



ICARES MEDICUS, INC.

ANNUAL REPORT 2024

(Translation)

Annual report is available at mops.twse.com.tw

Company Website : www.icaresmedicus.com

Printed on March 31, 2025

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THIS ENGLISH ANNUAL REOPRT FOR 2024 ANNUAL GENERAL SHAREHOLDERS' MEETING IS TRANSLATED FROM THE CHINESE VERSION. IT IS INTENDED FOR REFERENCE ONLY. THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES FOR THE TRANSLATION. THE CHINESE ANNUAL REOPRT SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBECT MATTER STATED HEREIN.

1. The Spokesman & Acting Spokesman

Spokesman

Name Michelle Chen
Title Vic President
Tel +886-3-657-9530
E-mail IR@icaresmedicus.com

Acting Spokesman

Name Jeff Chen
Title President
Tel +886-3-657-9530
E-mail IR@icaresmedicus.com

2. The Company's Headquarters & Factories

Company's Headquarters :

Add: 4F, No.16, Sec 2, Sheng Yi Road Zhubei, Hsinchu, Taiwan (R.O.C.)

Tel : +886-3-657-9530

Factory :

Add: 4F, No.16, Sec 2, Sheng Yi Road Zhubei, Hsinchu, Taiwan (R.O.C.)

Tel : +886-3-657-9530

3. The Agency Handling Shares Transfer

Company : Taishin Securities Stock Transfer Agency Department

Website : <https://www.tssco.com.tw/stocktransfer>

Address : B1, No. 96, Sec. 1, Jianguo N. Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)

Tel : +886-2-2504-8125

4. Auditors

Company: KPMG Taiwan

Auditors : FU, HONG-WEN and HONG,SHIH-GANG

Address : 68F., No. 7, Sec. 5, Xinyi Rd., Xinyi Dist., Taipei City , Taiwan (R.O.C.)

Website : <https://home.kpmg.com/tw>

Tel : +886-2-8101-6666

5. Overseas Securities Trade & Exchange Information

None

6. Company Website : www.icaresmedicus.com

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I. LETTER TO SHAREHOLDERS

1. Results of Execution of 2024 Business Plan

Our Group's major operating results in 2024 mainly include as follows:

- (1) In order to expand the Group's business scale and integrate its distribution system to enhance competitiveness, the Group, through its U.S. subsidiary AST VISIONCARE INC., acquired 95% of the issued common shares of the U.S.-based intraocular lens manufacturer "MILLENNIUM BIOMEDICAL, INC." in July 2024. Following the acquisition, the Group now holds 100% ownership of the company, which has since become a consolidated subsidiary of the Group.
- (2) To strengthen the Group's autonomy and integrity in the supply chain of medical device products and enhance its market competitiveness, the Company participated in a capital increase by cash in June 2024 for "ACME TOOLING TECHNOLOGY CO., LTD." a Taiwan-based company specializing in injection molding and mold design for medical devices and electronic plastic products. After the capital increase, the Group holds a 60% stake in the company, making it a consolidated subsidiary of the Group.
- (3) In May 2024, the U.S. subsidiary AST VISIONCARE INC. established a new subsidiary, AST VISIONCARE France, in France in partnership with a local strategic partner to expand into Western and Northern European markets.
- (4) In response to the European Medical Devices Regulation (MDR), which mandates the revalidation and review of all medical devices under the new Regulation, our group has initiated the relevant verification requirements for medical device products as stipulated by the aforementioned regulation. Clinical studies for various intraocular lens and IOL delivery system products have been triggered in Spain to comply with these requirements.
- (5) The Group's proprietary full range of Asqelio™ intraocular lenses continues to build a strong presence in the ophthalmic medical device market. In collaboration with several ophthalmologists, clinical results and product technologies have been published in journals across the U.S., Europe, and international ophthalmology communities.
- (6) To meet operational development needs, MAXUS Medical Co., Ltd. (Shanghai) began operations at its Pujiang facility in September 2024.
- (7) Maxus Medical Co., Ltd. (Shanghai)'s own-independently developed intraocular lens delivery system "推特 BF" has been approved by NMPA in China in January 2024.
- (8) MAXUS Medical Co., Ltd. (Shanghai)'s own-independently developed "Preloaded Monofocal Bi-aspheric Intraocular Lens 推見" has been approved for the Class III Medical Device Registration Certificate by NMPA in China in August 2024.
- (9) MAXUS Medical Co., Ltd. (Shanghai)'s own-independently developed " Monofocal Bi-aspheric Intraocular Lens 推見" has been approved for the Class III Medical Device Registration Certificate by NMPA in China in January 2025.

The result of execution of 2024 group business is as follows:

(1) Main Result from Financial Report

Unit: NT\$ thousand

Item	Year: 2024
Assets	3,008,195
Liabilities	1,245,409
Operating Revenues	859,793
Gross Profit from Operations	599,729
Profit Before Income Tax	164,403

Unit: NT\$ thousand

Revenue Item	Year: 2024
Technical Services	200,340
Royalty	225,100
Medical Material Sales	434,353
Total	859,793

(2) Cash Flows & Profitability Analysis :

Unit: NT\$ thousand/ %

Item		Year: 2024
Cash Flows (NT\$ thousand)	Net cash flows from operating activities	(10,824)
	Net cash flows from (used in) investing activities	(550,602)
	Net cash flows from (used in) financing activities	612,476
Profitability Analysis	Return on Total Assets (%)	2.46
	Return on Equity (%)	3.17
	Pre-tax Income to Paid-in Capital Ratio (%)	38.16
	Net Margin (%)	6.34
	Earnings Per Share (NT\$)	2.41

(3) Research and Development :

- ① Advanced medical equipment surface treatment technology and strengthening customized flexibility.
- ② Continuous development of intraocular lens stability and multi-focal lens diversity.
- ③ Medical device / delivery system optimization and innovation.
- ④ Continuous innovation of IOL delivery system with above three technologies combined.

(4) Execution of The Budget of 2024 Operating Revenues

The financial forecast was not disclosed in 2024, so there is no budgetary achievement.

Summary of 2024 Operations and 2025 Outlook

In 2024, the Group strengthened its business foundation through strategic investment and integration. By increasing our stake in ACME TOOLING TECHNOLOGY CO., LTD., acquiring MILLENNIUM BIOMEDICAL, INC., and establishing AST VISIONCARE France with strategic partners, we enhanced our supply chain autonomy, expanded distribution networks, and broadened our global market presence.

On the product and R&D front, the Group proactively addressed evolving medical device regulations and continued to develop and optimize intraocular lenses and related implantation systems, aiming to meet the growing demand for high-quality vision care solutions.

Looking ahead to 2025, the Group remains focused on ophthalmology, leveraging advanced manufacturing and innovation to expand business scale, capture market opportunities, and enhance shareholder value.

2. 2025 Business Plan Summary

(1) Business Philosophy

The Group upholds the principles of integrity, pragmatism, and innovation, aiming to create maximum value for customers while delivering high-quality products and services, to achieve the satisfaction of clients, end users, employees, and shareholders.

(2) Key Production and Sales Policies

- ① Strengthen existing technologies, actively develop new products, and maintain quality and yield control.

- ② Enhance collaboration across the supply chain to ensure effective resource acquisition.
- ③ Continue brand development and channel expansion to increase global market share.

(3) Projected Sales Volume and Basis

The Company does not disclose financial forecasts for the year 2025.

3. The Future Strategy

The Group builds upon its existing technologies and products to drive continuous optimization and innovation, further strengthening the depth and breadth of its industry value chain with the goal of achieving a leading position in the market.

4. Influenced by External Competitive Environment, Regulatory Environment and Overall Business Environment

- (1) With advancements in technology and the extension of human life expectancy, global demand for medical devices continues to rise, thereby driving growth in the medical device surface treatment and coating markets. The Group recruits professionals in polymer materials, chemistry, and biomedical materials to maintain its competitive edge and respond to market dynamics.
- (2) The certification process for medical devices across countries entails significant time and financial costs. The Group carefully selects R&D projects and leverages intra-group resource sharing to build its own brand, expand regional presence, or, where appropriate, pursue collaborations with global industry leaders to reduce certification costs.
- (3) While most of the Group's products are used in medical applications and are not closely tied to overall economic cycles, the Group maintains close communication with customers to stay attuned to market trends and policy changes in various countries, enabling timely adjustments to business strategies.
- (4) Regulatory oversight of medical devices is becoming increasingly stringent worldwide. For instance, the EU's current Medical Device Directive (MDD) is being phased out and replaced by the new Medical Device Regulation (MDR). The Group monitors regulatory developments and proactively prepares responsive measures to mitigate the impact of such changes on its products and markets.

LOH, IH-HOUNG
Chairman of Board

CHEN, BING-CHUN
President

CHEN, TAN-LI
Accounting Manager

II. CORPORATE GOVERNANCE REPORT

1. Information on Board Members, president, Vice presidents, and the supervisors of all divisions and branch units, as follows:

1.1 Information on Board Members

1.1.1 Board Members

MAR 31, 2025

Title	Nationality or Place of Registration	Name	Gender & Age	Dare Frist Elected	Date Elected	Term	Shareholding when elected		Current Shareholding		Shares currently held by their spouses and minor children		Shares held in the name of others		Main working (education) experience	Concurrent positions in the Company and other companies	Other Managers, Directors or Supervisors Related by Marriage or Within Second-degree kinship of Each Other			Remarks (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
							Chairman	R.O.C.	LOH, IH-HOUNG	Male 61~70	2011/07/14	2022/06/08	3	4,062,418			11.96	4,732,659	10.99	
Vice Chairman	U. S. A	WILLIAM LEE	Male 51~60	2019/06/25	2022/06/08	3	469,981	1.38	2,009,019	4.66	0	0	0	0	<ul style="list-style-type: none"> University of TOKYO Chemistry & Biotechnology Ph.D. President & R&D Supervisor, ICARES MEDICUS, INC. 	<ul style="list-style-type: none"> Director , AST VISIONCARE INC. Director , AST VISIONCARE INC. Vice General Manager, AST PRODUCTS, INC. Responsible Person, W LEE HOLDINGS LLC 	-	-	-	-
Director	R.O.C.	TSENG, WEN-CHU	Male 61~70	2016/11/29	2022/06/08	3	483,381	1.42	531,719	1.23	242,071	0.56	1,535,600	3.56	<ul style="list-style-type: none"> University of Massachusetts Lowell Computer Engineering MA President & R&D Supervisor, ICARES MEDICUS, INC. 	<ul style="list-style-type: none"> R&D Supervisor, ICARES MEDICUS, INC. Vice General Manager - AST PRODUCTS, INC. Responsible Person, W TSENG HOLDINGS LLC 	-	-	-	-
Director	R.O.C.	ZONG-YUAN INTERNATIONAL LTD.	-	2016/11/29	2022/06/08	3	1,149,110	3.38	1,412,030	3.28	0	0	0	0	-	<ul style="list-style-type: none"> Chairman, WINIFRED INTERNATIONAL CORP. Chairman, APPLIED NANO TECHNOLOGY SCIENCE, INC. 	-	-	-	-
	R.O.C.	REPRESENTATIVE YAN, YING-ZONG	Male 71~80				0	0	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> University of Pennsylvania International society MA Chairman, Applied Nano Technology Science, Inc. 	<ul style="list-style-type: none"> Chairman, WINIFRED INTERNATIONAL CORP. Chairman, SAN YANG METAL INDUSTRIAL CO., LTD Chairman, APPLIED NANO TECHNOLOGY SCIENCE, INC. Chairman, GREAT SEQUOIA CORP. Chairman, TAIWAN SINTONG MACHINERY CO., LTD Chairman, TAIWANBRATOR CO., LTD. 	-	-

Title	Nationality or Place of Registration	Name	Gender & Age	Date First Elected	Date Elected	Term	Shareholding when elected		Current Shareholding		Shares currently held by their spouses and minor children		Shares held in the name of others		Main working (education) experience	Concurrent positions in the Company and other companies	Other Managers, Directors or Supervisors Related by Marriage or Within Second-degree kinship of Each Other			Remarks (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C.	GUO, JHIH-YING	Male 61~70	2017/06/02	2022/06/08	3	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> • University of Southern California Ph.D. of Electrical Engineering • Associate Professor, Department of Information Management, Chien Hsin University of Science and Technology 	• Members of the Remuneration Committee, ICARES MEDICUS, INC.	—	—	—	—
Independent Director	R.O.C.	TAN, KAI-YUAN	Male 81~90	2016/11/29	2022/06/08	3	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> • The Trustees of Columbia University Hospital Administration MA • The chairman of Medical Administration Office Department of Health, Executive Yuan • Consultant, Central Clinic & Hospital 	• Members of the Remuneration Committee, ICARES MEDICUS, INC.	—	—	—	—
Independent Director	R.O.C.	GUO, JHIH-CIOU	Male 41~50	2022/06/08	2022/06/08	3	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> • National Cheng Kung University Bachelor of Accounting • CPA of ChienHao Chartered Accountants 	• Members of the Remuneration Committee, ICARES MEDICUS, INC.	—	—	—	—

Note 1 : Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship.

Note 2 : The company established the audit committee to substitute for supervisors function.

1.1.2 Major shareholders of the Company’s major institutional shareholders :

MAR 31,2025

Legal Entity	Name of Institutional Shareholders	Rate of shareholding
ZONG-YUAN INTERNATIONAL LTD.	TRIUMPH EXCEL ASIA LIMITED	100%

Major shareholders of Institutional Shareholders:

MAR 31,2025

Legal Entity	Name of Institutional Shareholders	Rate of shareholding
TRIUMPH EXCEL ASIA LIMITED	WU,TZU-HSING	100%

1.1.3 Professional qualifications and independence analysis of directors:

(1) Diversity and Professionalism :

The board of directors of the company shall guide the company's strategy, supervise the management, and be accountable to the company and shareholders. The composition of the board of directors shall be based on the scale of the company's business development and the shareholdings of major shareholders, and in light of the actual business needs, to determine the appropriate number of directors, ranging from five to seven. The composition of board members should focus on gender equality and diversity, and diversity comes from their age experience, professional knowledge, skills and literacy.

The company currently has 7 directors, all of whom are male. They are selected by the general meeting of shareholders under the candidate nomination system, and they come from different age groups, different areas of expertise, different industries, and have different experiences and cultures (as shown in the table below), bringing a diverse board to the company. Board members from a variety of professional backgrounds provide advice and judgment on company-related proposals.

The term of the current Board of Directors will end in 2025. In March 2025, the Board nominated seven candidates for the next term—six men and one woman—to enhance board diversity. Details of the nominations are available on the Market Observation Post System under “Director and Supervisor Elections via Nomination System.”

Following the re-election of the next Board of Directors, the gender ratio will comply with current regulatory requirements. However, the proportion of directors of any single gender will remain below one-third. Given the challenges of recruiting talent in this industry, the Company will continue to identify and invite qualified female professionals to join the Board in order to achieve gender balance and diversity in its composition.

Title & Name	Gender & Age	Professional Qualifications	Independence Analysis	Concurrent independent director position in other publicly traded companies
Director LOH, IH-HOUNG	Male 61~70	Institute of Technology Ph.D. One of the founders of the company. Currently serves as the chairman of U.S. subsidiaries, as well as a director of other companies in the industry. Has the following adequate abilities: make operational judgments, conduct management administration, conduct risk & crisis management, an international market perspective. Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	<ol style="list-style-type: none"> 1. Serving as the chairman of U.S. subsidiaries. 2. Serving as a director in other industries (non-competing relationship). 3. Not a spouse or a relative within the second degree of kinship with any Director. 4. Spouse or a relative within the second degree of kinship is not employed by the company or an affiliate and not director or supervisor. 	0
Director WILLIAM LEE	Male 51~60	Chemistry & Biotechnology Ph.D. One of the founders of the company. He is currently the Vice President and Director of AST PRODUCTS, INC., the company's US subsidiary. He also has experience starting other companies. Has the following adequate abilities: make operational judgments, conduct management administration, conduct risk & crisis management, an international market perspective. Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	<ol style="list-style-type: none"> 1. Serving as the Vice President and Director of AST PRODUCTS, INC.. 2. Not a spouse or a relative within the second degree of kinship with any Director. 3. Spouse or a relative within the second degree of kinship is not employed by the company or an affiliate and not director or supervisor. 	0
Director TSENG,WEN-CHU	Male 61~70	Computer Engineering MA ° One of the Company's co-founders, who also has founding experience in other companies, currently serves as the Company's R&D Head and Deputy Vice President of Operations Engineering at the U.S. subsidiary- AST PRODUCTS, INC. Has the following adequate abilities: make operational judgments, conduct management administration, conduct risk & crisis management, an international market perspective. Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	<ol style="list-style-type: none"> 1. Serves as the Company's R&D Head and Deputy Vice President of Operations Engineering at the U.S. subsidiary- AST PRODUCTS, INC.. 2. Not a spouse or a relative within the second degree of kinship with any Director. 3. Spouse or a relative within the second degree of kinship is not employed by the company or an affiliate and not director or supervisor. 	0
Director ZONG-YUAN INTERNATIONAL LTD./ YAN, YING-ZONG	Male 71~80	International society MA. Serves as director and chairman of many companies, with rich industry experience. Has the following adequate abilities: make operational judgments, conduct management administration, conduct risk & crisis management, an international market perspective. Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	<ol style="list-style-type: none"> 1. Chairman of a company that is not a major supplier of the Company's group. 2. Not a spouse or a relative within the second degree of kinship with any Director.. 3. Spouse or a relative within the second degree of kinship is not employed by the company or an affiliate and not director or supervisor. 	0

Title & Name	Gender & Age	Professional Qualifications	Independence Analysis	Concurrent independent director position in other publicly traded companies
Independent Director GUO, JHIH-YING	Male 61~70	Ph.D. of Electrical Engineering. Currently, he is an associate professor of the Department of Information Management, and has also served as a R&D manager in the industry. Has the following adequate abilities: professional information management , and management experience in the industry Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	<ol style="list-style-type: none"> 1. Not a spouse or a relative within the second degree of kinship with any Director or Managers. 2. Self or spouse or a relative within the second degree of kinship is not employed by the company or an affiliate and not director or supervisor. 3. Self or spouse or a relative within the second degree of kinship is not the shareholders of the company, and no the situation of shares held in the name of others. 4. Has not served as an independent director for more than three consecutive terms. 5. Comply with the relevant independence norm in Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies Article 3. 	0
Independent Director TAN, KAI-YUAN	Male 81~90	Hospital Administration MA. He has experience in medical systems such as the chairman of Medical Administration Office Department of Health, Executive Yuan, consultant, Central Clinic & Hospital, and Vice Superintendent of National Defense Medical Center. Has professional and extensive experience in medical and administrative. Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.		0
Independent Director GUO, JHIH-CIOU	Male 41~50	Accounting Bachelor's Degree. A CPA in the Republic of China and has been practicing for many years. Has the following adequate abilities: perform accounting and financial analysis, industry experience. Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.		0

(2) Independence of the Board :

- ① The independence of board members is shown in the table above, it also disclosed that there is not a spouse or a relative within the second degree of kinship with any Director, and there is no violation of the provisions of Article 26-3, paragraphs 3 and 4 of the Securities and Exchange Law.
- ② The overall independence of the company's board of directors. The company currently has 7 directors, including 3 independent directors, accounting for 43% of the board members; another 3 directors are employees, accounting for 43%, and 1 outside director; 4 outside directors (including independent directors), accounting for the board members 57%. The company established the audit committee to substitute for supervisors function.
- ③ Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto:

1.2 Information on president, Vice president, and the supervisors of all divisions and branch units :

MAR 31,2025

Title	Nationality or Place of Registration	Name	Gender	Date Effective	Current Shareholding		Shares currently held by their spouses and minor children		Shares held in the name of others		Main working (education) experience	Concurrent positions in other companies	Managers who are Spouses or Within Two Degrees of Kinship			Remarks (Note 1)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	R.O.C.	CHEN, BING-CHUN	Male	2024/12/01	0	0	0	0	0	0	• National Tsing Hua University Public Policy and Management MA • Vice President, General Administration Division of ALGOLTEK TECHNOLOGY CO.,LTD • Head of Group Business Division of SINGATRON ENTERPRISE CO.,LTD	None	—	—	—	—
President of Major Subsidiary	USA	CARL ROBERT CUMMINGS	Male	2015/04/17	0	0	0	0	498,894	1.16	• S.J.D., Harvard Law School • Lawyer in Skadden	• Director, AST PRODUCTS, INC. • Director, AST VISIONCARE INC. • Director, MILLENNIUM BIOMEDICAL, INC.	—	—	—	—
President of Major Subsidiary	USA	SHIAO H CHANG	Female	2024/11/12	194,700	0.45	0	0	0	0	• Ph.D. Polymer Science and Engineering University of Massachusetts Amherst, Mass USA • President, MILLENNIUM BIOMEDICAL, INC.	• Director, MILLENNIUM BIOMEDICAL, INC.	—	—	—	—
R&D Supervisor (Note 2)	R.O.C.	TSENG, WEN-CHU	Male	2016/03/18	531,719	1.23	242,071	0.56	1,535,600	3.56	• University of Massachusetts Lowell Computer Engineering MA • President & R&D Supervisor, ICARES MEDICUS, INC.	• Vice General Manager, AST PRODUCTS, INC. • Responsible Person, W TSENG HOLDINGS LLC	—	—	—	—
Vice President of R&D and Operations	R.O.C.	LIN, CHUN-MING	Male	2017/06/26	69,027	0.16	5	-	0	0	• Da - Yeh University Bachelor of Mechanical Engineering • Vice President - APPLIED NANO TECHNOLOGY SCIENCE,INC	• Director, APPLIED NANO TECHNOLOGY SCIENCE,INC • Director, ACME TOOLING TECHNOLOGY CO., LTD.	—	—	—	—
Financial and Accounting Supervisor & Corporate Governance Supervisor	R.O.C.	CHEN, TAN-LI	Female	2017/01/11	42,204	0.10	0	0	0	0	• Soochow University Bachelor of Business Administration • Internal Auditor Manager- WIN WIN PRECISION TECHNOLOGY • Internal Auditor ASSISTANT MANAGER - LUXNET CORPORATION	• Director, ICARES MEDICUS (HONG KONG) LIMITED • Director, ACME TOOLING TECHNOLOGY CO., LTD. • Supervisor - MAXUS MEDICAL CO., LTD	—	—	—	—
Chairman Special Assistant	R.O.C.	CHU, SHIH-KAI	Male	2021/01/01	29,916	0.07	0	0	0	0	• National Taiwan University Bachelor of Economic • President, MAXUS MEDICAL CO., LTD	• Director, ICARES MEDICUS (HONG KONG) LIMITED • Chairman & President & Accounting Supervisor, MAXUS MEDICAL CO., LTD • Director, MAXUS VISIONCARES (HONG KONG) LIMITED	—	—	—	—
President (Note 3)	UAS	WILLIAM LEE	Male	100/07/14							—					
CEO (Note 4)	R.O.C.	LOH, IH-HOUNG	Male	2016/12/07							—					

(Note 1) If the President (or equivalent top executive) and the Chairman are the same person, spouses, or first-degree relatives, the reasons, rationale, necessity, and corresponding measures should be explained.

(Note 2) Appointed to a relevant managerial position in March 2016; resigned as Group Chief R&D Officer and appointed as the Company's R&D Supervisor on January 7, 2025.

(Note 3) Appointed to a relevant managerial position in July 2011; resigned as the Company's President on November 30, 2024, and as the Company's R&D Supervisor on January 7, 2025.

(Note 4) Appointed to a relevant managerial position in December 2016; resigned as Group CEO on January 7, 2025.

1.3 Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto: None.

2. Remuneration paid during the most recent fiscal year to directors, the president, and vice presidents :

2.1 Remuneration of Directors

As of DEC 31 2024 ; Unit: NT\$ thousands ; %

Title	Name	Director's remuneration								Sum of A+B+C+D & ratio of net income after tax		Remuneration from concurrent position as employee							Sum of A+B+C+D+E+F+G & ratio of net income after tax		Compensation Received from Non- consolidated Affiliates	
		Cash compensation (A)		Pension (B)		Remuneration from profit distribution (C)		Business expenses (D)				Salaries, bonuses and special expenses(E)		Pension(F)		Profit distribution for employee compensation (G) (Note)						
		ICAR ES	From All Conso lidate d Entitie s	ICA RES	From All Conso lidate d Entitie s	ICA RES	From All Consolida ted Entities	ICAR ES	From All Consolida ted Entities	ICARE S	From All Consolida ted Entities	ICAR ES	From All Consolida ted Entitie s	ICARES		From All Consolidated Entities		ICARES	From All Consolidated Entities			
Chairman	LOH, IH-HOUNG	0	0	0	0	250	250	0	0	250/0.24	250/0.24	692	14,417	0	337	29	0	29	0	971/0.94	15,033/14.58	None
Vice Chairman	WILLIAM LEE	0	0	0	0	250	250	0	0	250/0.24	250/0.24	692	8,087	0	212	0	0	0	0	942/0.91	8,549/8.29	None
Director	TSENG, WEN-CHU	0	0	0	0	250	250	0	0	250/0.24	250/0.24	657	4,546	36	144	29	0	29	0	972/0.94	4,969/4.82	None
Director	ZONG-YUAN INTERNATIONAL LTD	0	0	0	0	250	250	0	0	250/0.24	250/0.24	0	0	0	0	0	0	0	0	250/0.24	250/0.24	None
Independent Director	GUO, JHIH-YING	180	180	0	0	300	300	0	0	480/0.47	480/0.47	0	0	0	0	0	0	0	0	480/0.47	480/0.47	None
Independent Director	TAN, KAI-YUAN	180	180	0	0	300	300	0	0	480/0.47	480/0.47	0	0	0	0	0	0	0	0	480/0.47	480/0.47	None
Independent Director	GUO, JHIH-CIOU	180	180	0	0	300	300	0	0	480/0.47	480/0.47	0	0	0	0	0	0	0	0	480/0.47	480/0.47	None

Note : As the Company has not yet resolved the amount of employee compensation for managerial officers for 2024, the estimated distribution amount is based on the 2023 employee compensation policy.

2.1.1 The independent director's remuneration payment policy, system, standards and structure, and describe the relevance to the amount of remuneration according to the responsibilities, risks, time invested and other factors:

According to the regulations of Article 22 and Article 28 of the company's articles of association, the board of directors of the company refers to the general industry level and the appropriate remuneration according to the profession of each independent director, and makes a reasonable combination of its risks, time invested and meeting attendance Of directors' remuneration distribution.

2.1.2 In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises) :

None.

Range of Remuneration

Range	Name of Directors			
	A+B+C+D		A+B+C+D+E+F+G	
	ICARES	From All Consolidated Entities	ICARES	From All Consolidated Entities
Under NT\$1,000,000	LOH, IH-HOUNG、TSENG, WEN-CHU、WILLIAM LEE、TAN, KAI-YUAN、GUO, JHIH-CIOU、GUO, JHIH-YING、ZONG-YUAN INTERNATIONAL LTD	LOH, IH-HOUNG、TSENG, WEN-CHU、WILLIAM LEE、TAN, KAI-YUAN、GUO, JHIH-CIOU、GUO, JHIH-YING、ZONG-YUAN INTERNATIONAL LTD	LOH, IH-HOUNG、TSENG, WEN-CHU、WILLIAM LEE、TAN, KAI-YUAN、GUO, JHIH-CIOU、GUO, JHIH-YING、ZONG-YUAN INTERNATIONAL LTD	ZONG-YUAN INTERNATIONAL LTD、TAN, KAI-YUAN、GUO, JHIH-YING、GUO, JHIH-CIOU
NT\$ 1,000,000~NT\$ 1,999,999	—	—	—	—
NT\$ 2,000,000~NT\$ 3,499,999	—	—	—	—
NT\$ 3,500,000~NT\$ 4,999,999	—	—	—	TSENG, WEN-CHU
NT\$ 5,000,000~NT\$ 9,999,999	—	—	—	WILLIAM LEE
NT\$10,000,000~NT\$ 14,999,999	—	—	—	—
NT\$15,000,000~NT\$ 29,999,999	—	—	—	LOH, IH-HOUNG
Total	7	7	7	7

2.2 Remuneration of Supervisors: None. The company established the audit committee to substitute for supervisors function.

2.3 Remuneration of President, Vice president

As of DEC 31 2024 ; Unit: NT\$ thousands ; %

Title (Note 1)	Name	Salaries (A)		Pension (B)		Bonuses and special expenses (C)(Note 2)		Profit distribution for employee compensation (D)(Note3)				Sum of A+B+C+D & ratio of net income after tax		Compensation Received from Non-consolidated Affiliates
		ICARES	From All Consolidated Entities	ICARES	From All Consolidated Entities	ICARES	From All Consolidated Entities	ICARES		From All Consolidated Entities		ICARES	From All Consolidated Entities	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
CEO	LOH, IH-HOUNG	6,701	37,794	317	1,089	4,590	14,557	369	0	369	0	11,977	53,809	None
R&D Supervisor	TSENG, WEN-CHU													
President	CHEN, BING-CHUN													
President	WILLIAM LEE													
VP of R&D and Operations	LIN, CHUN-MING													
VP of Finance	CHEN, TAN-LI													
President of Major Subsidiary	CARL ROBERT CUMMINGS													
President of Major Subsidiary	SHIAO H CHANG													
President of Major Subsidiary	CHU, SHIH-KAI													

Note 1 : Details regarding the appointment status of each position can be found on page 10 of this annual report

Note 2 : Salary expenses recognized in accordance with IFRS2 "Share-based Payment", including obtaining employee warrants, restricting employee rights, new shares, and participating in capital increase subscription shares, are also included in remuneration.

Note 3 : As the Company has not yet resolved the amount of employee compensation for managerial officers for 2024, the estimated distribution amount is based on the 2023 employee compensation policy.

Range of Remuneration

Range	Name of President, Vice president	
	ICARES	From All Consolidated Entities
Under NT\$1,000,000	LOH, IH-HOUNG 、 TSENG, WEN-CHU 、 WILLIAM LEE 、 CHEN, BING-CHUN	CHEN, BING-CHUN
NT\$ 1,000,000~NT\$ 1,999,999	CHU, SHIH-KAI	—
NT\$ 2,000,000~NT\$ 3,499,999	CHEN, TAN-LI	CHEN, TAN-LI
NT\$ 3,500,000~NT\$ 4,999,999	—	SHIAO H CHANG 、 TSENG, WEN-CHU
NT\$ 5,000,000~NT\$ 9,999,999	LIN, CHUN-MING	LIN, CHUN-MING 、 CHU, SHIH-KAI 、 CARL ROBERT CUMMINGS 、 WILLIAM LEE
NT\$10,000,000~NT\$14,999,999	—	—
NT\$15,000,000~NT\$29,999,999	—	LOH, IH-HOUNG
Total	7	9

2.4 Disclose the individual remuneration paid to each of its top five management personnel:

As of DEC 31 2024 ; Unit: NT\$ thousands ; %

Title (Note 1)	Name	Salaries (A)		Pension (B)		Bonuses and special expenses (C)(Note 2)		Profit distribution for employee compensation (D)(Note3)				Sum of A+B+C+D & ratio of net income after tax	Compensation Received from Non-consolidated Affiliates	
		ICARES	From All Consolidated Entities	ICARES	From All Consolidated Entities	ICARES	From All Consolidated Entities	ICARES		From All Consolidated Entities				
								Cash Amount	Stock Amount	Cash Amount	Stock Amount	ICARES		From All Consolidated Entities
CEO	LOH, IH-HOUNG	600	11,839	0	337	92	2,578	29	0	29	0	721/0.70	14,783/14.34	None
President	WILLIAM LEE	600	7,681	0	212	92	406	0	0	0	0	692/0.67	8,299/8.05	None
VP of R&D and Operations	LIN, CHUN-MING	2,319	2,319	108	108	2,469	2,469	119	0	119	0	5,015/4.86	5,015/4.86	None
President of Major subsidiary	CARL ROBERT CUMMINGS	0	3,853	0	116	0	1,076	0	0	0	0	0/0	5,045/4.89	None
President of Major subsidiary	CHU, SHIH-KAI	1,092	2,856	72	72	337	6,113	58	0	58	0	1,559/1.51	9,099/8.82	None

Note 1 : Details regarding the appointment status of each position can be found on page 10 of this annual report.

Note 2 : Salary expenses recognized in accordance with IFRS2 "Share-based Payment", including obtaining employee warrants, restricting employee rights, new shares, and participating in capital increase subscription shares, are also included in remuneration.

Note 3 : As the Company has not yet resolved the amount of employee compensation for managerial officers for 2024, the estimated distribution amount is based on the 2023 employee compensation policy.

2.5 Employees' Compensation of the Management Team:

As of DEC 31, 2024 ; Unit: NT\$ thousands

Title (Note1)	Name	Employees' Compensation- in Stock	Employees' Compensation- in Cash (Note2)	Total	Ratio of Total Amount to Net Income (%)
CEO	LOH, IH-HOUNG	0	369	369	0.36
President	CHEN, BING-CHUN				
R&D Supervisor	TSENG, WEN-CHU				
VP of R&D and Operations	LIN, CHUN-MING				
Financial and Accounting Supervisor	CHEN, TAN-LI				
Chairman Special Assistant	CHU, SHIH-KAI				

Note 1 : Details regarding the appointment status of each position can be found on page 10 of this annual report.

Note 2 : As the Company has not yet resolved the amount of employee compensation for managerial officers for 2024, the estimated distribution amount is based on the 2023 employee compensation policy.

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

2.6.1 The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, president, and vice president :

Unit : %

Title	2024		2023	
	ICARES	From All Consolidated Entities	ICARES	From All Consolidated Entities
Directors	2.37	2.37	2.14	2.14
Supervisors(Note)	—	—	—	—
President and Vic President	11.61	52.18	11.61	38.82

Note : We established the audit committee to substitute for supervisors function.

2.6.2 Analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure:

(1) The remuneration policy of directors and supervisors :

- ① The remuneration is include Compensation, business expenses and remuneration from profit distribution. The Company, when reporting profit ,shall allocate no higher than a 2 percent as the directors' remunerations, according to the comprehensive evaluation of the directors' participation in the company's operation, after being reviewed by the Salary and Remuneration Committee, it will be issued to the Board of Directors for discussion and approval.
- ② The Company assesses the professionalism of each independent director, and after deliberation by the Remuneration Committee, submits it to the Board of Directors for discussion and approval to regularly pay each independent director.

(2) The remuneration policy of president and vice presidents :

The remuneration is include salary, bounds and employees' compensation. A reasonable remuneration is based on the relevant personnel-related provisions of the Company, and the salary level of the industry and the responsibility and contribution of each employee, after being reviewed by the Salary and Remuneration Committee, it will be issued to the Board of Directors for discussion and approval.

(3) Analyze the remuneration linkage to operating performance and future risk exposure :

The remuneration of directors, president and vice presidents is is based on is based on the relevant personnel-related provisions of the Company, and the salary level of the industry and the responsibility and contribution. The remuneration of directors, president and vice presidents will be reviewed by remuneration committee.

3. Corporate Governance

3.1. Information on implementation of Board of Directors

According to the management methods formulated by the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the board of directors should have a diversified structure, pay attention to gender equality, and generally possess the knowledge, skills, and qualities necessary to perform duties. In order to achieve the ideal goal of corporate governance, the board of directors as a whole should have the following capabilities as follows:

- (1) Ability to make operational judgments.
- (2) Ability to perform accounting and financial analysis.
- (3) Ability to conduct management administration.
- (4) Ability to conduct crisis management.
- (5) Knowledge of the industry.
- (6) An international market perspective.
- (7) Ability to lead.
- (8) Ability to make policy decisions.

Please refer to pages 4 to 9 of this annual report for the gender, experience and related qualifications of the current board members of the company.

A total of 7 (A) meetings of the Board of Directors were held during the most recent fiscal year.

The attendance of director and supervisor were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Chairman	LOH, IH-HOUNG	7	0	100%	None
Vice Chairman	WILLIAM LEE	7	0	100%	Note 1
Director	TSENG, WEN-CHU	7	0	100%	Note 2
Director	ZONG-YUAN INTERNATIONAL LTD. REPRESENTATIVE YAN, YING-ZONG	6	1	86%	None
Independent director	GUO, JHIH-YING	7	0	100%	None
Independent director	TAN, KAI-YUAN	7	0	100%	None
Independent director	GUO, JHIH-CIOU	7	0	100%	None

Note 1 : Director WILLIAM LEE has taken over the position of Vice Chairman since December 1, 2024.

Note 2 : Director TSENG, WEN-CHU has resigned from the position of Vice Chairman since December 1, 2024.

Other mentionable items:

1. If any of the following circumstances happens in the operation of the Board of Directors, it shall describe the date, term, agenda, opinions of independent directors and the Company's treatment of these opinions:

(1) The provision of the Securities and Exchange Act, Article 14-3:

The Company has established an Audit Committee and is therefore not subject to the provisions of Article 14-3 of the Securities and Exchange Act. For information regarding the matters specified in Article 14-5 of the Act, please refer to the section "Operation of the Audit Committee" (pages 18–20).

(2) In addition to the previous provisions, other resolutions of the Board meeting against which independent directors make objections or reserve opinions or submit written statements: None.

2. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting shall be specified:

BOD	Name of director	Subjects	Reason of avoidance	Participation in voting
2024.01.04	LOH, IH-HOUNG 、 TSENG,WEN-CHU 、 WILLIAM LEE	Proposal for the 2024 salary adjustment for managerial officers.	Related to personal interests	The directors who did not participate in the discussion are listed in the recusal table. The remaining attending directors approved the proposals as submitted.
	LOH, IH-HOUNG 、 TSENG,WEN-CHU 、 WILLIAM LEE	Proposal for the 2023 year-end bonus distribution for managerial officers.	Related to personal interests	
2024.3.14	TAN, KAI-YUAN 、 GUO, JHIH-YING 、 GUO,JHIH-CIOU	Distribute independent directors' 2023 compensation.	Related to personal interests	
	LOH, IH-HOUNG 、 TSENG,WEN-CHU 、 WILLIAM LEE 、 YAN, YING-ZONG	Distribute non independent directors' 2023 compensation.	Related to personal interests	

3. Evaluation of the performance of the Board of Directors

Cycle of Evaluation	Period of Evaluation	Scope of Evaluation	Method of Evaluation	Content of Evaluation
Once a Year	Every Year 01.01~12.31	The respective performance of the Board of Directors, individual directors, Audit Committee, and Remuneration Committee	Internal evaluation of the board (agenda working group), self-evaluation by individual board members	(Note 1)

Note 1:

The 2024 Evaluation had completed. Evaluating the performance of the board of directors, which cover the following five aspects:

- 1.Participation in the operation of the company;
- 2.Improvement of the quality of the board of directors' decision making;
- 3.Composition and structure of the board of directors;
- 4.Election and continuing education of the directors; and
- 5.Internal control.

The criteria for evaluating the performance of the board members (on themselves or peers), should cover, at a minimum, the following six aspects:

- 1.Alignment of the goals and missions of the company;
- 2.Awareness of the duties of a director;

3. Participation in the operation of the company;
4. Management of internal relationship and communication;
5. The director's professionalism and continuing education; and
6. Internal control.

The criteria for evaluating the performance of functional committees should cover, at a minimum, the following five aspects:

1. Participation in the operation of the company;
2. Awareness of the duties of the functional committee;
3. Improvement of quality of decisions made by the functional committee;
4. Makeup of the functional committee and election of its members and
5. Internal control.

4. Evaluation of the functions of the board of directors in the current year and last year :

The company's board of directors is convened at least once a quarter, and each time the board of directors reports to the directors on the implementation of the minutes of the last meeting and the current operating situation, the board of directors can fully grasp the progress of the implementation and implement the operating decisions.

In 2024 and up to the date of publication of the annual report, the board of directors implemented the following matters:

- (1) All directors completed a 6-hour refresher course in 2024.
- (2) After the end of 2024, the board of directors conducted a self-evaluation.
- (3) In line with corporate governance and sustainable operations, the Company and its subsidiaries have established a schedule for greenhouse gas inventory and verification. Progress has been reported quarterly to the Board of Directors throughout 2024.
- (4) In line with corporate governance and sustainable operations, the Board of Directors approved the "Sustainability Information Management Guidelines" in 2024. Following the approval, the Company commenced the preparation of its 2024 Sustainability Report.
- (5) To promote board diversity, the nomination list for the next board term, submitted in March 2025, includes a female candidate for independent director..

Strengthen the efficiency of corporate governance and strengthen the operation of the board of directors; the company has an audit committee and a salary and remuneration committee. For the operation status, please refer to pages 18 to 20, and pages 26 to 28 of this annual report.

3.2 The operation of the Audit Committee or Supervisor : :

The Audit Committee consists of three independent directors of the company. Please refer to pages 5-8 of this report for their qualifications and independence.

3.2.1. The annual work focus of the audit committee:

This committee meets at least once a quarter and may convene meetings as often as necessary.

The main authority matters are as follows:

- (1) Establish or amend the internal control system in accordance with Article 14-1 of the SEA.
- (2) Assess the effectiveness of the internal control system.

- (3) Establish or amend procedures for obtaining or disposing of assets, engaging in derivatives transactions, and handling material monetary loans in accordance with Article 36-1 of the SEA.
- (4) Matters involving Director's personal interests.
- (5) Material asset or derivatives transactions.
- (6) Material monetary loans.
- (7) The offering, issuance, or private placement of any equity-type securities.
- (8) Appointment, dismissal, or remuneration of external auditors.
- (9) Appointment and dismissal of financial, accounting, or internal auditing supervisors.
- (10) Annual financial statements signed or sealed by the Chairman, manager and accounting officer and semi-annual financial statements audited and certified by the CPAs.
- (11) Material matters related to other companies or competent authorities.

3.2.2. The operation of the Audit Committee

A total of 6 (A) meetings of the Audit Committee were held during the most recent fiscal year. The attendance of independent directors were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Independent director	GUO, JHIH-YING	6	0	100%	None
Independent director	TAN, KAI-YUAN	6	0	100%	None
Independent director	GUO, JHIH-CIOU	6	0	100%	None

Other mentionable items:

1. If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:

(1) The provision of the Securities and Exchange Act, Article 14-5:

Audit Committee	Subjects	Opinions of independent directors	Company's treatment of the opinions.
2024.3.14	1.The "Statement of Internal Control System" of the Company for 2023. 2.The Company's 2023 Business Report and Financial Statements. 3.The Company's 2023 Profit Allocation Proposal. 4.New Share Issue Through Capitalization of Earnings . 5.Cash Offering by Private Placement.	Agreed	None
2024.4.17	1.Purchase Millennium Biomedical, Inc. s'shares. 2.Participation in Cash Capital Increase Proposal for Invested Company. 3.Subsidiary MAXUS's Implementation of Employee Stock Ownership Plan (Employee Stock Options) for the Year 2024.	Agreed	None
2024.5.8	1.Evaluation of the suitability and independence of appointed CPAs and the delegation compensation 2024.	Agreed	None

	2.Financial statements of the first quarter, 2024.		
2024.6.20	1.Funding arrangement by the Company for its U.S. subsidiary ASTVC to acquire equity in MBI. 2.The overdue receivables of the company group are judged as loaning of funds.	Agreed	None
2024.8.9	1.Financial statements of the second quarter, 2024. 2.The overdue receivables of the company group are judged as loaning of funds. 3.A subsidiary to lend funds to others. 4.Amendments to the 2023 Cash Capital Increase Fund Utilization Plan.	Agreed	None
2024.11.12	1.Financial statements of the third quarter, 2024. 2.The company's 2025 annual audit plan. 3.Establish Company management guidelines and revise the internal control system. 4.A subsidiary to lend funds to others. 5.Reassign the Company's President.	Agreed	None

(2) In addition to the previous provisions, other resolutions not passed by the Audit Committee, however, approved by two third of the Board of Directors: None.

2. The avoidance of conflict of interest on the side of the independent directors: None.

3. The communication between the independent directors and the internal audit managers and accountants shall include the essential events, ways and results of the Company's finance and business condition:

⊙ Communication situation between audit supervisor and independent director:

The audit supervisor of the company regularly sends the audit report and tracking improvement situation completed last month to members for review at the end of each month; the audit supervisor attends the report or discusses each time the audit committee is convened.

⊙ Communication between accountants and independent directors:

Prior to the review of this year's financial report, the accountant communicated to the independent directors and other directors the preliminary assessment of the scope of the review and key verification matters by file.

After the audit of the financial report for the year, the audit accountant separately reported to the independent directors the scope of the audit, the opinions and results of the accountant's audit report, and the description of the key audit matters.

⊙ Independent directors can also check the company's financial and business execution status at any time. If they have any questions about the company's related operations, they can immediately communicate with the relevant unit supervisors and review and improve them.

3.2.3 The operation of the Supervisors :

None. We established the audit committee to substitute for supervisors function.

3.3 Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed companies”:

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
1. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		The company has formulated management methods suitable for the company in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEX ,and which is disclosed on the company's website and MOPS.	There have been no differences
2. Shareholding structure & shareholders’ rights (1) Does the Company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure? (2) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares? (3) Does the Company establish and execute the risk management and firewall system within its conglomerate structure? (4) Does the Company establish internal rules against insiders trading with undisclosed information?	V V V V		(1) The company has spokesman & acting spokesman for handling shareholder suggestions or dispute resolution. Their contact information is disclosed in the MOPS and the annual report. (2) The day-to-day share related business has been delegated to Mega Securities Co., Ltd, and the major shareholders and the ultimate controller of the major shareholders are kept in check based on the register of shareholders provided by Mega, therefor the company can know the major shareholders. And the major shareholders are disclosed in the annual report. (3) By made some rules, the Company establish and execute the risk management and firewall system within its conglomerate structure. (4) The company made the following rules : The Corporate Governance Best-Practice Principles, Ethical Corporate Management Best Practice Principles, Guidelines for Ethical Conduct, Procedures for Handling Material Inside Information.	(1) There have been no differences (2) There have been no differences (3) There have been no differences (4) There have been no differences
3. Composition and Responsibilities of the Board of Directors (1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented? (2) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	V V		(1) According to the Corporate Governance Best-Practice Principles formulated by the company, the structure of the board of directors should be diversified. The management objectives and implementation, please refer to pages 4~10, 16~18 of this annual report. (2) Articles of Incorporation has declared that the board can establish functional committees, and the Organizational charter should be approved by the board. Except the Remuneration Committee and the Audit Committee have been established, there is not yet necessary to establish other functional committees for the business operation, which will be established as needed.	(1)There have been no differences (2) As abstract explanations

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(3) Does the Company establish a standard to measure the performance of the Board, and implement it annually, and report the results of performance evaluation to the board of directors, and apply to individual directors' remuneration and nomination renewal reference?	V		(3) The company has formulated the "board self-assessment or peer assessment.", self-evaluation will be conducted every year, the 2024 Evaluation had completed, and presented the evaluation results as reference for the members in the salary and remuneration committee and board report in the first quarter of 2025.	(3) There have been no differences
(4) Does the Company regularly evaluate the independence of CPAs?	V		<p>(4) The Company regularly reviews and evaluates the independence and qualifications of CPAs by the Audit Committee every year, and then submits it to the Board of Directors for discussion.</p> <p>The appointment of the certifying accountants for the Company’s 2024 fiscal year was approved after obtaining the Audit Quality Indicators (AQI) and the Statement of Independence from the proposed accounting firm. The Audit Committee reviewed and assessed the independence and competency of the proposed accountants based on the aforementioned documents and the evaluation criteria listed below. Following the Audit Committee’s approval in May 2024, the appointment was submitted to the Board of Directors and subsequently approved. Mr. Hung-Wen Fu and Mr. Shih-Kang Hung of KPMG Taiwan were appointed to provide audit services for the 2024 fiscal year.</p> <ul style="list-style-type: none"> ● The scale of the CPA firm: the top four joint accounting firms in Taiwan. ● Independence: The visa CPAs is not a shareholder of the company, has not worked in the company's group or served as a director or supervisor for the past two years, has no family relationship with the management of the company's group, and has obtained an accountant's independent statement. ● Quality: The auditor's qualifications meet the requirements for auditing. They have not been subject to any disciplinary actions by the Financial Supervisory Commission (FSC) in the past three years, and their past service quality and communication with the company's internal teams have been deemed satisfactory. <p>The relevant procedures and results will be disclosed on the Company's website - Investor Relations/Corporate Governance section.</p>	(4) There have been no differences
4. Does the Company designate a full-time (part-time) unit or personnel to take charge of the Company’s governance	V		In May 2022, the board of directors approved the appointment of Chen,Tan-Li, the director of finance and accounting, as the chief corporate governance	There have been no differences

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
businesses (including but not limited to providing required data to the directors and supervisors, performing related events of the Board and the shareholder meetings by law, conduct the Company’s registration and the amendment of the registration)?			officer. She has more than 15 years of experience in financial and internal auditing of public offering companies. In 2024, she completed 12 hours of annual continuing education in accordance with regulatory requirements. Details of the training are disclosed on the Company's website under Investor Relations > Corporate Governance. The chief corporate governance officer is responsible for assisting the operation of the board of directors and functional committees and their needs, assisting directors and supervisors to comply with laws and regulations, and responsible for the operation of the shareholders' meeting, as well as the implementation of the company's sustainable management and greenhouse gas inventory.	
5. Does the Company setup communication channels between the investors (including but not limited to the shareholders, employees and suppliers), establish the Investor Relation area on the Company’s website and respond to the issues of corporate social responsibilities concerned by the investors?	V		The company's website has a "stakeholder contact area" for stakeholders (not limited to shareholders, employees, customers and suppliers, etc.) to leave a message or send an e-mail to the relevant contact window, there is a person responsible for responding to related questions.	There have been no differences
6. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The day-to-day share related business has been delegated to Taishin Securities Stock Transfer Agency Department.	There have been no differences
7. Information Disclosure (1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance? (2) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)? (3) Is the company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?	V V		(1) The company has established website to disclose both financial standings and the status of corporate governance. (http://www.icaresmedicus.com/investor) (2) The company has appointed dedicated personnel to collection and disclosure of company information, and set up spokesman & acting spokesman. In addition, the video materials of the recent conferences have been placed on the company's website. (3) The company not publish and report its annual financial report within two months after the end of a fiscal year, however, the quarterly financial statements and monthly operating results were filed as early as possible within the statutory deadlines..	(1) There have been no differences (2) There have been no differences (3) As abstract explanation
8. Is there any other important information to facilitate a better understanding of the Company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and	V		(1) Employee benefits and employee care: The company attaches great importance to labor relations, treats employees with integrity, protects employees' rights and interests according to the law, and holds regular labor-management meetings to provide a smooth communication channel for employees. Through a good education and	There have been no differences

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
supervisors’ training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			<p>training system, employees can contribute to their work. Establishment of the Staff Welfare Committee in accordance with the law, to handling employee benefits.</p> <p>(2) Investor relation : The company aims to protect shareholders' equity and treat all shareholders fairly. Announce major information in the MOPS immediately about the company, such as finance, business, and shares change of director, supervisor, managerial officer, or shareholder holding more than ten percent of the shares of the company . The company's website also has an investor area to expose the company's financial business and corporate governance information.</p> <p>(3) Supplier relations: The company has good relation with suppliers, and has clearly communication, to make both win.</p> <p>(4) Rights of stakeholders : Stakeholders can communicate with the company and make suggestions to protect their legitimate rights and interests.</p> <p>(5) Directors’ training records : Directors have relevant professional knowledge. They have been trained according to the regulations (Note 1) and meet the requirements for the number of hours of study.</p> <p>(6) The implementation of risk management policies and risk evaluation measures : The Company follows the spirit of the company's internal control system. Each department regularly conducts internal self-assessment and is then reviewed and improved by auditors to reduce operational risks.</p> <p>(7) The implementation of customer relations policies : The company maintains a stable and good relationship with customers and upholds the customer-first policy to create company profits.</p> <p>(8) Purchasing insurance for directors : The company has purchased director liability insurance to strengthen the protection of shareholders' rights.</p> <p>(9) An “Investor Relations / Corporate Governance” section is available on the Company’s website to provide shareholders and investors with access to relevant corporate governance information.</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
<p>9. The Company shall describe the improvements with reference to the corporate governance evaluation results issued by the CG Center of Taiwan Stock Exchange Corporation, and shall make available the prioritized enhanced measures for the matters that have not been improved:</p> <p>In response to the results of corporate governance evaluation, the Company has continuously strengthened various corporate governance matters such as the maintenance of shareholders' rights and interests, the operation of the board of directors, information transparency and promoting the sustainable development.</p>				

Note 1 : Directors’ training records

Title	Name	Study period	Sponsoring Organization	Course	Hours
Chairman	LOH, IH-HOUNG	2024/07/06	Accounting Research and Development Foundation	Legal Responsibilities and Cases Related to the Company's "Competition for Management Rights"	3
		2024/10/30	Corporate Operating and Sustainable Development Association(COSDA)	Practical analysis of equity investment planning and joint venture agreements for M&A	3
Vice Chairman	WILLIAM LEE	2024/07/23	Taiwan Corporate Governance Association	The Risk Trends of Smart Technologies in the Cloud Generation	3
		2024/07/26	Taiwan Corporate Governance Association	Based on TIPS - What an Enterprise should do to Prevent and Control Intellectual Property Risks	3
Director	TSENG, WEN-CHU	2024/10/08	The Institute of Internal Auditors-Chinese	The Shock of the Internal Auditor’s morality and ethics meets the White Collar Crime	6
Director	YAN, YING-ZONG	2024/11/12	Taiwan Academy of Banking and Finance	Corporate mergers and acquisitions and legal risks	3
		2024/12/10	Taiwan Academy of Banking and Finance	Sustainability Trend Analysis and Its Implications for Business Risks and Opportunities	3
Independent Director	TAN, KAI-YUAN	2024/08/06	Taiwan Corporate Governance Association	The latest regulations and trends in corporate governance	3
		2024/09/04	Corporate Operating and Sustainable Development Association(COSDA)	Operating practice of Corporate Governance and Independent Director	3
Independent Director	GUO, JHIH-YING	2024/06/27	The Institute of Internal Auditors-Chinese	Reading analysis and application of financial statements	6
Independent Director	GUO, JHIH-CIOU	2024/06/12	Securities and Futures Institute	Specialized Program-Risk management, internal control, digital governance	3
		2024/07/24	Securities and Futures Institute	Trends and Challenges in International Financial Cybersecurity Regulation	3

3.4 Organization, responsibilities and operation status of the Remuneration Committee or Nomination committee:

3.4.1. Information on members of the Remuneration Committee

MAR 31,2025

Title & Name	Prerequisite	Professional Qualifications	Independence Analysis	Concurrent member of Remuneration Committee position in other publicly traded companies
Independent Director GUO, JHIH-YING	Has over 5 years Work Experience of an instructor or higher in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the company in a public or private junior college, college, or university.	Ph.D. of Electrical Engineering. Currently, he is an associate professor of the Department of Information Management, and has also served as a R&D manager in the industry. Has the following adequate abilities: professional information management , and management experience in the industry Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	1. Not a spouse or a relative within the second degree of kinship with any Director or Managers. 2. Self or spouse or a relative within the second degree of kinship is not employed by the company or an affiliate and not director or supervisor. 3. Self or spouse or a relative within the second degree of kinship is not the shareholders of the company, and no the situation of shares held in the name of others.	0
Independent Director TAN, KAI-YUAN	Has over 5 years Work Experience of a judge, public prosecutor, attorney, certified public accountant, or other professional or technical specialist who has passed a national examination and been awarded a certificate in a profession necessary for the business of the company ,and is a professional medical personnel.	Hospital Administration MA. He has experience in medical systems such as the chairman of Medical Administration Office Department of Health, Executive Yuan, consultant, Central Clinic & Hospital, and Vice Superintendent of National Defense Medical Center. Has professional and extensive experience in medical and administrative. Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	4. Has not served as an independent director for more than three consecutive terms. 5. Comply with the relevant independence norm in Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies Article 3.	0

Title & Name	Prerequisite	Professional Qualifications	Independence Analysis	Concurrent member of Remuneration Committee position in other publicly traded companies
Independent Director GUO, JHHH-CIOU	Has over 5 years Work Experience of a judge, public prosecutor, attorney, certified public accountant, or other professional or technical specialist who has passed a national examination and been awarded a certificate in a profession necessary for the business of the company ,and is a CPA in Taiwan.	Accounting Bachelor's Degree. A CPA in the Republic of China and has been practicing for many years. Has the following adequate abilities: perform accounting and financial analysis, industry experience. Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.		0

3.4.2 Operation status of the Remuneration Committee :

- (1) There are 3 members in the Company's Remuneration Committee.
- (2) The duties of the Remuneration Committee are listed as the following, and it shall advice for the following issues to be presented to the Board of Directors for discussions.
 - ①Periodically review the organization charter of the Remuneration Committee and advice for amendments.
 - ②Establish and review periodically the annual and long-term performance targets for the directors and managers, as well as the policies, system, standards, and structure of Remunerations.
 - ③Periodically review the achievement of the performance for the directors and managers, and establish the contents and amount for each of them individually.
- (3) Current Term: From June 8, 2022 to June 7, 2025. The Remuneration Committee held 4 meetings during the most recent fiscal year, the qualifications and attendance of the Committee are shown as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Chairperson	GUO, JHHH-YING	4	0	100%	None
Member	TAN, KAI-YUAN	4	0	100%	None
Member	GUO, JHHH-CIOU	4	0	100%	None

Other mentionable items:

①The board of directors decline to adopt, or will modify, a recommendation of the Remuneration Committee: None.

②The resolutions of the Remuneration Committee which Committee member has oppositions or reservations:

Date	Subjects	Opinions of the Remuneration Committee	Company's treatment of the pinions.
2024.1.4	1. The 2024 salary adjustment for managerial officers. 2. The 2023 year-end bonus distribution for managerial officers.	Agreed.	Agreed.
2024.3.14	1. 2023 employees' remunerations. 2. Distribute directors' 2023 compensation. 3. Distribute non independent directors' 2023 compensation. 4. Distribute directors' 2023 compensation of independent director TAN, KAI-YUAN. 5. Distribute directors' 2023 compensation of independent director GUO, JHIH-YING. 6. Distribute directors' 2023 compensation of independent director GUO, JHIH-CIOU.	Except for item 4、5、6, committees avoidance of motions in conflict of interest, did not involved in the discussion and voting. Others items agreed.	Except for item 3、4、5、6, directors' avoidance of motions in conflict of interest, did not involved in the discussion and voting. Others items agreed.
2024.4.17	1.Compensation Plan for the Company's Managerial Officers.	Agreed.	Agreed.
2024.11.12	1.Compensation Plan for the Company's Managerial Officers.	Agreed.	Agreed.

3.4.3. Information on members of the Nomination Committee : Not set up.

3.5 The state of the company's promotion of sustainable development, any variance from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such variance

Evaluation Item	Implementation Status			Deviations from "The Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
1. Does the company established a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, authorized by the board of directors to handle senior management, and subject to board supervision?	V		In 2024, the Board of Directors approved the Company's "Regulations for the Management of Sustainability Information." Following the approval, the Company initiated the preparation of its 2024 Sustainability Report and established a Sustainability Development Task Force, chaired by the General Manager, to coordinate and implement related sustainability initiatives. In May 2022, the Board approved the establishment of a Corporate Governance Officer position, responsible for supporting the operations of the Board of Directors and	There have been no differences

Evaluation Item	Implementation Status			Deviations from “The Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>shareholders’ meetings, assisting directors with regulatory compliance, and promoting corporate governance and sustainability efforts.</p> <p>The Board has also approved the “GHG Inventory and Verification Timeline Plan for the Company and Its Subsidiaries,” which is led by the Corporate Governance Officer and reported to the Board on a quarterly basis.</p> <p>The Company expects to complete the 2024 Sustainability Report in May 2025.</p>	
2. Does the company conduct risk assessments of environmental, social and corporate governance issues related to the company’s operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		The management of the company will assess the current public health environment, industry trends, and telecommunications security environment, etc., and make relevant operational adjustments after assessing related risks.	There have been no differences
3. Environmental issues				
(1) Has the company established a suitable environment management system by nature of the industry?	V		(1) The company is a manufacturer of ophthalmological medical materials, and regularly receives QMS、GDP inspections and passes inspections.	There have been no differences
(2) Has the company made effort to enhance the efficient use of all resources and used regenerated materials to mitigate the impact on the environment?	V		(2) The company encourages the reuse of waste paper, resource recycling and waste sorting to make the resources as efficient as possible. In 2025, the Company also plans to develop “Environmental Friendly Preloaded IOL Delivery System” to meet future medical and environmental needs and reduce the generation of medical waste.	There have been no differences
(3) Does the company assess the potential risks and opportunities of climate change for companies now and in the future, and take measures to address climate-related issues?	V		(3) The management of the company will assess the current public health environment, industry trends, and telecommunications security environment, etc., and make relevant operational adjustments after assessing related risks.	There have been no differences
(4) Does the company count greenhouse gas emissions, water consumption, and total weight of waste over the last two years, and formulate policies for energy conservation and carbon reduction, greenhouse gas reduction, water consumption reduction, or other waste		V	(4) The Company has completed the compilation of 2023 data on: . Greenhouse gas (GHG) emissions . Water consumption . Total waste volume	As abstract explanation

Evaluation Item	Implementation Status			Deviations from “The Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
management?			<p>The 2024 data is nearing completion and will be disclosed in the Company’s 2024 Sustainability Report, scheduled for release in May 2025, and made available on the Company’s official website.</p> <p>To support carbon reduction efforts, the Company is:</p> <ul style="list-style-type: none"> . Strengthening data collection to identify optimal carbon reduction strategies . Implementing fixed temperature settings for air conditioning, with employee-managed usage to avoid excessive power consumption . Promoting video conferencing to reduce the need for travel and associated emissions 	
4. Social issues				
(1) Has the company established related management policy and procedure in accordance with applicable legal rules and international conventions on human rights?	V		(1) The Company formulates appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights to protect employees' right, and every employee are the assets of the company no matter what race, religion, gender, marital status and political position they are.	There have been no differences
(2) Has the company formulated and implemented reasonable employee benefits measures (including remuneration, vacation and other benefits, etc.), and appropriately reflect operating performance or results in employee remuneration?	V		(2) The company has work rules that set out the relevant rights and obligations. In addition, the company has a welfare committee in accordance with the law to provide employee birthday coupons, dinner gifts and irregular employee travel. The company distributes employee remuneration and adjusts employee salaries every year according to operating conditions.	There have been no differences
(3) Has the company provided a safe and health work environment for the employees, and provided education on labor safety and health regularly?	V		(3) The company provides employees with physical health checks and regular fire equipment every year test and regularly carry out education and training on fire safety and environmental safety for employees.	There have been no differences
(4) Has the company established the training program for the effective planning of career development for the employees?	V		(4) The company currently conducts training operations in accordance with regulations, departmental training or individual employee needs to establish effective career capacity development and training.	There have been no differences
(5) Regarding customer health and safety, customer privacy, of products and services, does the company	V		(5) The company has purchased product insurance, the relevant protection of consumer rights is handled in	There have been no differences

Evaluation Item	Implementation Status			Deviations from “The Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
<p>comply with relevant regulations and international standards, and formulate relevant consumer or customer protection policies and appeal procedures?</p> <p>(6) Has the company formulated a supplier management policy that required suppliers to follow relevant norms on specific issues, such as, environmental protection, occupational safety and health, or labor rights, and their implementation?</p>		V	<p>accordance with the provisions of the medical law, and the business window maintains communication channels with customers.</p> <p>(6) Not yet. If there is a need in the future operation, it will be executed.</p>	As abstract explanation
<p>5. Does the company refer to international criteria or guidelines for the preparation of reports, and compile reports on corporate non-financial information, such as, promotion of sustainable development reports? Did the aforementioned reports obtain the assurance or guarantee opinion of a third-party verification institute?</p>		V	<p>The Company is preparing its 2024 Sustainability Report based on internationally recognized reporting standards and guidelines. The report is scheduled for completion in May 2025.</p> <p>The current report will not be subject to assurance or verification by a third-party institution; however, such arrangements may be considered in the future if deemed necessary.</p>	As abstract explanation
<p>6. If the company has its “Promotion Of Sustainable Development Principle” formulated in accordance with the “The Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” please describe the difference between its operation and the established principles:</p> <p>The Company has established a Corporate Social Responsibility (CSR) Best Practice Principles, and its operations generally follow the "Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies." Relevant policies and procedures will be developed as needed in the future.</p>				
<p>7. Other information critical to the understanding of our bank’s promotion of sustainable development and how it is put into practice: None.</p>				

© Implementation Of Climate-Related Information

Item	Implementation status
<ol style="list-style-type: none"> 1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities. 2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term). 3. Describe the financial impact of extreme weather events and transformative actions. 4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system. 5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described. 6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks. 7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated. 8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified. 9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan. 	<ol style="list-style-type: none"> 1.The company's management has submitted the Group's greenhouse gas inventory and verification schedule plan, which has been approved by the board of directors. The company reports its execution status to the board of directors on a quarterly basis. 2.The company is currently executing its plan to collect and identify relevant carbon emission information to determine the best direction for carbon reduction. Events derived from extreme weather conditions have not had a significant impact on the company's financial operations. The company will adhere to relevant regulations from regulatory authorities and undertake environmental initiatives related to carbon emission reduction in accordance with its corporate social responsibility. ° 3.Extreme weather conditions currently have not had a significant financial impact on the company group. There is currently no need for the company to undertake any transformational actions. 4.The company group will continue to execute its plan as scheduled, collecting and identifying relevant carbon emission information to determine the best direction for carbon reduction. 5.Not applicable, as our company did not utilize this assessment procedure. 6.Not applicable, as there is currently no need for the company to undertake transformational actions. 7. The company did not utilize this operation. 8.The company currently does not have climate-related goals. However, the management has submitted the Group's greenhouse gas inventory and verification schedule plan, which has been approved by the board of directors. Additionally, the company reports its execution status to the board of directors on a quarterly basis. The Company has completed the compilation of greenhouse gas emissions data for 2023. The data for 2024 is nearing completion. Information on the current scope and volume of the Company's greenhouse gas emissions will be disclosed in the 2024 Sustainability Report, scheduled for release in May 2025, and will be made available on the Company's website. 9.Currently, our company has not yet met disclosure standards, but we have been executing related operations according to our company's plan. The Company has completed the compilation of greenhouse gas emissions data for 2023. The data for 2024 is nearing completion. Information on the current scope and volume of the Company's greenhouse gas emissions will be disclosed in the 2024 Sustainability Report, scheduled for release in May 2025, and will be made available on the Company's website.

3.6 The Bank’s ethical corporate management performance and its difference from the “Ethical Corporate Management Best-Practices Principles for TWSE/GTSM Listed Companies” and the root causes

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Has the company formulated an ethical corporate management policy that was approved by the board of directors, and clearly specified in the rules and external document the ethical corporate management policies and strategies and the commitment by the board of directors and senior management on rigorous and thorough implementation of the policies in internal management and in commercial activities?</p> <p>(2) Has the company had established a risk assessment mechanism against unethical conduct, regularly analyzed and assessed business activities within the business scope which were at a higher risk of being involved in unethical conduct and established prevention programs accordingly that at least included the preventive measures against the conducts specified in Article 7, paragraph 2 of the “Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies?”</p> <p>(3) Does the Company establish appropriate precautions against high-potential unethical conducts or listed activities stated in Article 2, Paragraph 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies , and regularly review and revise?</p>	V		(1) The board of company has approved the Ethical Corporate Management Practice Principle , and implements it in daily operation.	(1) There have been no differences
	V		(2) The Company has formulated the Ethical Corporate Management Practice Principles and Procedures for Ethical Management and Guidelines for Conduct to prevent unethical conduct, and implements it in daily operation.	(2) There have been no differences
	V		(3) The Company has formulated the Ethical Corporate Management Practice Principles to prevent unethical conduct.	(3) There have been no differences
<p>2. Fulfill operations integrity policy</p> <p>(1) Does the Company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?</p>	V		(1) The company implements integrity management. Company personnel avoid engaging in business transactions with agents, suppliers, customers or other business partners who are operating in bad faith. If they find that the business transaction or cooperation object has dishonest behavior, they should immediately stop their business transactions. And list them as the object of refusal to deal with, in order to implement the company's integrity management policy. In the contract,	(1) There have been no differences

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(2) Does the company set up a special unit under the board of directors to promote corporate integrity management, and regularly (at least once a year) report to the board on its integrity management policies and plans to prevent dishonesty and supervision and implementation?	V		<p>the rights and obligations of both parties shall be clearly stated.</p> <p>(2) The auditing office is responsible for the formulation and supervision of the integrity management system of the enterprise . In implementing auditing job, it will check the relevant circumstances. If there is any relevant missing situation, it will report to the board of directors.</p> <p>In the January 2025 board meeting, the company reported on the implementation of the Integrity Management Policy for the year 2024. The promotion and advocacy of integrity management in 2024 are as follows:</p> <p>◎Director self-discipline: Directors of the company in 2024 disclosed their positions on agenda items at board meetings in which they or their representatives had conflicts of interest, and abstained from participating in discussions and voting.</p> <ol style="list-style-type: none"> 1.Distribute independent directors’ 2023 compensation. 2.Distribute non independent directors’ 2023 compensation. 3.The 2024 salary adjustment for managerial officers. 4.The 2023 year-end bonus distribution for managerial officers. <p>◎The Company has established the “Guidelines for Ethical Business Conduct” and conducted an employee briefing on its main content and compliance reminders in the third quarter of 2024.</p> <p>◎Insider Trading Prevention Advocacy Q3 2024: Advocacy on "Avoiding Insider Trading" for employees who received restricted stock rights. Q3 2024: Advocacy on "Avoiding Insider Trading (Article 157-1 of the Securities and Exchange Act)" for the company employees. Q4 2024: Company provided newly appointed managerial officers with information from TPEX regarding insider trading and equity-related</p>	(2) There have been no differences

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(3) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V		<p>regulations for TPEX-listed and emerging stock companies, and also conducted guidance on common reporting errors by insiders.</p> <p>In 2024, each month, the company provided the Taiwan Stock Exchange (TWSE) "Regulations and Precautions for Insider Trading and Insider Equity Related Matters for Listed and Emerging OTC Companies in 2023" website link to each director, manager, and 5% major shareholder. Additionally, common mistakes in insider reporting were advocated.</p> <p>(3) The company has a Policy for Preventing Conflicts of Interest in Procedures for Ethical Management and Guidelines for Conduct. The company's board of directors and internal staff operations are implemented in accordance with the policy; the company has a dedicated mailbox or company webpage contact function for employees to appeal.</p>	(3) There have been no differences
(4) Whether the company has established an effective accounting system and internal control system for the implementation of integrity management, and the internal audit unit formulates the relevant audit plan based on the assessment results of the risk of dishonesty, and checks the compliance with the plan to prevent dishonesty, Or entrust an accountant to perform the audit?	V		<p>(4) The company complies with the company act, securities and exchange act, regulations, business entity accounting act , etc., and formulates an effective accounting system based on these laws, and incorporates relevant control points into the internal control system.</p> <p>The internal auditor regularly checks the system to follow, and reported to the board of directors.</p>	(4) There have been no differences
(5) Does the Company regularly hold internal and external educational trainings on operational integrity?		V	<p>(5) The Company regularly communicates integrity-related policies to employees. Senior management reinforces the principles of ethical business conduct through various meetings. Integrity training programs will be conducted as needed in the future.</p>	(5) As the abstract illustration

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
3. Operation of the integrity channel (1) Does the Company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up? (2) Does the Company establish standard operating procedures for confidential reporting on investigating accusation cases? (3) Does the Company provide proper whistleblower protection ?	V		The company has established an e-mail address for prosecution , and the senior supervisor assign a person responsible for handling the investigation, and make sure the confidentiality and protection measures of whistleblower .	There have been no differences
4. Strengthening information disclosure Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company’s website and MOPS?	V		The company has formulated the Ethical Corporate Management Practice Principles, and discloses it in the company website and MOPS.	There have been no differences
5. If the Company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation : There have been no differences.				
6. Other important information to facilitate a better understanding of the Company’s ethical corporate management policies (e.g., review and amend its policies) None.				

3.7 Other Important Information Regarding Corporate Governance :

Please refer to the MOPS website <http://mops.twse.com.tw/> for the corporate governance or the website of the Company for the investors <https://www.icaresmedicus.com/investors/>.

3.8 Status of Implementation of Internal Control System:

3.8.1 Statement of 2024 internal control system : Please see page 42.

3.8.2 If the Company is requested by the SEC to retain CPA's service for examining internal control system, the Independent Auditor's Report must be disclosed: None.

3.9 Resolutions reached in the Shareholders' Meeting or by the board of directors in the most recent years and up to the date of the annual report printed:

3.9.1 Resolutions reached in the 2024 Shareholders' Meeting

(1) Adoption of the Company's 2023 Business Report and Financial Statements

(2) Adoption of the Company's 2023 Profit Allocation Proposal

According to the earnings distribution schedule, a cash dividend of approximately NT\$0.2 per share and a stock dividend of 100 shares for every 1,000 shares were declared. The ex-dividend and ex-rights date was set on July 14, 2024, and all dividends were distributed in August 2024.

(3) Agree of a New Share Issue Through Capitalization of Earnings.

(4) Agree of amendments to the "Regulations Governing Loaning of Funds to Others".

(5) Agree of a Cash Offering by Private Placement.

The 2024 Annual General Meeting of the Company resolved to authorize the private placement of common shares up to a maximum of 6 million shares. However, as no such private placement was executed following the resolution, and there is no plan to proceed within the valid period, the Board of Directors resolved on March 11, 2025, not to continue with the private placement during the remaining validity period.

(6) Agree of Purchase MILLENNIUM BIOMEDICAL, INC. 's shares.

The transaction was completed in July 2024.

3.9.2 Resolutions reached by the board of directors :

2024

◎The company's 2024 operating plan.

◎The "Statement of Internal Control System" of the Company for 2023.

◎Distribute independent directors' 2023 remuneration.

◎Distribute non directors' 2023 remuneration.

◎2023 employees' profit sharing bonus.

◎The Company's 2023 Business Report and Financial Statements.

◎The Company's 2023 Profit Allocation Proposal.

- ⊙New shares issue through capitalization of earnings.
- ⊙Cash offering by private placement.
- ⊙Revised Company Management Regulations Proposal.
- ⊙Purchase Millennium Biomedical, Inc. s'shares.
- ⊙Participation in Cash Capital Increase Proposal for Invested Company.
- ⊙Change in Company Spokesperson and Deputy Spokesperson.
- ⊙Subsidiary MAXUS's Implementation of Employee Stock Ownership Plan (Employee Stock Options) for the Year 2024.
- ⊙Evaluation of the suitability and independence of appointed CPAs and the delegation compensation 2024.
- ⊙Financial statements of the first quarter, 2024.
- ⊙Funding arrangement by the Company for its U.S. subsidiary ASTVC to acquire equity in MBI.
- ⊙Financial statements of the second quarter, 2024.
- ⊙The overdue receivables of the company group are judged as loaning of funds.
- ⊙A subsidiary to lend funds to others.
- ⊙Amendments to the 2023 Cash Capital Increase Fund Utilization Plan.
- ⊙Financial statements of the third quarter, 2024.
- ⊙The company's 2025 annual audit plan.
- ⊙Establish Company management guidelines and revise the internal control system.
- ⊙A subsidiary to lend funds to others.
- ⊙Reassign the Company's President.

2025

- ⊙Adjustment to the Company's organizational structure and personnel.
- ⊙Waiver of participation in the cash capital increase of a subsidiary.
- ⊙Second issuance of 2023 employee stock options and determination of the issuance date.
- ⊙The company's 2025 operating plan.
- ⊙The“Statement of Internal Control System”of the Company for 2024.
- ⊙Distribute directors' 2024 remuneration.
- ⊙2024 employees' profit sharing bonus.
- ⊙The Company's 2024 Business Report and Financial Statements.
- ⊙The Company's 2024 Profit Allocation Proposal.
- ⊙New shares issue through capitalization of earnings.
- ⊙Termination of the execution of the private placement of securities approved at the 2024 Annual General Shareholders' Meeting within the remaining issuance period.
- ⊙Cash offering by private placement.
- ⊙Provision of endorsements and guarantees for a subsidiary.
- ⊙A subsidiary to lend funds to others.

3.10 Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors: None

4. Disclosure of CPA's Remuneration

The appointment process of the Company's certified public accountants for 2024 is detailed on pages 22 of this Annual Report and is also available in the Corporate Governance section of the Investor Relations page on the Company's website. The audit fee of 2024 is as follows:

CPAs fees

Unit: NT\$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Remark
KPMG	FU,HONG WEN	2024/01	2,980	300	3,280	The item of non-audit fee as the Note1.
	HONG,SHIH-GANG	~ 2024/12				

Note 1: Tax visa, Service fees for the filing and regulatory review of new shares issued through earnings capitalization.

4.1 In case the auditing fee paid in the year retaining service from another CPA Firm is less than the auditing fee paid in the year before, the amount of auditing fee before / after the change of CPA Firm and the reasons for the said change must be disclosed: None.

4.2 In case the auditing fee paid in the year retaining service from another CPA Firm is over 10% less than the auditing fee paid in the year before, the amount and ratio of auditing fee reduced and the reasons for the said change must be disclosed: None.

5. Alternation of CPA : None.

6. The Company's Chairman, President, or any Managerial Officer in charge of Finance or Accounting Matters has in the most recent year held a position at the Accounting Firm of its CPA or at an Affiliated Enterprise: None.

7. Transfer and Pledge of Stock Equity by Directors, Supervisors, Managerial Officers and Holders of 10% or More of Company share

7.1 Any change in shareholding and net change in shares pledged by directors, supervisors, department heads and shareholders of 10% shareholding or more

Unit: Shares

Title	Name	2024		As of March 31, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	LOH, IH-HOUNG	430,241	—	—	—
Vice Chairman	WILLIAM LEE	1,518,638	—	—	—
Director	TSENG, WEN-CHU	48,338	—	—	—
Director	ZONG-YUAN INTERNATIONAL LTD.	128,366	—	—	—
Representative:	YAN, YING-ZONG	—	—	—	—

Title	Name	2024		As of March 31, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Independent Director	TAN, KAI-YUAN	—	—	—	—
Independent Director	GUO, JHIH-YING	—	—	—	—
Independent Director	GUO, JHIH-CIOU	—	—	—	—
President	CHEN, BING-CHUN	—	—	—	—
President of Major Subsidiary	CARL ROBERT CUMMINGS	—	—	—	—
President of Major Subsidiary	SHIAO H CHANG	—	—	—	—
Vice President of R&D and Operations	LIN, CHUN-MING	(398)	—	(2,000)	—
Financial and accounting supervisor	CHEN, TAN-LI	6,527	—	—	—
Chairman Special Assistant & President of Major Subsidiary	CHU, SHIH-KAI	5,410	—	—	—
Shareholders of 10% shareholding or more	LOH TRUST HOLDINGS LLC	553,047	—	—	—

7.2 Information of shares transferred: There is no party involved in shares transfer known as the related party: None.

7.3 Information of equity pledged: : None.

8. Information on Relationships Among the Top Ten shareholders

As of March 31, 2025; Unit: Shares %

Name	Current Shareholding		Spouse's/ minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
LOH TRUST HOLDINGS LLC	6,138,520	14.25%	0	0	0	0	—	—	—
LOH TRUST HOLDINGS LLC REPRESENTATIVE : TEN LOH	0	0	0	0	0	0	LOH, IH-HOUN	Parent-Subsidiary Relationship	—
LOH, IH-HOUNG	4,732,659	10.99%	0	0	502,345	1.17%	LOH TRUST HOLDINGS LLC REPRESENTATIVE : TEN LOH	Parent-Subsidiary Relationship	—
WILLIAM LEE	2,009,019	4.66%	0	0	0	0	—	—	—
SAN YANG METAL INDUSTRIAL CO., LTD	1,760,261	4.09%	0	0	0	0	—	—	—
SAN YANG METAL INDUSTRIAL CO., LTD REPRESENTATIVE : YAN, YING-ZONG	0	0	0	0	0	0	ZONG-YUAN INTERNATIONAL LTD REPRESENTATIVE : YAN, YING-ZONG	The representative is the same person	—
W TSENG HOLDINGS LLC	1,535,600	3.56%	0	0	0	0	—	—	—
W TSENG HOLDINGS LLC REPRESENTATIVE :	531,719	1.23%	242,071	0.56%	1,535,600	3.56%	—	—	—

Name	Current Shareholding		Spouse's/ minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
TSENG, WEN-CHU									
ZONG-YUAN INTERNATIONAL LTD	1,412,030	3.28%	0	0	0	0	—	—	—
ZONG-YUAN INTERNATIONAL LTD REPRESENTATIVE : YAN, YING-ZONG	0	0	0	0	0	0	SAN YANG METAL INDUSTRIAL CO., LTD REPRESENTATIVE : YAN, YING-ZONG	The representative is the same person	—
SHUO-YI INVESTMENT LTD	1,003,821	2.33%	0	0	0	0	—	—	—
SHUO-YI INVESTMENT LTD REPRESENTATIVE : CHEN, LING-CHING	552,162	1.28%	0	0	0	0	—	—	—
JHUANG, MEI-SIA	863,500	2.00%	0	0	0	0	—	—	—
SU, WEN-HSIUNG	851,203	1.98%	0	0	0	0			
CHANG, WEI-JEN	819,519	1.90%	0	0	0	0	—	—	—

9. Investment from Directors, Supervisors, Managers, and directly or indirectly Controlled Business

As of December 31, 2024, Unit: Share; %

Ownership of Shares in Affiliated Enterprise	Ownership by ICARES		Direct/Indirect Ownership by Directors and Management		Total Ownership	
	Shares	%	Shares	%	Shares	%
AST PRODUCTS, INC.	2,328,890	100%	0	0	2,328,890	100%
AST VISIONCARE INC.	2,075,000	100%	0	0	2,075,000	100%
ICARES MEDICUS (HONG KONG) LIMITED.	0	100%	0	0	0	100%
MAXUS MEDICAL CO., LTD	0	0	0	78.99%	0	78.99%
ACME TOOLING TECHNOLOGY CO., LTD.	2,400,000	60%	0	0	2,400,000	60%
MILLENNIUM BIOMEDICAL, INC.	250,000	5%	4,750,000	95%	5,000,000	100%
AST VISIONCARE GmbH	0	0	20,000	80%	20,000	80%
AST VISION CARE, S.L.	0	0	2,769	48%	2,769	48%

Statement of Internal Controls

Date: March 11, 2025

The Company states the following with regard to its internal control system for the year 2024:

1. The Company is fully aware that establishing, operating and maintaining an internal control system are the responsibilities of its Board of Directors and management. The Company has established such a system to provide reasonable assurance in achieving objectives related to the effectiveness and efficiency of operations (including profits, performance and safeguarding of assets), reliability of financial reporting, and compliance with applicable laws and regulations.
2. An internal control system has inherent limitations. An effective internal control system, no matter how perfectly designed, can provide only a reasonable assurance in the accomplishment of the three goals mentioned above. Furthermore, the effectiveness of an internal control system may change along with changes in the environment or circumstances. The internal control system of the Company contains self-monitoring mechanisms and the Company takes corrective actions as soon as a deficiency is identified.
3. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the “Regulations Governing the Establishment of Internal Control Systems” by public companies promulgated by the Securities and Futures Bureau, the Financial Supervisory Commission and the Executive Yuan (herein referred to as the “Regulations”). The internal control system evaluation criteria stated in the Regulations classify internal control into five key elements based on the process of management control: (1) Control environment, (2) Risk assessment and response, (3) Control activities, (4) Information and communications, and (5) Monitoring. Please refer to the Regulations for details on these five key elements.
4. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of the evaluation mentioned in the third paragraph, the Company believes that as of Dec. 31, 2024, its internal control system (including its supervision of subsidiaries), which encompasses internal controls to achieve effective and efficient operations, reliable financial reporting, and compliance with applicable laws and regulations, was effectively designed and operating, and is reasonably assured of achieving the above-stated objectives.
6. This statement will form a major part of the Company's Annual Report and Prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.
7. This statement has been passed by the the Company Board of Directors’ Meeting on March 11, 2025, where all of the 6 attending directors did not express any dissenting opinion and affirmed the content of the same.

ICARES MEDICUS, INC.

Loh, Ih-Houng, Chairman

Chen, Bing-Chun, President

III. CAPITAL OVERVIEW

1. Company Capital and Shares

1.1 Source of Capital

1.1.1 Issued Shares

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares (thousands)	Amount (NT\$ thousands)	Shares (thousands)	Amount (NT\$ thousands)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
2018.07	46.5	50,000	500,000	33,225.5	332,255	2,856 thousand shares by cash	—	Note 01
2019.03	10	50,000	500,000	33,525.5	335,255	300 thousand shares by new restricted employee shares	—	Note 02
2019.07	10	50,000	500,000	33,744.5	337,445	219 thousand shares by employee stock option certificates	—	Note 03
2020.03	10	50,000	500,000	33,731.9	337,319	Cancel 12.6 thousand shares by new restricted employee shares	—	Note 04
2021.01	10	50,000	500,000	33,969.9	339,699	238 thousand shares by new restricted employee shares	—	Note 05
2022.06	10	60,000	600,000	33,963.9	339,639	Cancel 6 thousand shares by new restricted employee shares	—	Note 06
2022.09	10	60,000	600,000	34,163.9	341,639	200 thousand shares by new restricted employee shares	—	Note 07
2023.11	10	60,000	600,000	39,163.9	391,639	5,000 thousand shares by cash	—	Note 08
2023.11	10	60,000	600,000	39,160.4	391,604	Cancel 3.5 thousand shares by new restricted employee shares	—	Note 09
2024.07	10	60,000	600,000	43,076.4	430,764	3,916 thousand shares by new share issue through capitalization of earnings	—	Note 10

Date of Approval & Approval Document No.

Note 01 : 2018.07.23 Chu-Shang-Tze No.1070021320	Note 02 : 2019.03.20 Chu-Shang-Tze No.1080007591
Note 03 : 2019.07.12 Chu-Shang-Tze No.1080019792	Note 04 : 2020.03.24 Chu-Shang-Tze No.1090007944
Note 05 : 2021.01.12 Chu-Shang-Tze No.1100000697	Note 06 : 2022.06.20 Chu-Shang-Tze No.1110018843
Note 07 : 2022.09.12 Chu-Shang-Tze No.1110029137	Note 08 : 2023.11.17 Chu-Shang-Tze No.1120037914
Note 09 : 2023.11.27 Chu-Shang-Tze No.1120038609	Note 10 : 2024.07.19 Chu-Shang-Tze No.1130023382

1.1.2 Type of Stock

Share Type	Authorized Capital			Remark
	Outstanding	Un-Issued	Total	
Common stock	43,076,440	16,923,560	60,000,000	Listed on TPEX

1.1.3 Shelf-registration system: None.

1.2 Major Shareholders

List all shareholders with a stake of 5 percent or greater, and if those are fewer than 10 shareholders, also list all shareholders who rank in the top 10 in shareholding percentage, and specify the number of shares and stake held by each shareholder on the list

As of March 31,2025 ; Unit: shares / %

Shareholder's Name	Shares	Shares	Percentage (%)
LOH TRUST HOLDINGS LLC		6,138,520	14.25%
LOH, IH-HOUNG		4,732,659	10.99%
WILLIAM LEE		2,009,019	4.66%
SAN YANG METAL INDUSTRIAL CO., LTD		1,760,261	4.09%
W TSENG HOLDINGS LLC		1,535,600	3.56%
ZONG-YUAN INTERNATIONAL LTD		1,412,030	3.28%
SHUO-YI INVESTMENT LTD		1,003,821	2.33%
JHUANG,MEI-SIA		863,500	2.00%
SU,WEN-HSIUNG		851,203	1.98%
CHANG,WEI-JEN		819,519	1.90%

1.3 Dividend Policy and Status :

1.3.1 Dividend Policy under the Articles of Incorporation

In accordance with Article 28-1 of the Company's Articles of Incorporation:

At the end of each fiscal year, if the Company reports earnings, such earnings shall first be used to pay taxes and offset prior years' losses. Of the remaining amount, 10% shall be allocated as legal reserve, unless the legal reserve has reached the total paid-in capital, in which case this requirement is waived. Thereafter, special reserve shall be appropriated or reversed in accordance with applicable laws and regulations. Together with unappropriated retained earnings from the beginning of the period, the resulting distributable earnings shall be allocated as resolved at the shareholders' meeting. However, all or part of the dividends and bonuses may be distributed in cash, subject to the approval of a Board resolution attended by at least two-thirds of the directors and passed by a majority of the directors present, and subsequently reported to the shareholders' meeting.

Taking into consideration the Company's operating environment, stage of growth, future funding needs, and long-term financial planning, while also addressing shareholders' expectations for cash returns, the Company shall allocate no less than 2% of distributable earnings annually. Dividends may be distributed in the form of cash or shares, provided that the cash portion shall account for no less than 10% of the total dividends distributed.

1.3.2 Proposal to Distribute 2024 Profits

In accordance with Article 28-1 of the Company's Articles of Incorporation, the Board of Directors approved on March 11, 2025, the distribution of earnings for fiscal year 2024, including a cash dividend of NT\$12,922,932 (NT\$0.3 per share) and a stock dividend of NT\$43,076,440 (100 shares per 1,000 shares held).

1.3.3 If a material change in dividend policy is expected, provide an explanation: None.

1.4 Effect of 2024 Share Dividends to Operating Performance and EPS :

Not applicable (the company has not disclosed its financial forecast for the year 2025).

1.5 Employees' Compensation and Remuneration to Directors :

1.5.1 Employees' Compensation and Remuneration to Directors as Stated in the Articles of Incorporation:

- (1) The Company, when reporting profit ,shall allocate no less than a 2 percent as the employees' remunerations, and no higher than a 2 percent as the directors' remunerations; however, The Company , when still having cumulative deficit, shall first set aside the redemption amount, before calculating and allocating the remainder amount.
- (2) The employees remunerations may be distributed by means of stock or cash, with the eligible recipients encompass company employees and subsidiary employees meeting certain criteria.
- (3) The director's remunerations distributed by cash.

The particulars concerning the distribution of employee's remunerations and the director's remunerations shall be heard by over two-thirds of the directors present and be voted in favor for implementation by over one-half of the attending directors before the Board of Directors, which shall be presented in a report at the shareholders' meeting.

1.5.2 The basis for estimating the amount of employee and director compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

The difference is treated as changes in accounting estimates in the next year.

1.5.3 Information on any approval by the board of directors of distribution of compensation :

- (1) The amount of any employee compensation distributed in cash or stocks and compensation for directors and supervisors. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed :
 - ① The Board of Directors approved the distribution of NT\$3,050,328 in employee compensation and NT\$1,900,000 in directors' remuneration for fiscal year 2024, both to be paid in cash.
 - ② If there is any discrepancy, it shall be disclosed the cause, and the status of treatment : None.
- (2) The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation :
None.

1.5.4 The actual distribution of employee, director, and supervisor compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor compensation, additionally the discrepancy, cause, and how it is treated :

Unit: NT\$

Item	Estimate	Actual	Discrepancy	Cause	Treat
Employee Compensation	2,017,355	2,017,355	0	NA	NA
Director Compensation	1,550,000	1,550,000	0	NA	NA

1.6 Repurchase of Company Shares : None.

2. Status of Corporate Bonds : None.

3. Status of Preferred Stocks : None.

4. Status of GDR/ADR : None.

5. Status of Employee Stock Option Plan :

5.1 The annual report shall disclose unexpired employee subscription warrants issued by the company in existence as of the date of publication of the annual report, and shall explain the effect of such warrants upon shareholders' equity.

Employee Share Subscription Warrants

Date : 2025/3/31

Type of employee share subscription warrants	The 2023 Years of employee share subscription warrants	
Effective registration date and total number of units	2023/7/5 500,000 units	
Issue (handling) date	2023/9/1	2025/1/20
Duration	2023/9/1 ~ 2029/8/31	2025/1/20 ~ 2031/1/19
Number of units issued	333,000 units	142,000 units
Number of units still available for issuance	25,000 units	
Ratio of the number of issued subscribable shares to the total number of issued shares	0.77%	0.33%
Exercise Period	2025/9/1 ~ 2029/8/31	2027/1/20 ~ 2031/1/19
Exercise method	Issue New Shares	
Vesting period and percentage (%)	Vesting period	Percentage
	-----	-----
	2 years after grant	50%
	3 years after grant	80%
	4 years after grant	100%
Number of shares subscribed through exercise of the warrants	0	0
Amount of the shares subscribed through exercise of the warrants (NT\$)	0	0
Number of unexercised shares	317,000	142,000
Subscription price per share of the unexercised shares	NTD 50.7	NTD 57
Ratio of the number of unexercised shares to the total number of issued shares (%)	0.74%	0.33%
The effect on shareholders' equity	No Significant Impact	No Significant Impact

5.2 The annual report shall disclose as of the date of publication of the annual report the Names and Acquisition and Subscription Status of Managerial Officers Who Have Acquired Employee Share Subscription Warrants and the Top Ten Employees (Ranked by the Number of Subscribable Shares) Who Have Acquired Share Subscription Warrants .

As of March 31, 2025

Title (Note1)	Name	Number of shares subscribable from exercise of warrants granted	Ratio of the number of shares subscribable from the warrants granted to the total number of issued shares	Exercised				Unexercised				
				Number of Shares	Exercise Price	Amount (NT\$ thousands)	Exercised Shares as a Percentage of Shares Issued (Note 2)	Number of Shares	Exercise Price	Amount (NT\$ thousands)	Unexercised Shares as a Percentage of Shares Issued (Note 2)	
Management	President	148,000	0.34%	0	-	0	0	148,000	50.7 / 57	7,882	0.34%	
	VP of R&D and Operations											LIN,CHUN-MING
	VP of Finance and Accounting											CHEN,TAN-LI
Employee	Manager	238,000	0.55%	0	-	0	0	238,000	50.7 / 57	12,445	0.55%	
	Manager											SHIH,AI-YUN
	Senior Manager											LI,JUNG-CHIA
	Manager											SONG,YI-HAO
	Assistant Manager											CHIU,I-FENG
	Assistant Manager											CHANG, LI-PING
	Assistant Manager											CHAN,YI-CHIEH
	Section Manager											YANG,YA-CHIN
	Administrator											TSENG,LAN-YA
	Administrator											FAN,WAN-TING

Note 1 : The position held at the time of grant.

Note 2 : The share issued is calculated based on the outstanding shares as of the date of publication of the annual report.

6. Status of New Restricted Employee Stock Issuance :

6.1 For all new restricted employee shares for which the vesting conditions have not yet been met for the full number of shares, the annual report shall disclose the status up to the date of publication of the prospectus and the effect on shareholders' equity :

As of March 31, 2025

Type Of New Restricted Employee Shares	2018 New Restricted Employee Stock
Date Of Effective Registration And Total Number Of Shares	2019.01.11 / 300,000 shares
Issue Date	2019.03.15
Number Of New Restricted Employee Shares Issued	300,000 shares
The Number Of Shares That Can Be Issued With Restricted Employee Shares	0 share
Issued Price (Nt\$)	None

New Restricted Employee Shares As A Percentage Of Shares Issued	0.70%															
Vesting Conditions Of New Restricted Employee Shares	<p>Employee's continuous employment with the Company through the vesting dates, no violation on any terms of the Company's employment agreement, employee handbook, or policies and achievement of both personal performance criterion and the Company's operation objectives during the vesting period are required to receive the vested shares. The proportion of shares that can be awarded the vested conditions respectively is as follows:</p> <table border="1"> <thead> <tr> <th><u>The latest performance</u></th> <th><u>80 or more</u></th> <th><u>70~79</u></th> </tr> </thead> <tbody> <tr> <td><u>The proportion of shares that can be awarded:</u></td> <td></td> <td></td> </tr> <tr> <td>Still service in the company at DEC 31 2019 from issued date</td> <td>30%</td> <td>20%</td> </tr> <tr> <td>Still service in the company at DEC 31 2020 from issued date</td> <td>30%</td> <td>20%</td> </tr> <tr> <td>Still service in the company at DEC 31 2021 from issued date</td> <td>40%</td> <td>30%</td> </tr> </tbody> </table> <p>However, it is not limited to those who have agreed to achieve the conditions of vested conditions. If the above time is in the case of a holiday, it will be postponed to the next business day.</p>	<u>The latest performance</u>	<u>80 or more</u>	<u>70~79</u>	<u>The proportion of shares that can be awarded:</u>			Still service in the company at DEC 31 2019 from issued date	30%	20%	Still service in the company at DEC 31 2020 from issued date	30%	20%	Still service in the company at DEC 31 2021 from issued date	40%	30%
<u>The latest performance</u>	<u>80 or more</u>	<u>70~79</u>														
<u>The proportion of shares that can be awarded:</u>																
Still service in the company at DEC 31 2019 from issued date	30%	20%														
Still service in the company at DEC 31 2020 from issued date	30%	20%														
Still service in the company at DEC 31 2021 from issued date	40%	30%														
Restricted Rights Of New Restricted Employee Shares	<ol style="list-style-type: none"> 1.The employee shall not, except for inheritance, sell, pledge, transfer, give to others, set up, or otherwise dispose of the new shares after the employees have been granted new shares without achieving the acquired conditions. If the employee meets the conditions, the entrusted Trust custodian shall allocate the shares from the trust account to the individual stock account of the employee. 2.Execution the rights of shareholders' meetings, proposals, speeches, voting should be according to the trust deed. 3.The new stock restricting the rights of employees can still participate in the distribution of shares, but the rights and interests of the shares are not limited by the conditions. 4.Besides the foregoing provisions due to the trust deed, employees are assigned under these measures to restrict the rights of employees of new shares, before the acquisition of the acquired conditions, other rights include, but are not limited to: dividends, dividends, capital reserve distribution rights, cash replenishment of the equity, etc., with the same rights as the common shares which company has issued. 5.The Company shall cease the transfer date, the cash dividend stop transfer date, the shareholders under article 165-3 of the Company law, or any other period of statutory suspension of transfer in accordance with the facts to the base date of the right assignment, during which the acquired conditions shall be reached, It has the time and procedure of lifting the limitation of stock to be carried out in accordance with the trust custody contract or the relevant regulations. 															
Custody Status Of New Restricted Employee Shares	New restricted employee shares are delivered to the trust before the employee meets conditions. If the employee meets the conditions, the entrusted Trust custodian shall allocate the shares from the trust account to the individual stock account of the employee.															
Measures To Be Taken When Vesting Conditions Are Not Met	If the employee not meets the vested conditions when the time limit expires, the company shall recover the shares from the employee without compensation and cancelled these shares of registration.															
Number Of New Restricted Employee Shares That Have Been Retired Or Bought Back	12,600 shares															
Number Of New Restricted Shares That Have Vested	287,400 shares															
Number Of Unvested New Restricted Shares	0 shares															
Ratio Of Unreleased New Restricted Shares To Total Issued Shares (%)	0 %															
Impact On Possible Dilution Of Shareholdings	No significant impact on shareholders' equity															

Type of New Restricted Employee Shares	2020 New Restricted Employee Stock															
Date Of Effective Registration And Total Number Of Shares	2020.08.27 / 300,000 shares															
Issue Date	2021.01.04															
Number Of New Restricted Employee Shares Issued	238,000 shares															
The Number Of Shares That Can Be Issued With Restricted Employee Shares	0 share															
Issued Price (NT\$)	None															
New Restricted Employee Shares As A Percentage Of Shares Issued	0.55%															
Vesting Conditions Of New Restricted Employee Shares	<p>Employee's continuous employment with the Company through the vesting dates, no violation on any terms of the Company's employment agreement, employee handbook, or policies and achievement of both personal performance criterion and the Company's operation objectives during the vesting period are required to receive the vested shares. The proportion of shares that can be awarded the vested conditions respectively is as follows:</p> <table border="1"> <thead> <tr> <th><u>The latest performance</u></th> <th><u>80 or more</u></th> <th><u>70~79</u></th> </tr> </thead> <tbody> <tr> <td><u>The proportion of shares that can be awarded:</u></td> <td></td> <td></td> </tr> <tr> <td>Still service in the company at MAR 31 2021 from issued date</td> <td>30%</td> <td>20%</td> </tr> <tr> <td>Still service in the company at MAR 31 2022 from issued date</td> <td>30%</td> <td>20%</td> </tr> <tr> <td>Still service in the company at MAR 31 2023 from issued date</td> <td>40%</td> <td>30%</td> </tr> </tbody> </table> <p>However, it is not limited to those who have agreed to achieve the conditions of vested conditions. If the above time is in the case of a holiday, it will be postponed to the next business day.</p>	<u>The latest performance</u>	<u>80 or more</u>	<u>70~79</u>	<u>The proportion of shares that can be awarded:</u>			Still service in the company at MAR 31 2021 from issued date	30%	20%	Still service in the company at MAR 31 2022 from issued date	30%	20%	Still service in the company at MAR 31 2023 from issued date	40%	30%
<u>The latest performance</u>	<u>80 or more</u>	<u>70~79</u>														
<u>The proportion of shares that can be awarded:</u>																
Still service in the company at MAR 31 2021 from issued date	30%	20%														
Still service in the company at MAR 31 2022 from issued date	30%	20%														
Still service in the company at MAR 31 2023 from issued date	40%	30%														
Restricted Rights Of New Restricted Employee Shares	<ol style="list-style-type: none"> The employee shall not, except for inheritance, sell, pledge, transfer, give to others, set up, or otherwise dispose of the new shares after the employees have been granted new shares without achieving the acquired conditions. If the employee meets the conditions, the entrusted Trust custodian shall allocate the shares from the trust account to the individual stock account of the employee. Execution the rights of shareholders' meetings, proposals, speeches, voting should be according to the trust deed. The new stock restricting the rights of employees can still participate in the distribution of shares, but the rights and interests of the shares are not limited by the conditions. Besides the foregoing provisions due to the trust deed, employees are assigned under these measures to restrict the rights of employees of new shares, before the acquisition of the acquired conditions, other rights include, but are not limited to: dividends, dividends, capital reserve distribution rights, cash replenishment of the equity, etc., with the same rights as the common shares which company has issued. The Company shall cease the transfer date, the cash dividend stop transfer date, the shareholders under article 165-3 of the Company law, or any other period of statutory suspension of transfer in accordance with the facts to the base date of the right assignment, during which the acquired conditions shall be reached, It has the time and procedure of lifting the limitation of stock to be carried out in accordance with the trust custody contract or the relevant regulations. 															
Custody Status Of New Restricted Employee Shares	New restricted employee shares are delivered to the trust before the employee meets conditions. If the employee meets the conditions, the entrusted Trust custodian shall allocate the shares from the trust account to the individual stock account of the employee.															
Measures To Be Taken When Vesting Conditions Are Not Met	If the employee not meets the vested conditions when the time limit expires, the company shall recover the shares from the employee without compensation and cancelled															

	these shares of registration.
Number Of New Restricted Employee Shares That Have Been Retired Or Bought Back	6,000 shares
Number Of New Restricted Shares That Have Vested	232,000 shares
Number Of Unvested New Restricted Shares	0 share
Ratio Of Unreleased New Restricted Shares To Total Issued Shares (%)	0 %
Impact On Possible Dilution Of Shareholdings	No significant impact on shareholders' equity

As of March 31, 2025

Type of New Restricted Employee Shares	2022 New Restricted Employee Stock			
Date Of Effective Registration And Total Number Of Shares	2022.07.11 / 200,000 shares			
Issue Date	2022.09.01			
Number Of New Restricted Employee Shares Issued	200,000 shares			
The Number Of Shares That Can Be Issued With Restricted Employee Shares	0 share			
Issued Price (NT\$)	None			
New Restricted Employee Shares as a Percentage of Shares Issued	0.46%			
Vesting Conditions of New Restricted Employee Shares	(1) Employees who granted shares and have served for more than 10 years whose continuous employment with the Company through the vesting dates, achievement of personal performance criterion during the vesting period are required to receive the vested shares. The proportion of shares that can be awarded the vested conditions respectively is as follows: (The only exception to this is the condition described in Article 7 which is regarded as fulfilling the vesting conditions.)			
	The latest performance	90 or more	89~80	below 79
	The proportion of shares that can be awarded:			
	After being granted, he is still employed on December 31 of the year of grantment.(For example, those who were granted in 2022 and were still in employment on December 31, 2022 were achieved vesting conditions; those who were granted in 2023 and who were still in office on December 31, 2023 were achieved vesting conditions.)	100%	50%	0%
Vesting Conditions of New Restricted Employee Shares	(2) Employees who granted shares and have served for less than 10 years whose continuous employment with the Company through the vesting dates, achievement of personal performance criterion during the vesting period are required to receive the vested shares. The proportion of shares that can be awarded the vested conditions respectively is as follows: (The only exception to this is the condition described in Article 7 which is regarded as fulfilling the vesting conditions.)			
	The latest performance	80 or more	70~79	below 69
	The proportion of shares that can be awarded:			
	Still service in the company for 1 year the capital increase base date	30%	20%	0%
	Still service in the company for 2 years the capital	30%	20%	0%

	<p>increase base date</p> <p>Still service in the company for 3 years the capital increase base date</p> <p>40% 30% 0%</p> <p>However, it is not limited to those who have agreed to achieve the conditions of vested conditions. If the above time is in the case of a holiday, it will be postponed to the next business day.</p>
Restricted Rights of New Restricted Employee Shares	<ol style="list-style-type: none"> 1.The employee shall not, except for inheritance, sell, pledge, transfer, give to others, set up, or otherwise dispose of the new shares after the employees have been granted new shares without achieving the acquired conditions. If the employee meets the conditions, the entrusted Trust custodian shall allocate the shares from the trust account to the individual stock account of the employee. 2.Execution the rights of shareholders' meetings, proposals, speeches, voting should be according to the trust deed. 3.The new stock restricting the rights of employees can still participate in the distribution of shares, but the rights and interests of the shares are not limited by the conditions. 4.Besides the foregoing provisions due to the trust deed, employees are assigned under these measures to restrict the rights of employees of new shares, before the acquisition of the acquired conditions, other rights include, but are not limited to: dividends, dividends, capital reserve distribution rights, cash replenishment of the equity, etc., with the same rights as the common shares which company has issued. 5.The Company shall cease the transfer date, the cash dividend stop transfer date, the shareholders under article 165-3 of the Company law, or any other period of statutory suspension of transfer in accordance with the facts to the base date of the right assignment, during which the acquired conditions shall be reached, It has the time and procedure of lifting the limitation of stock to be carried out in accordance with the trust custody contract or the relevant regulations.
Custody Status of New Restricted Employee Shares	New restricted employee shares are delivered to the trust before the employee meets conditions. If the employee meets the conditions, the entrusted Trust custodian shall allocate the shares from the trust account to the individual stock account of the employee.
Measures to be Taken When Vesting Conditions are not Met	If the employee not meets the vested conditions when the time limit expires, the company shall recover the shares from the employee without compensation and cancelled these shares of registration.
Number of new restricted employee shares that have been retired or bought back	3,500 shares
Number of new restricted shares that have vested	127,700 shares
Number of unvested new restricted shares	68,800 shares
Ratio of Unreleased New Restricted Shares to Total Issued Shares (%)	0.16%
Impact on possible dilution of shareholdings	No significant impact on shareholders' equity

6.2 List of Executives Receiving New Restricted Employee Shares and the Top Ten Employees with New Restricted Employee Shares :

As of March 31, 2025

Title (Note 1)	Name	No. of New Restricted Shares	New Restricted Shares as a Percentage of Shares Issued (Note 2)	Released				Unreleased				
				No. of Shares	Issued Price (NT\$)	Amount (NT\$ thousands)	Released Restricted Shares as a Percentage of Shares Issued (Note 2)	No. of Shares (Note 3)	Issued Price (NT\$)	Amount (NT\$ thousands)	Unreleased Restricted Shares as a Percentage of Shares Issued (Note 2)	
Management	Chief R&D Officer	252,000	0.58%	242,400	0	0	0.56%	9,600	0	0	0.02%	
	President											WILLIAM LEE
	Vice President											LIN, CHUN-MING
	Vice President											CHEN, TAN-LI
	Special Assistant											CHU, SHIH-KAI
Employee	Manager	344,000	0.80%	320,400	0	0	0.74%	23,600	0	0	0.05%	
	Manager											YANG, CHUAN-HUI
	Manager											SHIH, AI-YUN
	Manager											FENG, AI-PING
	Manager											CHEN, JHIH-HAN
	Manager											CHIU, I-FENG
	Assistant Manager											CHAN, YI-CHIEH
	VP											MATTHEW CONNOLLY
	Manager											CHANEL FIGUEREDO
	Manager											VALERIE CAREY
	Manager											Andrew J McKenney
	Manager											HSU, YI-CHEN (Note 4)
Manager	HSU, TING-SHIH (Note 4)											
Engineer	HUANG, TZU-TAI (Note 4)											

Note 1 : The position held at the time of grant.

Note 2 : The share issued is calculated based on the outstanding shares as of the date of publication of the annual report.

Note 3 : The number of shares with and without released does not include the shares that have been canceled due to resignation.

Note 4 : Has left the company.

7. Status of New Shares Issuance in Connection with Mergers and Acquisitions :

None.

8. Financing Plans and Implementation :

8.1 A Description Of The Plans :

As of the end of the most recent quarter prior to the publication date of this annual report, the Company has no outstanding cases of previously issued or privately placed securities that remain uncompleted, nor any cases completed within the past three years for which the expected benefits have yet to materialize.

In October 2023, the Company conducted a domestic cash capital increase, issuing 5,000 thousand new common shares at a par value of NT\$10 per share and an issue price of NT\$120 per share. A total amount of NT\$600,000 thousand was successfully raised in November 2023. On August 9, 2024, the Board of Directors approved a change to the original funding utilization plan, and the revised plan was disclosed on the Market Observation Post System on the same day.

The revised funding utilization plan was fully executed in the third quarter of 2024 and will be submitted to the shareholders' meeting on May 29, 2025, for acknowledgment.

Details of the revised funding utilization plan for the 2023 cash capital increase are as follows:

Reason For Revision		Due to delays in equipment delivery by suppliers, related production activities such as the recruitment of necessary personnel and procurement of materials have also been postponed, resulting in a lag in the execution progress of the cash capital increase plan. To effectively utilize the benefits of the funds raised through the capital increase, the unexecuted portion of the funds as of July 10, 2024, after deducting NT\$17,505 thousand reserved for operating capital to be used in the third quarter of 2024, will be reallocated, with the remaining NT\$400,000 thousand to be used for the repayment of bank loans.
Project And Amount	The Original	<ul style="list-style-type: none"> ⊙ Purchase of Machinery and Equipment (Including Expansion Projects) NT\$200,000 thousand ⊙ Replenishing Operating Capital NT\$400,000 thousand
	The Revision	<ul style="list-style-type: none"> ⊙ Purchase of Machinery and Equipment (Including Expansion Projects) NT\$ 28,143 thousand ⊙ Replenishing Operating Capital NT\$171,857 thousand ⊙ Repayment of Bank Loans NT\$400,000 thousand
	Differences	<p>The originally planned amount for the purchase of machinery and equipment (including expansion projects) was NT\$200,000 thousand, of which NT\$28,143 thousand has been utilized.</p> <p>The originally planned amount for working capital was NT\$400,000 thousand, of which NT\$154,352 thousand has been utilized. An additional NT\$17,505 thousand has been reserved for use as working capital in the third quarter of 2024. The remaining unused amount of NT\$400,000 thousand will be reallocated for the repayment of bank loans.</p>
Projected Possible Effect Thus	The Original	<ul style="list-style-type: none"> ⊙ Purchase of Machinery and Equipment (Including Expansion Projects) It is expected to begin production and sales, and generate operating profit starting from the fourth quarter of 2024.

Created		<p>◎ Replenishing Operating Capital</p> <p>To enhance the flexibility of the company’s capital utilization and strengthen its medium- to long-term competitiveness. If the above-mentioned funding needs were instead financed through bank loans, based on the current short-term loan interest rate of approximately 2% negotiated with banks, it is estimated that the company could save around NT\$8 million in annual interest expenses, thereby reducing the interest burden from financial institution borrowings.</p>
	The Revision	<p>◎ Purchase of Machinery and Equipment (Including Expansion Projects)</p> <p>As of July 10, 2024, equipment (including expansion projects) totaling NT\$28.143 million has been purchased; however, the procurement plan for machinery and equipment (including expansion projects) has not yet been completed. (Note: The remaining execution of the project will be carried out using the company’s own funds.)</p> <p>◎ Replenishing Operating Capital</p> <p>As of July 10, 2024, a total of NT\$154.352 million has been used to strengthen operating capital, enhancing the company’s financial flexibility and reducing the interest burden from borrowings from financial institutions.</p> <p>◎ Repayment of Bank Loans</p> <p>To strengthen the financial structure and enhance flexibility in capital utilization, the funds are used to repay bank loans. For the remainder of 2024, interest expenses are expected to be reduced by NT\$2.581 million. Starting from 2025 and for each subsequent year, annual interest savings are estimated at NT\$7.72 million. This effectively achieves the goal of reducing the company’s interest burden.</p>
	Differences	<p>The project "Purchase of Machinery and Equipment (Including Expansion Projects)" is expected to generate benefits later due to the delay in the relevant schedule; there are no significant differences in the other projects, all of which enable the company to use funds flexibly and reduce the interest burden of loans.</p>
The Favorable or Unfavorable Impact of This Revision on Shareholders' Equity	<p>The revised plan for the use of raised funds will enhance the Company’s financial flexibility and reduce interest expenses, without having any adverse impact on shareholders’ equity.</p> <p>As for the original capital increase item of “procurement of machinery and equipment (including expansion projects),” the Company will continue to carry out the expansion plan as originally intended. The required funds will be covered using internal resources. Therefore, there will be no negative impact on the Company’s operations or shareholder rights.</p>	
Estimated Progress or Completion Date After Revision	<p>◎ Purchase of Machinery and Equipment (Including Expansion Projects) : Completed in the third quarter of 2024.</p> <p>◎ Replenishing Operating Capital : Expected to be completed in the third quarter of 2024 (completed as scheduled).</p> <p>◎ Repayment of Bank Loans : Expected to be completed in the third quarter of 2024 (completed as scheduled).</p>	
Summary of Securities Underwriters' Evaluation Opinions	<p>1. Necessity and Rationality of the Plan Revision</p> <p>The company initially planned to complete the procurement of machinery and equipment (including expansion projects) in the fourth quarter of 2024, and to</p>	

allocate funds to strengthen working capital in the third quarter of the same year. Due to delays in equipment delivery by suppliers, the payment schedule has been postponed, subsequently affecting the recruitment and procurement timelines required for production.

To ensure the effective utilization of the raised funds and avoid inefficiencies resulting from such delays, the company has revised its capital expenditure plan. Taking into account the current operational status, industry conditions, equipment installation schedule, financial structure optimization, projected interest expenses, capacity planning, and capital utilization efficiency, a portion of the original budget will be reallocated for the repayment of bank loans. This adjustment is deemed both necessary and reasonable.

2. Feasibility of Achieving the Estimated Benefits and Progress After the Plan Revision

Following the adjustment of the capital utilization plan, the full amount of NT\$28,143 thousand originally allocated for the procurement of machinery and equipment (including expansion projects) has been fully utilized. Of the NT\$171,857 thousand allocated for working capital, NT\$154,352 thousand had been utilized as of July 10, 2024, with the remaining NT\$17,505 thousand expected to be used in the third quarter of 2024. Additionally, NT\$400,000 thousand earmarked for bank loan repayment is also scheduled to be repaid in the third quarter. This plan adjustment was approved by the Company's Board of Directors on August 9, 2024. Therefore, the completion of working capital funding and bank loan repayment within the third quarter remains feasible.

In summary, the revised capital utilization plan is considered reasonable and achievable.

3. Impact of This Revision on Shareholders' Equity

The Company's decision to reallocate the originally planned funds for machinery procurement (including expansion) and working capital to the repayment of bank loans was primarily due to supplier delays in equipment delivery and uncertainty surrounding the expansion project schedule. As a result, the original fund utilization plan no longer aligned with the actual timeline. To avoid idle capital, the Board of Directors resolved on August 9, 2024, to adjust the use of funds raised through the cash capital increase. Redirecting these funds to repay bank loans and reduce interest expenses will bring tangible and timely benefits to the Company's operations. Therefore, the adjustment will not result in any material adverse impact on shareholders' equity.

IV. OVERVIEW OF BUSINESS OPERATION

1. Principal activities :

1.1 Operating Scope :

The main activities of the Group include:

- (1) Provide high grade nanomedical lubricious coatings and various surface treatments for implantable or interventional medical devices.
- (2) Design, development, manufacture and sale of intraocular lenses and nanomedical devices.
- (3) Injection molding and mold design, development and production of medical and electronic plastic products.

1.1.2 Business Weightage

Unit: NT\$ thousands ; %

Item	Year	2024	
		Revenue	Ratio
Technical Service Income		200,340	23.3
Royalty Fee Income		225,100	26.2
Medical Device & Molding Injection Income		434,353	50.5
Total		859,793	100.0

1.1.3 The Group's Current Products and Services

(1) Technical Service Income

Provides environmentally-friendly medical coatings for a variety of industries, along with analysis equipment and specially engineered plasma reactors that facilitate the application of our advanced surface treatment technologies.

(2) Royalty Fee Income

The royal income comes from the authorization of the use of our advanced surface treatment or medical coating technologies to other manufacturers

(3) Medical Device & Molding Injection Income

The sales of medical device mainly include sales of medical equipment such as plasma treatment equipment, intraocular lens (IOL) and IOL delivery system; Injection molding sales revenue mainly includes sales of medical materials and electronic plastic products.

1.1.4 Planned Developments for New Products and Services

Products	Intended use of the Product
Customized Surface Treatment Technology for Implantable/Invasive Medical Devices	Based on the existing core techniques LubriLAST and LubriMARTIX as the foundation, in response to different customer needs, various products and their function, customized formulation and surface treating processes are established to meet customer requirements.

Products	Intended use of the Product
Bifocal IOL	<p>This product is a non-diffractive extended depth of focus (EDOF) intraocular lens designed for correcting presbyopia. It offers good distance and near vision. When used in combination with the Balanced Extended Vision Procedure, it aims to enhance patients' near vision. The lens extends and moves the focal length without diffracting light energy; enables the maximization of light distribution efficiency. Additionally, its unique design without diffractive rings effectively reduces nighttime glare, thereby shortening the postoperative adaptation.</p>
Monofocal Plus IOL	<p>This product is a non-diffractive extended depth of focus (EDOF) intraocular lens designed to expand distance vision. The lens extends and moves the focal length without diffracting light energy; enables the maximization of light distribution efficiency. It allows patients with different spherical aberrations to enjoy good distance vision and extended distant focal length while ensuring safe nighttime visual quality. Additionally, its unique design without diffractive rings effectively reduces nighttime glare, thereby shortening the postoperative adaptation.</p>
Small-incision IOL Delivery System	<p>This product is suitable for surgical incisions smaller than 2.2 mm, meeting the market demand for micro-incision surgery. This design provides physicians with more flexible surgical options, improves usability, and increases diversity of products.</p>
Environmental Friendly Preloaded IOL Delivery System	<p>In response to the trending of medical and environmental sustainability and to reduce medical waste, the Company plans to develop a preloaded IOL delivery system paired with a reusable metal plunger. This design not only enables the functionality of a preloaded implantation system—enhancing surgical efficiency and convenience—but also reduces the use of single-use consumables, aligning with eco-friendly trends. In addition, this solution will expand the product's range of applications, enhance market competitiveness, and further create new business development opportunities.</p>

1.2 Industrial Overview

1.2.1 Current Industry Conditions

According to the International Classification of Diseases-10, visual function is categorized into four levels: normal visual function, moderate visual impairment, severe visual impairment, and blindness. Based on 2022 WHO data, approximately 2.2 billion people worldwide currently suffer from impaired vision, either myopia or hyperopia. Of these, at least 1 billion have preventable or treatable vision impairments. Furthermore, about 90% of the visually impaired population globally resides in developing countries. In terms of regional disparities, the prevalence of vision impairment due to refractive errors in low- and middle-income areas is estimated to be four times higher than in high-income regions. For instance, it's estimated that over 80% of untreated myopia exists in sub-Saharan West, East, and Central Africa, whereas it's estimated to be less than 10% in North America, Australia, Western Europe, and the Asia-Pacific high-income areas.

Population growth and aging are expected to expose more people to the risk of vision impairment. Most visually impaired individuals and blind people are over 50 years old, which increases the susceptibility to diabetes due to aging, and diabetes is a common cause of retinal disease. According to UN estimates, in 2000, an estimated 151 million adults globally had diabetes, which had increased to 463 million by 2021 due to continued aging of the population. The International Diabetes Federation predicts that by 2045, there will be 700 million people with diabetes globally, with an estimated 160 million people suffering from diabetic retinopathy (DR). Among them, 450 million will face severe vision loss.

Globally, among the visually impaired population, those with moderate or severe impairment or blindness include uncorrected refractive errors (884 million), cataracts (940 million), age-related macular degeneration (8 million), glaucoma (77 million), diabetic retinopathy (39 million), and near-vision impairment due to untreated presbyopia (826 million). It's estimated that by 2050, there will be 1.76 billion people globally facing vision impairment. Additionally, vision impairment incurs a significant financial burden globally, with annual global productivity losses estimated at \$411 billion.

According to the 2022 statistics from MarketandMarket, the global ophthalmic medical device market reached \$45.65 billion in 2020, and it is estimated to reach \$80.87 billion by 2027, with a compound annual growth rate (CAGR) of 5.0% from 2020 to 2027. In terms of the market share breakdown in 2020, "Assistive and Corrective Devices" accounted for the largest share, with a market value of \$34.67 billion, representing 75.9% of the total market. This was followed by "Surgical Ophthalmic Devices" and "Diagnostic Ophthalmic Devices," accounting for 17.5% and 6.6% of the total market share, respectively. The high market share of assistive and corrective devices is attributed to the prevalence of conditions such as myopia, hyperopia, astigmatism, and presbyopia, which are common eye disorders, and many people may develop myopia from a young age, resulting in demand for products such as eyeglasses, contact lenses, and intraocular lenses.

However, based on the CAGR from 2018 to 2023, the growth rate for "Assistive and Corrective Devices" products is relatively lower at 4.5% due to the mature technology and high

competitiveness among manufacturers. Although market demand is steadily growing, the growth rate from 2018 to 2023 is only 4.5%. Due to the global aging population, the prevalence of conditions such as cataracts, glaucoma, refractive errors, and diabetic retinopathy is increasing, leading to an expected CAGR of 6.7% for "Surgical Ophthalmic Devices" from 2018 to 2023. Additionally, diagnostic and monitoring ophthalmic devices are expected to achieve a CAGR of 5.2%.

© Advanced Medical Surface Treatment :

With the aging population and increasing emphasis on health and well-being, the global demand for medical devices is growing. Most medical devices are made from non-natural materials that may cause discomfort and increase the risk of injury, infection, or even life-threatening situations when implanted into the body. In response to the rising trend of healthcare-associated infections, the use of Bioactive Coating on the surface of medical devices has emerged as a solution to modify the surfaces of medical equipment, devices, and implants to reduce the occurrence of complications.

Since the surface coating is typically the only part of a medical device that comes into contact with the patient, the choice of coating plays a critical role in the success of a medical device. Applying coatings to medical devices to achieve the desired effects and comply with regulatory requirements involves a complex evaluation process. Understanding the intricate technicalities and managing complex supplier relationships are key factors in successfully bringing medical devices to market.

According to the Global Medical Coatings Market Report by Econ Market Research, the global medical coatings market is projected to grow from \$6.7 billion in 2023 to \$13.3 billion in 2031, with a compound annual growth rate (CAGR) of 12.20% during this forecast period. The growth of the global medical coatings market can be attributed to the increasing income levels in emerging economies, the growing percentage of elderly populations, and the increased utilization of home healthcare facilities. Additionally, the growing demand for minimally invasive surgical procedures also contributes to driving the growth of the medical coatings market.

© IOL and IOL delivery system :

The emergence of information explosion and the rise of the multi-screen generation have significantly increased the extent of eye overuse. Coupled with the increasing proportion of the global elderly population, age-related deterioration of eye function leads to the development of cataracts, where the natural lens of the eye loses its original function irreversibly. Surgical replacement with an artificial intraocular lens (IOL) is currently the only effective treatment for cataracts. According to Market Scope's 2023 Global IOL Market Research, the global market for artificial intraocular lenses had sales of approximately \$1.3 billion in 2022 and is projected to exceed \$1.8 billion by 2028.

In the early days, doctors used forceps to implant artificial intraocular lenses into the eye, which required a large incision and sutures. Post-surgery recovery was slow, and there was a higher risk of infection. With advancements in materials and processing techniques for artificial

intraocular lenses, as well as improvements in microsurgical instruments, the development of implantation systems for artificial intraocular lenses emerged.

Regardless of the grade of artificial intraocular lens products, the trend of "micro-incision cataract surgery" has highlighted the importance of "surface lubrication technology." In micro-incision cataract surgery, artificial intraocular lenses are injected into the eye through tiny incisions. Without lubrication treatment on the surface of the implantation cartridge, friction may occur, leading to difficulty in injection and potential wear or breakage of the artificial intraocular lens. The demand for surface lubrication treatment on the implantation cartridge is expected to grow as implantation systems become more popular in the cataract surgery market.

1.2.2 Association between Upstream, Midstream and Downstream Industry Participants

(1) Structure of upstream and midstream firms of medical device lubrication treatment

Upstream	Midstream	Downstream
<ul style="list-style-type: none"> • Chemical raw material supplier 	<ul style="list-style-type: none"> • Medical device surface treatment lubrication manufacturer 	<ul style="list-style-type: none"> • IOL delivery system, artificial trachea, cardiac catheter and renal catheter manufacturer • Other industry such as sterilization industry, safety inspection industry

(2) Structure of Intraocular IOL and IOL delivery system

Upstream	Midstream	Downstream
<ul style="list-style-type: none"> • Chemical raw material supplier • Plastic chemical injection molding industry 	<ul style="list-style-type: none"> • IOL and IOL delivery system and medical equipment manufacturer • Other industry such as surface treatment industry, sterilization industry, safety inspection industry 	<ul style="list-style-type: none"> • Distributor • Hospital, clinics

1.2.3 The Development Trends for each Product

(1) Customized Surface Coating Treatment Service

The main driver of the global medical device coatings market is the increasing demand for minimally invasive surgery, technological innovation and increased awareness of the expansion of medical product manufacturing. In addition, the increase in health awareness, the growth of disposable income in developed regions and the growth of the pharmaceutical industry in emerging regions are expected to drive the global market to some extent.

(2) IOL Development

With the advancement of progress for optical techniques, biocompatible materials and the processing techniques, and to satisfy people's high demand toward visual quality, products of Monofocal, Multifocal, Accommodating, Toric IOLs, etc. have been developed. ICARES MEDICUS, INC. have accomplished the product launch of Toric IOLs, Multifocal IOLs and EDOF IOLs and Trifocal IOLs. In the future, ICARES MEDICUS, INC. will expand the application of astigmatism correcting technique and to develop a variety of IOL products capable of reducing residual astigmatism.

(3) Preloaded IOL Delivery System Development

The traditional type of IOL delivery system requires manual loading of the lens. Manual loading is time-consuming and improper use may cause damage of the lens or even contamination. Therefore, the development of preloaded IOL was raised, where the lens is 'pre-loaded' in the injector, there would be no lens loading require, the doctor can simply push the injector to implant the lens. This design saves time and significantly reduces contamination risk.

1.2.4 Competition

(1) Medical Surface Treatment

According to Grand View Research, as the global demand for medical devices increases and people's awareness of the risk of medical device infection increase, the demand for medical coating is growing. Most small and medium-sized coating companies will choose a single specialized field, and the medical field is also receiving more and more attention. The rapid development of medical coatings is expected.

(2) IOL Delivery System

With advancements in optical technology, biocompatible materials, and manufacturing techniques, various types of intraocular lenses (IOLs) have been developed to meet people's demand for high-quality vision. These include monofocal, trifocal, accommodating, toric, and extended depth of focus (EDOF) lenses, among others. The market is constantly evolving, with major players such as Alcon, Johnson & Johnson, Bausch & Lomb, Hoya Surgical Optics, and Carl Zeiss Meditec dominating the market, while smaller manufacturers also have a share.

Since the value of intraocular lenses far exceeds that of the implantation systems, not all IOL manufacturers produce implantation systems. In many cases, IOL manufacturers purchase implantation devices from specialized producers and use them together with their lenses.

1.3 Technological Research and Development :

1.3.1 R&D Spending

Unit: NT\$ thousands; %

Item \ Year	2024	Until March 31st of 2025
R&D Expenses (A)	192,701	32,656
Net Operating Revenue (B)	859,793	297,649
Proportion of Net Revenue (A)/(B)	23%	11%

1.3.2 Successfully Developed Technologies or Products for last 5 years

Year	Products	Description
2019	Multifocal IOL	Multifocal IOL is used to replace the lens to achieve visual correction of aphakia in patients with and without presbyopia in whom a cataractous lens has been removed through cataract surgery. It is indicated to increase the spectacle independence of patients who desire both near and distance vision and reduce the demanding of assistant reading tool. (CE-Marking affixed)
	EDOF IOL	EDOF IOLs broaden the depth of focus to encompass a broader range of foci instead of a point image. As the depth of focus extended, EDOF IOLs provide clear and continuous vision at both distance and near distances. (CE-Marking affixed)
2020	Trifocal Intraocular Lens	For cataract patients, after surgery, the presbyopia can be corrected and almost does not have to rely on glasses when looking far. (CE-Marking affixed)
2021	Trifocal Toric Intraocular Lens	The product provides a chance to patients with cataract and astigmatism who, in the meanwhile, expect post-surgery spectacle independence to solve two annoying issues, astigmatism and presbyopia, at once after a cataract surgery. The dependence of spectacle for both far and near vision are minimized, and the use of auxiliary/reading glasses for near objects can be reduced.
2022	Phase-Ring EDOF Toric IOL	The product is non-diffractive EDOF IOL for presbyopia correcting along with the addition of toric correcting function which provides excellent continuous distance to intermediate and functional near vision. The product maximizes the utilization of light by extending and shifting the focal points instead of distributing light. In addition, the unique design eliminating the use of diffractive rings reduces visual disturbance in the nighttime which shortens the post-operative adaptation period.
2023	The research and development project initiated in 2023 continues into 2024, with ongoing efforts and progress towards its completion.	
2024	Preloaded Hard Stick IOL Delivery System	This product is a single-use sterile medical device. The IOL has been preloaded in the cartridge; allowing surgeons to use it immediately after opening the package. The new design reduces procedural steps and makes handling easier.

1.4 Long and Short Term Business Development Plans

1.4.1 Short Term Development

- (1) Develop more complete and competitive products for market demand.
- (2) Operate brand customer relationships to understand market demand and in addition, through the cooperation of customer to develop product specifications, to achieve the market's leading position.

1.4.2 Long Term Development

- (1) With low-cost solutions to develop products for customers in the market and in the same industry.
- (2) Closely observe the industry dynamics, market trends, in addition to the IOL and IOL delivery system line, plan other products with long-term vision and in line with the company's core competitiveness.

2. Market and Sales Overview:

2.1 Market Analysis

2.1.1 Locations where products are primarily sold

Unit: NT\$ thousands; %

Year	2023		2024	
	Sales Amount	Ratio	Sales Amount	Ratio
Asia	121,361	20.04%	288,195	33.52%
America	316,412	52.26%	334,909	38.95%
Europe	153,298	25.32%	203,355	23.65%
Other	14,381	2.38%	33,334	3.88%
Total	605,452	100.00	859,793	100.00%

2.1.2 Market Share

The Group's surface treatment technology for implantable and high-end medical devices has been adopted by major intraocular lens manufacturers. According to a Market Research Report, the Group's AST PRODUCTS, INC. is recognized as a key global supplier in the medical coating market, alongside DSM (Netherlands), Hydomer (USA), and Biocoat (USA).

Since 2015, the Group's intraocular lenses and implantation systems have gradually obtained marketing approvals in the U.S., Europe, Taiwan, and other regions, as well as passed customer validations. The products are currently in the market promotion stage, with a focus on increasing user (physician) adoption and building brand value. Based on current market feedback, supported by the Group's strategic initiatives, market share is expected to steadily grow.

2.1.3 Future Market Supply/Demand and Growth Potentials

According to the Market Scope 2023 Global IOL Market Research, the global market for intraocular lenses (IOLs) had sales of approximately \$1.3 billion in 2022, and it is projected to exceed \$1.8 billion by 2028. The market report indicates that the demand for different types of IOL

implantation devices varies across different regions globally, depending on the economic and medical development status. In highly developed regions with advanced healthcare systems, medical practitioners commonly use convenient, time-saving, and moderately priced preloaded IOL products. However, there is a future demand for high-end fully preloaded IOLs in these regions. In developing regions where both the economy and healthcare are gradually improving, the primary products are low-priced prefilled implantation cartridges.

2.1.4 Competitive Advantage

- (1) We have independent research and development design capabilities in the surface treatment technology of implant/invasive high-end medical equipment. The surface treatment method and solution formulation can be customized according to customer needs to shorten the time course for customers to enter mass production.
- (2) In responding to the substantial growth of the full preloaded IOL delivery system in the future, developing a long-lasting, water-insoluble and stable surface lubricated polymer technology: Surface Grafted Polymer Brushes for Lubrication LubriMATRIX™. This lubricious surface treatment can be sterilized by high temperature steam sterilization and will be most cost competitive.
- (3) The cryo-lathing technique added on the self-developed bi-aspheric design (with negative spherical aberration, SA) enable the performance of ICARES Medicus, Inc. IOL products being comparable to the leading brand.

2.1.5 Future Opportunities, Threats and Responsive Strategies

(1) Opportunities

- ① Experienced R&D expert and the key to meet customer needs

Independent research and development design capabilities in implant high-end medical equipment surface treatment technology, IOL and IOL delivery system.

- ② Excellent production skill, work with many well-known companies

Invasive high-end medical equipment surface treatment technology has been adopted by the world's largest IOL manufacturers.

- ③ Customized surface treatment service

Deeply cultivated the surface treatment industry of medical equipment for many years, customized solution and service is offered to shorten the time course during mass production.

(2) Threats

- ① Intense market competition

Responsive Strategies

Professional in surface treatment of implanted/invasive high-end medical equipment for many years. Mastered the surface lubrication treatment of the IOL delivery system. In addition, a preloaded IOL delivery system has been developed to drive the sales of the IOL. In the future, we will continue to invest in research and development of functional IOL, in order to open up more key customers to strength market position and production and sales advantages.

② Long development time and high R&D cost

Responsive Strategies

R&D team carefully selects projects through careful clinical evaluation to reduce the risk of misplaced resources. Keep up to date with the latest medical regulatory information and follow GMP (Good Manufacturing Practice, GMP), manufacturing specifications to spread risk and make product development cost-effective.

2.2 Main Product Purpose and Production Process

2.2.1 The use of Main Products

Product and Service	Description
Intraocular Lens	Intraocular lens is used to treat diseases such as cataracts.
IOL Delivery System	IOL delivery system is a device acts as a channel in assisting IOL delivery into the eye
Technical Service	Provide surface lubrication coating technology services for implantable medical equipment such as ophthalmic implant system, cardiac catheter, drainage tube and catheter

2.2.2 Main Product Production Process

(1) The Intraocular Lens Production is as follows:

Turning → Cleaning → Polishing → Cleaning → Milling → Cleaning → Final Quality Control → Packaging → Sterilization → Quality Assurance

(2) The IOL Delivery System Production is as follows:

Injector assembly → Blister and Tyvek sealing → Packaging → Sterilization → Quality Assurance

2.3 The Supply of Key Raw Materials

The Group's procurement from suppliers varies depending on the product mix. Major procured materials include equipment components, chemical substances, medical device-related items, and packaging materials. In addition to maintaining stable relationships with existing suppliers, the Company keeps adequate inventory of key raw materials to ensure supply continuity in the event of force majeure or unexpected disruptions.

2.4 Name of trade partner representing more than 10% of total purchases (sales) in any of the last two years, and the amounts and percentages of purchases (sales). Describe the causes of any variation

2.4.1 Main supplier data in the last two years:

Unit: NT\$ thousands ; %

Item	2023				2024			
	Name	Amount	Net Annual Sales Ratio	Relationship with the issue	Name	Amount	Net Annual Sales Ratio	Relationship with the issue
1	Lilly International	6,754	17.07	-	Millennium Biomedical	14,489	17.78	-
2	Millennium Biomedical	6,718	16.99	(Note 1)	WGJ	9,598	11.78	-
3	Acme Tooling Technology	5,142	13.00	(Note 2)	-	-	-	-
4	Others	20,941	52.94	-	Others	57,395	70.44	-
5	Purchase Amount	39,555	100.00	-	Purchase Amount	81,482	100.00	-

(Note 1): The subsidiary's general manager served as a director of the company but has not held that position since May 2023. The company became a group subsidiary in July 2024.

(Note 2): The company was still an affiliate of the Group in 2023 and became a group subsidiary in June 2024.

Reasons for changes:

The Company maintains stable and positive relationships with its suppliers. Due to the inclusion of two former major suppliers as group subsidiaries in 2024, there were structural changes in the composition of major suppliers.

2.4.2 Main customer data in the last two years:

Unit: NT\$ thousands ; %

Item	2023				2024			
	Name	Amount	Net Annual Sales Ratio	Relationship with the issue	Name	Amount	Net Annual Sales Ratio	Relationship with the issue
1	Customer A	250,247	41.33	-	Customer A	233,373	27.14	-
2	Others	355,204	58.67	-	Others	626,420	72.86	-
3	Sales Amount	605,451	100.00	-	Sales Amount	859,793	100.00	-

Reasons for changes:

The Company maintains stable and positive relationships with its customers. The addition of two new subsidiaries in 2024 led to an increase in annual sales revenue, resulting in changes to the percentage of annual net sales attributed to each customer.

3. The number of employees, average years of service, average age, and academic background in the last 2 years up till the publication date of this annual report:

Unit: person ; %

Item		Year	2023	2024	2025
					(As of March 31)
Number of Employees	Sales and Management		31	58	58
	Production		130	268	263
	R &D		43	54	54
	Total		204	380	375
Average Age			35.98	36.31	36.29
Average years of service			3.87	4.60	4.80
Academic Qualification (%)	Doctoral Degree		1.5%	1.1%	1.1%
	Master's Degree		9.8%	6.3%	6.1%
	Bachelor's Degree		66.2%	51.0%	52.0%
	High School		19.6%	34.2%	33.1%
	Below High School		2.9%	7.4%	7.7%

4. Expenditure on environmental protection

Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided :

None.

5. Employer and Employee Relationships

5.1 The availability of employee welfare, training, ongoing education, and retirement policies.

Elaborate on the agreements between employers and employees, and the protection of employees' rights. :

(1) Human Resources Policy

The Company complies with applicable national laws and supports internationally recognized labor and human rights standards, including the "International Labour Standards," "International Convention on the Elimination of All Forms of Racial Discrimination,"

“Convention on the Rights of Persons with Disabilities,” and the “Universal Declaration of Human Rights.”

The Company prohibits child labor, forced labor, and all forms of discrimination. Its human resources policy ensures equal and fair treatment regardless of gender, race, socioeconomic status, age, marital or family status, covering employment, compensation, benefits, training, performance evaluation, and promotion opportunities. The Company also employs persons with disabilities, ensuring equal work rights, benefits, and opportunities for social participation.

(2) Employee Welfare Measures

The Company provides a range of employee welfare measures, including group insurance, regular health check-ups, year-end bonuses, occasional employee trips, holiday gifts, employee profit sharing, and other talent retention and incentive programs.

(3) Employee Training and Development

The Company provides comprehensive training programs for employees, including onboarding programs, professional skills development, and personal effectiveness courses.

In 2024, training participants included both managerial and non-managerial employees. The total number of hours for internal and external training reached 246 hours, with a total of 212 training attendances, averaging 1.16 hours of training per person.

An overview of employee training in 2024 is summarized in the table below:

Category		Number of Trainees	Total Training Hours	Averag Hours per Perso
Total Training (Internal and External)		212	246	1.16
By Job Level	Managerial	25	66	2.64
	Non-managerial	187	180	0.96
By Gender	Male	55	77	1.40
	Female	157	169	1.08

(4) Employee Retirement System and Implementation Status

The Company adopts the new pension scheme in accordance with the Labor Pension Act, contributing 6% of each employee’s monthly salary to their individual pension account.

(5) Labor-Management Agreements

The Company adheres to the Labor Standards Act in formulating its regulations and convenes labor-management meetings regularly. As of the date of this report, labor relations remain harmonious, with no disputes requiring mediation.

The Company has established a dedicated email address and a message function on its external website to provide an effective and appropriate grievance mechanism. These channels are designed to be accessible, straightforward, and open, ensuring fairness and transparency throughout the grievance process, with proper responses provided to employee concerns. smooth, and the employees' grievances should be properly responded to.

(6) Measures to Safeguard Employee Rights and Interests

The Company has established workplace rules and management policies that clearly define employee rights, obligations, and welfare to ensure fair treatment.

To protect employee safety and maintain a secure work environment, the Company has implemented the following measures:

1. Annual inspection of fire safety equipment.
2. Monthly inspection of drinking water quality.
3. Daily outsourced cleaning and maintenance of the work environment.
4. Annual health checkups for employees.
5. Regular training on fire safety, occupational safety and health, and evacuation procedures.
6. Additional travel insurance for employees on overseas business trips, in addition to group insurance coverage.
7. Implementation of a gender-equal workplace, including parental leave, family care leave, menstrual leave, maternity leave, and paternity leave.
8. Access control with employee ID cards to ensure workplace security.
9. The company assigns doctors/nurses to the company site to provide health services on an annual/monthly basis.

5.2 List any losses suffered by the company in the most recent 2 fiscal years and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

The company has a harmonious labor relations and has not suffered any losses due to labor disputes. It is expected that the possibility of similar circumstances will be low in the future.

6. Cyber security management:

6.1 Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

6.1.1 Information Security Risk Management Framework

- (1) In reference to the CNS 27001 standard, the Company has established an information security policy as the guiding principle for its Information Security Management System (ISMS), which has been approved and implemented by the management. The policy is integrated into daily operations.
- (2) The Company has appointed a Chief Information Security Officer (CISO) responsible for overseeing the promotion of information security policies and coordinating related resources. The Information Technology Department serves as the dedicated unit for information security, in charge of planning and executing information security management tasks, as well as promoting

awareness across the organization. Senior management is also involved in evaluating the overall cost of risk.

- (3) Internal Audit Division of the company is the audit unit for information security supervision. If any defects are found, the audited unit will be required to put forward relevant improvement plans and report to the board of directors, and regularly track the improvement results to reduce internal information security risks.
- (4) The information security management system is implemented and adjusted according to the cyclic mode of Plan, Do, Check and Act, and is implemented step by step under the risk and cost balance to ensure the effectiveness and continuity of information business operations.

6.1.2 Information Security Policy

In order to strengthen information security management, establish a safe and reliable operating environment, and ensure the security of data, systems, equipment and networks to achieve the purpose of sustainable business operations, this policy is formulated as the basis for implementing information security measures.

The key points of the policy are as follows:

- (1) All operations shall comply with applicable laws, regulations, and the Company's internal policies.
- (2) Task assignments must reflect functional segregation, with clearly defined responsibilities to prevent unauthorized modification or misuse of information.
- (3) Business partners, contractors, consultants, or customers may be required to sign confidentiality agreements as necessary, depending on the nature of the engagement.
- (4) Information security training and awareness programs are provided to all employees to enhance security awareness and improve overall information security standards.
- (5) Employees are obligated to protect confidential and sensitive Company information and must not access, use, disclose, or share such information without proper authorization.
- (6) To defend against computer viruses and malicious software, legal antivirus software and firewalls must be installed and kept up to date.
- (7) Critical data must be backed up regularly, and essential systems must have redundancy mechanisms in place.
- (8) Employees who violate relevant regulations on information security shall be dealt with in accordance with the relevant internal measures of the company.

6.1.3 Management measures implemented

The Company has established an Information Technology Department under the supervision of the president. An Information Security Officer is currently in place, along with two dedicated IT personnel responsible for managing the following areas and regularly reporting to the supervisor. In addition, the Company has insured its assets and equipment against fire.

Item	Execution Content
Account Password and Access Control	<ul style="list-style-type: none"> . All information systems must set up login accounts and passwords, and a mechanism for regularly changing passwords. . The ERP system and each area's disk drive area are set up with permissions based on job positions.
Network Security Management	<ul style="list-style-type: none"> . Configure a firewall on the external network to block external attacks and intrusions.
Safety Management Of Computer and Mainframe	<ul style="list-style-type: none"> . Anti-virus software has been deployed on personal computers and servers, and the anti-virus system is kept up to date. . The mainframe is elevated and equipped with a UPS.
Email Security Protection	<ul style="list-style-type: none"> . Turn on spam filtering. . Enhance the security of email accounts and add an email gateway that can detect forgery.
Data Backup	<ul style="list-style-type: none"> . The database is backed up daily. . Employee personal computer work bays are backed up daily. . Regularly make off-site backups of host backup data.
Reliability Management	<ul style="list-style-type: none"> . Daily operational testing of the host, cloud storage area, and ERP system. . Regularly conduct availability and integrity testing of ERP backup data.

6.2 List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided :

None.

7. Major Contracts

Contract Nature	Participants	Contract Start and End Dates	Major Contents	Restrictive Clauses
Factory Leasing Agreement	Hsinchu Science Park Bureau, Ministry of Science and Technology	January , 2024 ~ December , 2028	Factory Lease Contract	Deposit
Factory Leasing Agreement	Hsinchu Science Park Bureau, Ministry of Science and Technology	January , 2023 ~ December, 2027	Factory Lease Contract	Deposit
Factory Leasing Agreement	Shanghai Hong Yu Dao He Industrial Co., Ltd.	April , 2023 ~ December , 2027	Factory Lease Contract	Deposit
Sales Contract	Company A	March, 2019 ~ February , 2026	Sales Contract	None

V. REVIEW OF FINANCIAL POSITION, MANAGEMENT PERFORMANCE AND RISK MANAGEMENT

1. Financial position

List the main reasons for any material change in the company's assets, liabilities, or equity during the past 2 fiscal years, and describe the effect thereof. (Consolidated) :

Unit: NT\$ thousands

Item	Year	2023	2024	Difference	
				Amount	%
Current assets		1,293,040	1,413,326	120,286	9.30%
Property, plant and equipment		120,305	301,678	181,373	150.76%
Intangible assets		117,502	906,382	788,880	671.38%
Other assets		377,811	386,809	8,998	2.38%
Total assets		1,908,658	3,008,195	1,099,537	57.61%
Current liabilities		123,736	573,803	450,067	363.73%
Non current liabilities		116,063	671,606	555,543	478.66%
Total liabilities		239,799	1,245,409	1,005,610	419.36%
Ordinary shares		391,604	430,764	39,160	10.00%
Capital surplus		754,545	770,818	16,273	2.16%
Retained earnings		416,549	488,774	72,225	17.34%
Non-controlling interest		90,897	102,754	11,857	13.04%
Other equity		15,264	56,758	41,494	271.84%
Treasury stock		0	(86,902)	(86,902)	-
Total Equity		1,668,859	1,762,786	93,927	5.63%

Explain the item that change amount up to 20% :

1. Property, plant and equipment : Mainly due to the increase in corporate ACME Tooling and capacity demand, as well as the increase in lease improvements and purchase of machinery and equipment for factory expansion.
2. Intangible assets : Mainly due to the increase in intangible assets such as customer relationships, expertise and goodwill resulting from the merger of MBI and ACME Tooling.
3. Total assets : Mainly due to the acquisition of real estate, plant and equipment and intangible assets from the merger of MBI and ACME Tooling; as well as the increase in leasehold improvements and purchase of machinery and equipment for factory expansion in response to production capacity needs.
4. Current liabilities : Mainly due to the increase in short-term loans and long-term loans due within one year from financial institutions due to capital demand.
5. Non current liabilities : Mainly due to the increase in long-term loans from financial institutions due to capital demand.
6. Total liabilities : Mainly due to the increase in long-term and short-term loans from financial institutions due to capital demand.
7. Other equity : Mainly due to the increase in exchange rate differences in the translation of financial statements of foreign operating entities.
8. Treasury stock : Mainly due to the holding of the Company's shares as a result of the corporate merger with MBI.

2. Financial performance

2.1 List the main reasons for any material change in operating revenues, operating income, or income before tax during the past 2 fiscal years, provide a sales volume forecast and the basis therefor. (Consolidated):

Unit: NT\$ thousands

Item	Year	2023	2024	Difference	
				Amount	%
Operating revenues		605,452	859,793	254,341	42.01%
Operating costs		123,050	260,064	137,014	111.35%
Gross profit from operations		482,402	599,729	117,327	24.32%
Operating expenses		373,838	476,477	102,639	27.46%
Net operating income		108,564	123,252	14,688	13.53%
Total non operating income and expenses		4,726	41,151	36,425	770.74%
Profit before income tax		113,290	164,403	51,113	45.12%
Income tax expenses		48,859	109,890	61,031	124.91%
Profit		64,431	54,513	(9,918)	(15.39%)

Explain the item that change amount up to 20% :

1. Operating revenues : Mainly due to the merger of MBI and ACME Tooling.
2. Operating costs : Mainly due to the merger of MBI and ACME Tooling.
3. Gross profit from operations : Mainly due to the merger of MBI and ACME Tooling.
4. Operating expenses : Mainly due to the merger of MBI and ACME Tooling.
5. Total non operating income and expenses : This was mainly due to the increase in interest income and dividend income, as well as the increase in foreign exchange gains due to exchange rate fluctuations.
6. Profit before income tax : This was mainly due to the merger of MBI and ACME Tooling, as well as increased interest income and dividend income, and increased exchange gains due to exchange rate fluctuations.
7. Income tax expenses : Mainly due to the continued profitability of subsidiaries.

2.2 Provide a sales volume forecast and the basis therefor, and describe the effect upon the company's financial operations as well as measures to be taken in response.

The company refers to the market analysis of research institutions, and according to the customer's estimated demand to plan capacity , and based on past operating performance, set annual sales targets.

The Company estimates that sales in the future will continue to grow. The company has more cash inflows due to business growth, thus maintaining a good financial position.

3. Cash flow

3.1 Describe and analyze any cash flow changes during the most recent fiscal year, describe corrective measures to be taken in response to illiquidity :

Unit: NT\$ thousands

Item	Year	2024	2023	Difference	
				Amount	%
Net cash flows from (used in) operating activities		(10,824)	(25,787)	14,963	58.03%
Net cash flows from (used in) investing activities		(550,602)	(527,583)	(23,019)	(4.36)%
Net cash flows from (used in) financing activities		612,476	656,098	(43,622)	(6.65)%

3.1.1 Analysis of deviation :

- (1) Operating activities : Stable operations resulted in a decrease in net cash outflow from operating activities.
- (2) Investing activities : There was no significant change in net cash from investing activities.
- (3) Financing activities : There was no significant change in net cash from investing activities.

3.1.2 Insufficient liquidity improvement plan : None.

3.2 Cash flow analysis for the coming year:

Unit: NT\$ thousands

Cash and Cash Equivalents at Beginning of Year	Estimated Net Cash Flow from Operating Activities	Estimated Net Cash Flow from Investing & Financing Activities	Cash Surplus (1)+(2)+(3)	Preparation for Liquidity Shortfall	
				Investment Plans	Financing Plans
(1)	(2)	(3)	(1)+(2)+(3)		
439,786	94,271	(1,944)	532,113	—	—

3.2.1 Analysis of deviation :

- (1) Operating activities : Mainly due to cash inflow from operations.
- (2) Investing activities : The main reasons are capital expenditures for purchasing machinery and equipment, lease improvements to expand production capacity.
- (3) Financing activities : It is mainly the cash inflow from the cash capital increase of the subsidiary and the repayment of funds raised by the group company from financial institutions.

3.2.2 Insufficient liquidity improvement plan : None.

4. The effect upon financial operations of any major capital expenditures during the most recent fiscal year :

To support future business development and fulfill customer order requirements, the Company initiated a capacity expansion plan at the end of 2023. This plan involves the acquisition of necessary production machinery and the execution of related facility engineering projects, with an originally planned investment of approximately NT\$200 million. The estimated investment payback period was expected to be around three years starting from the year production commences.

However, due to delays in equipment delivery by suppliers—despite ongoing shipments—the expansion timeline has been affected, resulting in a postponement of capital expenditure benefits. The project remains underway but is not yet completed. At present, the expansion has no material impact on the Company’s financial or business performance. The Company will continue to monitor the project’s progress closely and make adjustments as appropriate in response to market conditions.

5. The reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year :

Unit: NT\$ thousands

Ownership of Shares in Affiliated Enterprise	Ratio of ownership (%)	Profit or loss 2022	Reason of profit or loss	The plan for improving	Investment plans for 2024
AST PRODUCTS, INC.	100.00	180,861	Note 1	None	None
AST VISIONCARE INC.	100.00	(37,521)	Note 2	None	None
ICARES MEDICUS (HONG KONG) LIMITED.	100.00	(94,210)	Note 3	None	None
ACME TOOLING TECHNOLOGY CO., LTD.	60.00	14,354	Note 4	None	None
MILLENNIUM BIOMEDICAL, INC.	100.00	83,310	Note 5	None	None
MAXUS MEDICAL CO., LTD	62.83	(147,588)	Note 6	Note 6	Note 6
AST VISIONCARE GmbH	80.00	(4,010)	Note 7	None	None
AST VISION CARE, S.L.	48.00	10,139	Note 8	None	None
AST VISIONCARE France	46.50	(140)	Note 9	None	None

Note 1 : Revenue growth and well-controlled expenses.

Note 2 : AST VISIONCARE INC. is primarily engaged in the sale of intraocular lens (IOL) and related medical products. While sales remain stable and efforts to expand in the medical device market continue, the company is still operating at a loss due to high expenses related to market development and post-launch clinical activities.

Note 3 : This is an investment company that recognizes investment gains or losses based on the performance of its investees.

Note 4 : Yong Hao Technology Co., Ltd. specializes in injection molding and mold design for medical and electronic plastic products. The company maintains stable operations.

Note 5 : MILLENNIUM BIOMEDICAL, INC. focuses on the sale of IOL-related medical products. The company operates stably.

Note 6 : Shuochuang (Shanghai) Medical Devices Co., Ltd. has obtained market approval and production permits for its proprietary products and is currently in the market promotion stage. Sales are primarily generated from distribution products. The company is continuing product validation planning and capital expenditures in response to capacity needs. It has obtained bank financing as required and plans to conduct a capital increase in 2025 to strengthen working capital.

Note 7 : AST VISIONCARE GmbH is engaged in the sale of IOL-related medical products. The company is still in the early stage of market promotion and has yet to reach stable sales, resulting in continued losses.

Note 8 : AST VISION CARE, S.L. focuses on the sale of IOL-related medical products. Sales performance is gradually stabilizing.

Note 9 : AST VISIONCARE France is engaged in the sale of IOL-related medical products. The company remains in the market development phase and has yet to achieve stable sales, resulting in continued losses.

6. Risk analysis and evaluation in recent years and up to the date of the annual report printed:

6.1 The impact of interest rate, exchange rate, and inflation on the Company's income and expense and the responsive measures:

Unit: NT\$ thousands

Item	Year: 2024	Ratio of operating revenue	Ratio of net operating income
Net Interest income (expense)	13,981	1.63%	11.34%
Net exchange gain (loss)	8,642	1.01%	7.01%
Operating revenues	859,793	—	—
Net operating income	123,252	—	—

6.1.1 The impact of interest rate on the Company's income and expense and the responsive measures:

As the Group has repaid most bank loans, the impact of changes in borrowing rates on the Company is limited; The company maintains a good relationship with the bank to keep abreast of interest rate changes and seek preferential interest rates.

The company group holds foreign government bonds with good ratings, earns stable profits, and continues to pay attention to market changes and adjust the amount held in a timely manner.

6.1.2 The impact of exchange rate on the Company's income and expense and the responsive measures:

The impact of exchange rate fluctuations on the Group mainly arises from changes in the value of its foreign currency-denominated assets. The overall effect on profit and loss remains limited. The Company continues to monitor trends in major foreign currencies and international developments unrelated to economic factors to respond promptly to market changes. In negotiating contracts or settling accounts with overseas suppliers, the Company considers its existing foreign currency holdings and aims to use them for payments to mitigate risks arising from exchange rate fluctuations.

6.1.3 Impact of Inflation on the Company's Profit and Loss and Future Countermeasures:

To date, inflation has not had a material impact on the Company's profit and loss. The Company will continue to closely monitor market price fluctuations and, when necessary, adjust product pricing to mitigate the effects of inflation.

6.2 Conducting high-risk and high-leverage investment, granting loans to others, endorsement & guarantee and directives policy, root cause of profit and loss, and the responsive measures:

The Group has not engaged in high-risk, highly leveraged investments or derivative transactions in the most recent fiscal year and up to the publication date of this annual report.

Where necessary, the Group provides intercompany loans or endorsements/guarantees in accordance with applicable laws and the Company's internal procedures. As of the publication date of this report, certain group entities have engaged in lending and guarantee transactions, with related information disclosed on the Market Observation Post System (MOPS).

The Group maintains a monthly registry to monitor the execution of lending and guarantee activities and regularly supervises subsidiaries to ensure proper oversight of intercompany loans and operational status.

The Company has also established internal policy criteria for determining when overdue receivables are considered intercompany lending. Implementation is in accordance with the policy, with no violations of regulatory requirements.

6.3 R&D plans and budgeted R&D expense :

The Group will continue to focus on the development and design of (1) Customized Surface Coating Treatment Service (2) Trifocal IOL Development (3) Preloaded IOL Delivery System Development. (4) Conducted product certification for IOL of subsidiary (MAXUS).

The budget of R&D in 2025, the company's estimated R & D expenses will account for approximately 20% to 30% of revenue.

6.4 The impact of domestic and international policies and law change on the Company's finance and the responsive measures :

None.

The Group operates in compliance with applicable domestic and international laws and regulations, and closely monitors policy developments and regulatory changes. The Group periodically assigns professionals to attend internal and external training programs and consults with experts or relevant institutions when necessary to respond to such changes. As of the date of this report, there have been no material adverse impacts on the Group's financial or operational status due to policy or legal changes.

6.5 Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response.:

Recent technological and industrial changes are not expected to have any immediate material impact on the Group's operations. The Group's R&D team regularly monitors industry trends and regulatory developments and promptly implements response measures for any developments that may affect the industry or the Group.

Regarding information security, the Company has established an information security policy and implemented related measures (please refer to pages 70–72 of this report) to prevent potential impacts. The Company also closely monitors cybersecurity developments and periodically reviews the appropriateness and safety of its software tools. As of the date of this report, there have been no major cybersecurity incidents or attacks identified that have had or may have a significant adverse effect on the Group's business or operations..

6.6 The impact of industrial image change on business risk management and the responsive measures:

None.

6.7 The expected effect, potential risk, and responsive measures of merger:

On May 31, 2024, the shareholders' meeting approved the acquisition of Millennium Biomedical, Inc. ("MBI"), a U.S.-based company. The transaction was completed in July 2024.

To expand the Group's business scale, integrate its distribution network, and enhance overall competitiveness, the Group's U.S. subsidiary, AST VISIONCARE INC., acquired 95% of MBI's outstanding common shares, totaling 4,750,000 shares, at a price of USD 5.40 per share. The total investment amounted to USD 25,650,000.

Following the acquisition, the Group now holds 100% ownership of MBI, which has become a consolidated subsidiary of the Group.

Our group focuses on the ophthalmic field, actively expanding our business scale with advanced processes and innovative research and development capabilities to meet market demands and enhance shareholder value. As MBI's customer base does not overlap with ours, integrating MBI into our existing distribution system and sales channels post-acquisition will enhance our sales capabilities. Considering factors such as diversifying our product offerings, differentiating pricing strategies, and market development trends, the addition of MBI's products will complement our sales force. Leveraging our own Asqelio brand alongside MBI's PreciSAL brand, we will adopt a dual-brand

strategy to cater to diverse market needs in terms of focal lengths and prices, maximizing marketing and sales effectiveness and expanding our business scale in the ophthalmic field.

For our new group member, we will maintain existing management policies and conduct regular oversight to communicate and monitor the status of all group companies, ensuring compliance with our quality standards in financial and operational matters.

6.8 The expected effect, potential risk, and responsive measures of plant expansion :

To support future business development and fulfill customer order requirements, the Company initiated a capacity expansion plan at the end of 2023. This plan involves the acquisition of necessary production machinery and the execution of related facility engineering projects, with an originally planned investment of approximately NT\$200 million. The estimated investment payback period was expected to be around three years starting from the year production commences.

However, due to delays in equipment delivery by suppliers—despite ongoing shipments—the expansion timeline has been affected, resulting in a postponement of capital expenditure benefits. The project remains underway but is not yet completed. At present, the expansion has no material impact on the Company's financial or business performance. The Company will continue to monitor the project's progress closely and make adjustments as appropriate in response to market conditions.

6.9 Risks Associated with Procurement or Sales Concentration and Response Measures:

(1) Procurement:

The Group's procurement from suppliers varies depending on product mix. In addition to maintaining strong relationships with existing suppliers, the Group also keeps an adequate inventory of key raw materials to mitigate potential risks arising from force majeure events or unforeseen circumstances. Overall, the Group is not exposed to risks related to procurement concentration or unstable supply sources.

(2) Sale :

As of fiscal year 2024, the Group's largest customer, Company A, has accounted for a significant portion of revenue over the past five years. Company A is a leading player in the global intraocular lens market, and the Group primarily licenses surface treatment technology and supplies medical coatings used in intraocular lens delivery systems. These technologies and solutions meet Company A's requirements and have earned its continued recognition, resulting in a long-term partnership and higher sales concentration. Nevertheless, the Group continues to develop new products and expand its customer base. As sales of new products increase and operations scale up, the risk of sales concentration is expected to diminish..

6.10 The impact of massive stock transfer or change by directors, supervisors, and shareholders with over 10% shareholding, the risk, and the responsive measures:

None.

6.11 The impact of right to operate change on the Company, the risk, and the responsive measures :

None.

6.12 Litigious and non-litigious matters :

List major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report :

None.

6.13 Other significant risks and responsive measures : None.

7. Other important events : None.

VI. SPECIAL DISCLOSURES

1. Summary of Affiliated Companies :

The Company's 2024 (Year 113) consolidated business report of affiliates, consolidated financial statements of affiliates, and report on affiliate relationships were submitted and disclosed in March 2025 in accordance with regulatory requirements via the Market Observation Post System (MOPS) [<https://mops.twse.com.tw/>]. These documents can be accessed at the following path:

MOPS > Listed Companies > Electronic Documents Download > Affiliate Information Disclosure Section, or directly via https://mopsov.twse.com.tw/mops/web/t57sb01_q10.

2. Status of Private Placement of Securities in the Most Recent Fiscal Year and up to the Date of the Annual Report:

None.

3. Supplementary disclosures :

The statement or promised items from the company's registration (application) for offering and issuance of securities, and the current state of the fulfillment.

The statement or promised items	The current state of the fulfillment
Promise to make an addition in the "Procedures for Acquisition or Disposal of Assets" that "The Company shall not give up to fund AST Products, Inc. and EMEMBRANCE INC." resolved in the annual general meeting	<ol style="list-style-type: none">1. Amended and resolved in the annual general meeting on May 18, 2018.2. Due to the liquidation of EMEMBRANE INC. and cessation of its operations, it is proposed to remove any description related to the company. Furthermore, in anticipation of potential future issuance of stock-based compensation tools or other operational developments by the group, such as strategic alliances or issuance of stock rewards to employees by AST, there may be circumstances necessitating adjustments to the company's holdings in AST Products, Inc. Therefore, the amendment to this clause states: "The company's ownership stake in AST Products, Inc. shall not be less than fifty-one percent." The aforementioned revisions were discussed and approved at the shareholders' meeting held by the company on May 31, 2023.

VII.

MATTERS AFFECTING SHAREHOLDERS' EQUITY OR STOCK PRICE

Matters according to the Article 36.3.2 of the Securities and Exchange Act of Taiwan in the most recent year and up to the date of printing of this Annual Report which have significant impact to Shareholders' Equity or stock price:

1. In March 2025, the Board of Directors resolved to conduct a private placement of common shares, with the number of shares not exceeding 6,000 thousand. The proposal will be submitted to the shareholders' meeting on May 29, 2025 for approval.
2. In April 2024, the Board of Directors approved the acquisition of 95% equity interest in Millennium Biomedical, Inc., totaling 4,750,000 common shares, through the Group's wholly owned U.S. subsidiary, AST VISIONCARE INC., for a total consideration of USD 25.65 million (NTD 833,625 thousand). The acquisition was approved at the shareholders' meeting on May 31, 2024 and completed in July 2024.
3. In March 2024, the Board of Directors resolved to conduct a private placement of common shares, with the number of shares not exceeding 6,000 thousand. Although the proposal was approved at the shareholders' meeting on May 31, 2024, the Company did not proceed with the private placement. As there were no plans to continue within the effective period, the Board resolved on March 11, 2025 to terminate the plan.

ICARES MEDICUS, INC.

Chairman: Loh, Ih-Houng