of equity-like securities or repurchased treasury shares of a company that ceases to exist due to a merger or is split.
  - C. The quantity of treasury shares a participating company may repurchase after the share exchange ratio reference date and the principles for handling them.
  - D. The handling method if there are changes in the number or composition of the participating entities.
  - E. The expected progress of the plan and the estimated completion schedule.

F. The procedures to be followed if the plan is not completed on time, including the scheduled date for the shareholder meeting to be convened in accordance with the law.

(5) Changes in the Number of Companies Participating in the Merger, Split, Acquisition, or Share Transfer: Where any party to a merger, split, acquisition, or share transfer, after public disclosure of such information, intends to engage in a merger, split, acquisition, or share transfer with another company, all previously completed procedures or legal acts related to the original merger, split, acquisition, or share transfer shall be repeated by all participating companies, unless the number of participating companies is reduced and the shareholders' meeting has resolved to authorize the board of directors to make such changes, in which case a new resolution of the shareholders' meeting may be waived.

(6) Where any of the companies participating in a merger, split, acquisition, or share transfer is not a public company, the Company shall enter into an agreement with such entity and proceed in accordance with Paragraph 2 of this Article, including Subparagraph (1) regarding the date of the board of directors meeting, Subparagraph (2) regarding confidentiality undertakings prior to disclosure, and Subparagraph (5) regarding changes in the number of participating companies.

### Article 12 : Public Disclosure of Information

In the reporting thresholds, the terms "20% of the Company's paid-in capital" or "10% of the Company's total assets" shall be based on the Company's own paid-in capital or total assets.

#### 1. Items Requiring Public Announcement and Filing, and Applicable Thresholds

(1) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

(2) Merger, demerger, acquisition, or transfer of shares.

(3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.

(4) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:

- A. For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.
- B. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.

(5) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed

itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.

- (6) Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.
- (7) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:
  - A. Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.
  - B. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.
  - C. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

The calculation method for the transaction amount mentioned in the preceding paragraph is as follows. The term "within one year" shall be based on the date the current transaction occurs and calculated retroactively over the past year. Any portion that has already been publicly announced in accordance with the regulations may be excluded from the cumulative calculation:

- a. The amount of any individual transaction.
- b. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.
- c. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.
- d. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

2. Time Limit for Public Announcement and Filing

If the Company acquires or disposes of assets that fall under the items requiring public

announcement as specified in Paragraph 1 of this Article, and the transaction amount meets the reporting threshold, the Company shall complete the public announcement and filing within two (2) days from the date of the occurrence of the fact.

3. Procedures for Public Announcement and Filing

- (1) The Company shall enter the relevant information into the designated website specified by the FSC for public announcement and filing.
- (2) The Company shall, by the 10th of each month, enter information about derivative transactions conducted by the Company and its non-domestic subsidiaries up to the end of the previous month into the FSC's designated information reporting website, using the prescribed format.
- (3) If the Company discovers any errors or omissions in the announced information that require correction, a new and complete public announcement and filing shall be made within two (2) days from the date such error or omission is known.
- (4) For the acquisition or disposal of assets, the Company shall retain related contracts, meeting minutes, approval records, appraisal reports, and opinions issued by certified public accountants, lawyers, or securities underwriters at the Company for inspection. Unless otherwise provided by law, such documents shall be preserved for at least five years.
- (5) Following a transaction that has been publicly announced and filed in accordance with the preceding article, if any of the following situations occur, the Company shall, within two (2) days from the date of occurrence, make a new public announcement and filing via the FSC's designated website:
  - A. There is any amendment, termination, or cancellation of the original transaction contract.
  - B. A merger, demerger, acquisition, or transfer of shares is not completed according to the originally scheduled contract timeline.
  - C. There is any change to the content previously announced and filed.

Article 13 : The Company's subsidiaries shall comply with the following provisions:

1. Subsidiaries shall also establish and implement their own "Procedures for the Acquisition or Disposal of Assets" in accordance with the relevant provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies". These procedures shall take effect upon approval by the subsidiary's Board of Directors and Shareholders' Meeting, and the same applies to any amendments.
2. When a subsidiary acquires or disposes of assets, it shall provide relevant information to the
3. If the subsidiary is not a public company and its acquisition or disposal of assets meets the public announcement and reporting criteria set forth in Article 12, the parent company shall handle the public announcement and reporting on its behalf.
4. In the announcement and reporting standards applicable to subsidiaries, the term "20% of paid-in capital or 10% of total assets" shall be calculated based on the paid-in capital or total assets of the parent company.

Article 14 : Penalties

If any employee of the Company violates the provisions of these Procedures in the course of handling the acquisition or disposal of assets, such violation shall be subject to evaluation and

disciplinary action in accordance with the Company's personnel management regulations, based on the severity of the circumstances.

#### Article15 : Implementation and Amendment

The Company's "Operational Procedures for Acquisition or Disposal of Assets" shall be established or amended with the consent of more than one-half of all Audit Committee members and approval by the Board of Directors, followed by submission to the Shareholders' Meeting for approval.

If any director expresses objections and such objections are recorded or stated in writing, the Company shall submit the objection materials to the Audit Committee.

If the approval of more than one-half of all Audit Committee members is not obtained, the procedures may still be adopted with the consent of at least two-thirds of all directors, and the resolution of the Audit Committee must be recorded in the minutes of the Board meeting.

The term "all Audit Committee members" and "all directors" as referred to in the preceding paragraph shall be based on the number of members or directors currently in office.

In addition, the opinions of all independent directors shall be fully considered. If any independent director expresses an objection or reservation, it shall be stated in the minutes of the Board meeting.

#### Article16 : Additional Provisions

Matters not covered in these procedures shall be handled in accordance with relevant laws and regulations.

## Appendice 4: Rules of Procedure for Shareholders Meetings

### **Rules of Procedure for Shareholders Meetings**

Doc. No.: IM-19

Version: v3.0

Effective Date: 30 December 2019

Approved by Board of Directors: 30 December 2019

1st Edited: 18 January 2022

2nd Edited: 26 June 2023

**Article 1** To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

**Article 2** The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

**Article 3** Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, a company that will convene a shareholders' meeting with video conferencing shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its board of directors. Furthermore, convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the board of directors attended by at least two-thirds of the total number of directors.

Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this Corporation has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.

This Corporation shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

**Article 4** For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

#### Article 5 Principles determining the time and place of a shareholders meeting

The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.

#### Article 6 Preparation of documents such as the attendance book

This Corporation shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.

In the event of a virtual shareholders meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

To convene a virtual shareholders meeting, this Corporation shall include the following particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
  - (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
  - (2) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
  - (3) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
  - (4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. Except in the circumstances set out in Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the shareholders shall at least be provided with connection facilities and necessary assistance, and the period during which shareholders may apply to the company and other related matters requiring attention shall be specified.

#### Article 7 The chair and non-voting participants of a shareholders meeting

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason

unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

#### Article 8 Documentation of a shareholders meeting by audio or video

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.

#### Article 9 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

**Article 10** If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

**Article 11 Shareholder speech**

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor, the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

#### Article 12 Calculation of voting shares and recusal system

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

#### Article 13 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived

his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders. If there is no objection from all attending shareholders after the chairman inquires, the proposal shall be considered approved, and it shall have the same effect as a vote. If there are objections, a vote shall be conducted in accordance with the provisions mentioned above.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

**Article 14** The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

**Article 15** Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation. Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

**Article 16** Public disclosure

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the

number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

#### Article 17 Maintaining order at the meeting place

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands. The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

#### Article 18 Recess and resumption of a shareholders meeting

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

#### Article 19 In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

#### Article 20 When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 21 In the event of a virtual shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the

Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporations shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

Article 22 When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online. Except in the circumstances set out in Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the shareholders shall at least be provided with connection facilities and necessary assistance, and the period during which shareholders may apply to the company and other related matters requiring attention shall be specified.

Article 23 Matters not specified in these rules shall be handled in accordance with the provisions of the Company Act and other relevant laws and regulations.

Article 24 These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

## Appendice 5: Shareholding of All Directors

### NaviFUS Corporation Shareholding of All Directors

1. The Company's paid-in capital is NT\$707,400,101, and has issued 70,740,011 outstanding shares.
2. According to Article 26 of the Securities and Exchange Act and the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" for companies with paid-in capital exceeding NT\$300 million but less than NT\$1 billion, the total shareholding of all directors in registered shares shall not be less than 10%. However, if two or more independent directors are elected, the required shareholding percentage for all directors, excluding independent directors, is reduced to 8%. The statutory minimum shareholding required for all directors is 5,659,200 shares.
3. As of the suspension of share transfer date for the 2025 Annual Shareholders' Meeting (April 13, 2025), the number of shares held by each individual director and all directors as recorded in the shareholders' register is as follows:

Title	Account name	Election Date	Suspension of Share Transfer Date Number of Shares Recorded in the Shareholders' Register	
			Number of shares held	Shareholding percentage
Chairman	GENOVATE BIOTECHNOLOGY CO., LTD. Representative: Jen, Chen	2022.03.18	9,587,086	13.55%
Director	UNI PHARMA CO., LTD. Representative: Chia-Chen, Chu	2022.03.18	2,520,322	3.56%
Director	TOP TAIWAN X VENTURE CAPITAL CO., LTD. Representative: Yueh-Hsuan, Chan	2022.03.18	613,200	0.87%
Director	Chen-Yu, Lung	2022.03.18	395,000	0.56%
Director	Hao-Li, Liu	2022.03.18	2,708,660	3.83%
Director	Chung-Chih, Huang	2022.03.18	0	0
Independent Director	Hann-Tarn, Jeng	2022.03.18	0	0
Independent Director	Jia-Jin, Chen	2022.03.18	0	0
Independent Director	Chia-Lin, Chen	2022.03.18	0	0
Total directors' shareholdings			15,824,268	22.37%