

Stock Code: 6543



**PERFECT MEDICAL  
INDUSTRY CO., LTD.**

# **2025 Annual Shareholders' Meeting Meeting Handbook**

Form: Physical shareholders' meeting

Date: April 23, 2025 (Wed.)

Place: No.60, Xingong 3rd Rd., Beidou Township, Changhua County  
【Conference Hall, 1F, Beidou Industrial, Park Administration Center】

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# **Perfect Medical Industry Co., Ltd.**

## **Procedure for 2025 Annual Shareholders' Meeting**

- I. Call the Meeting to Order**
- II. Chairperson Remarks**
- III. Reports Items**
- IV. Recognition Items**
- V. Discussion Items**
- VI. Extempore Motions**
- VII. Adjournment**

**Perfect Medical Industry Co., Ltd.**  
**Agenda for 2025 Annual Shareholders' Meeting**

Form: Physical shareholders' meeting

Time: 10:00 a.m., April 23, 2025 (Wed.)

Place: No.60, Xingong 3rd Rd., Beidou Township, Changhua County.

**【Conference Hall, 1F, Beidou Industrial, Park Administration Center】**

**I. Call the Meeting to Order**

(Reporting the number of shares represented by the shareholders present at the meeting)

**II. Chairperson Remarks**

**III. Reports Items**

(I) 2024 Business Report.

(II) 2024 Audit Committee's Review Report.

(III) 2024 Employees and Directors Remuneration Report.

(IV) 2024 Cash Dividend Earnings Distribution Report.

**IV. Recognition Items**

(I) To Accept 2024 Business Report and Financial Statements.

(II) To Accept 2024 Earnings Distribution.

**V. Discussion Items**

(I) Motion for removal of competition restriction on the representative appointed by the legal person as director of Medifly Co., Ltd.

(II) Motion for partial amendment to the Company's "Articles of Incorporation".

**VI. Extempore Motions**

**VII. Adjournment**

## 【Reports Items】

### **Motion 1 (proposed by the Board of Directors)**

Motion: 2024 Business Report.

Description: Please refer to Attachment I (pages 6-8) of the Meeting Handbook.

### **Motion 2 (proposed by the Board of Directors)**

Motion: 2024 Audit Committee's Review Report.

Description: Please refer to Attachment II (page 9) of the Meeting Handbook

### **Motion 3 (proposed by the Board of Directors)**

Motion: 2024 Employees and Directors Remuneration Report.

- Description: 1. According to Article 27 of the Company's Articles of Incorporation, "if the Company makes profit in the current year, it shall allocate 2% to 10% for employee remuneration and no more than 5% for director remuneration".
2. The Company intends to allocate NTD 5,504,444 as employee remuneration and NTD 3,439,700 as director remuneration for 2024. They accounts for 4.86% and 3.04% of the pre-tax profit NTD 113,260,169 before distribution, respectively, and will be paid in cash.
3. The motion was resolved and approved by the Board of Directors on March 13, 2025

### **Motion 4 (proposed by the Board of Directors)**

Motion: 2024 Cash Dividend Earnings Distribution Report.

- Description: 1. According to the Articles of Incorporation, the earning distribution or loss off-setting shall be implemented at the close of each half fiscal year. If the earnings are distributed in cash, it shall be handled upon resolution of the Board of Directors in accordance with Article 240, Paragraph 5 of the Company Act, shall be reported to the shareholders' meeting.
2. Distribution of cash dividends for 2024:

Unit: NTD

2024	Date of approval	Date of payment	Dividend per share	Total amount
First half of the year	2024/09/30	2024/11/12	0.63	33,177,501
Second half of the year	2025/03/13	Authorized to Chairperson	0.87	45,816,549
Total			1.5	78,994,050

## 【Recognition Items】

### **Motion 1 (proposed by the Board of Directors)**

Motion: 2024 Business Report and Financial Statements.

Description: 1. The Company's 2024 Business Report, Entity and Consolidated Financial Statements were approved by the Board of Directors on March 13, 2025 and reviewed by the Audit Committee.

2. The above financial statements have been audited by the CPAs, Mr. Huang Yu-Ting and Mr. Luo Wen-Zhen of Ernst & Young Global Limited. An audit report was issued with unqualified opinions.

3. For the 2024 Business Report, CPA's Audit Report, and entity and consolidated financial statements, please refer to Attachment I (pages 6-8), Attachment III (pages 10~19), and Attachment IV (pages 20~29) of the Meeting Handbook.

4. Please rectify.

### **Motion 2 (proposed by the Board of Directors)**

Motion: 2024 Earnings Distribution.

Description: 1. The Company's undistributed earnings of previous years are NTD 38,197,448, and net income of 2024 are NTD 89,123,116. According to the Company Law, 10% of the legal reserve to the amount of NTD 8,912,312 is set aside, plus a reversed special reserve of NTD 3,724,555, resulting in a total distributable earnings of NTD 122,132,807.

2. In the first half of 2024, the Company distributed a cash dividend of NTD 0.63 per share to its shareholders, totaling NTD 33,177,501. In the second half of 2024, a cash dividend of NTD 0.87 per share is proposed, amounting to NTD 45,816,549. After the distribution, the retained earnings at the end of the period is NTD 43,138,757.

3. For the 2024 Earnings Distribution Table, please refer to Attachment V (page 30).

4. Please rectify.

Voting on the above motions

## 【Discussion Items】

### Motion 1 (proposed by the Board of Directors)

Motion: Removal of competition restriction on the representative appointed by the legal person as director of Medifly Co., Ltd.

Description: 1. Remove competition restriction on the representative appointed by a legal person according to Article 209 of the Company Act, "a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval".

2. The legal person as director of Medifly Co., Ltd. appointed Mr. Huang Lung-Hu as the representative on July 8, 2014. Therefore, if he invests in or operates another company with the same or similar business scope as the Company and serves as a director of such company, on the premise that the interests of the Company are not affected, we intend to request the 2025 Annual Shareholders' Meeting to agree to lift the non-competition restriction on this new representative of the legal person as director in accordance with Article 209 of the Company Act.

Legal person as director	Representative	Current position
MEDIFLY CO., LTD.	Huang Lung-Hu	Consultant and supervisor of Medifly Co., Ltd.

3. Please resolve.

### Motion 2 (proposed by the Board of Directors)

Motion: Partial amendment to the Company's "Articles of Incorporation".

Description: 1. Amended According to Letter Jin-Guan-Zheng-Fa-Tzi No.1130385442 of the Financial Supervisory Commission on November 08, 2024 and the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

2. For the comparison table of the "Articles of Incorporation" before and after the amendment, please refer to Attachment VI (pages 31 ~ 34) of the Meeting Handbook.

3. Please resolve.

Voting on the above motions

## 【Extempore Motions】

## 【Adjournment】

**【Attachment I】****Perfect Medical Industry Co., Ltd.  
2024 Business Report**

The global geopolitical conflicts continue and are affected by severe international situations. Although the medical device industry has recovered rapidly and steadily after the COVID-19 pandemic, the increased costs in the global supply chain due to intense international situation have caused the pressure of inflation intensified and unimproved. For these, the Perfect Group has adopted a more flexible operational model and a more stable strategy to respond to the impact of the overall changes in the international situation, and continued to develop the Group's long-term deployment planning. We would like to thank all of our shareholders for your support and trust, and show our appreciation to the employees for your efforts and hard work. Without these, we would not have the stable and growing revenue results. The Company's 2024 business results and 2025 business plan are reported as follows

**I. 2024 Business results****(I) Implementation results:**

Unit : NTD thousands;%

Item	2024	2023	Amount of increase/decrease	Change ratio
Operating revenue	744,157	734,133	10,024	1.37
Operating net profit	91,241	58,359	32,882	56.34
Non-operating revenue/expense	16,138	(4,106)	20,244	493.03
Profit after tax	89,123	40,089	49,034	122.31

**(II) Budget Execution:** The Company only set the internal budget target and did not disclose the financial forecast in 2024.

**(III) Analysis of financial income, expenditure and profitability**

## 1. Analysis of financial income and expenditure:

Item		2024	2023
Financial structure	Debt to asset ratio (%)	27.89	32.85
	Long-term capital to property, plant and equipment ratio (%)	267.06	235.84
Repayment ability	Current ratio (%)	301.05	171.47
	Quick ratio (%)	187.32	106.16
	Interest coverage ratio	29.87	13.42

## 2. Analysis of profitability:

Item	2024	2023
Return on assets (%)	8.76	4.48
Return on equity (%)	12.15	6.11
Net income before tax to paid-in capital ratio (%)	20.39	11.88
Net profit margin (%)	11.98	5.46
Earnings per share (NTD)	1.81	0.88

**(IV) Research and development:**

The Company invested NTD 9,304 thousand in research and development this year, accounting for 1.61% and 1.25% of the entity and consolidated operating revenue and up by 25.70% from NTD 7,402 thousand in 2023. The main research and development aspects were surgical tubes, sputum extraction bags, telescopic safety huber needles, waste needle collection boxes, blood collection needles, and automated needle holders. The Company also actively communicated with the nursing staff of large-scale hospitals for trial use of products and received feedback, in order to provide a more comprehensive medical products for the safety of the medical personnel.

**II. 2025 Business Plan Overview****(I) Business policy of this year**

Due to the geographical advantages of the the Company's production bases, the Group has gradually increased its visibility in the international market. In addition to continuously developing the feasibility of sales in various regions, the Group strove to cooperate with international enterprises to create more value for the Group. It is expected that the overall production and sales in 2025 will be stable and growing. However, in recent years, due to the impact of the epidemic, intense international situations, and tariff barriers, the restructuring of the supply chain and the transfer of production bases have become important issues. For these, the Group continues to review production costs, optimize production efficiency, and strengthen procurement capabilities to improve product cost advantages. It is expected that in 2025, the Group will strive for more



cooperation opportunities and orders by making use of our advantages in quotation, and continue to invest in the development of various sterile medical consumables and long-term care market related consumables to increase the Company's product portfolio and breadth and create growth momentum for the future of the Company.

In addition, our Vietnam 2nd Plant (Long An) has passed the ISO13485 certification and obtained the production and export permit, which is expected to make a contribution to the production capacity of the Company from 2025. The Group will accelerate the enhancement of the production efficiency and implement the improvement plan for Vietnam 1st Plant to create a better competitive advantage for the Group.

(II) The direction of research and development

1. Continue to improve existing products such as Safety injection syringes, ester-based safety needle-free dosing, safety curved needles for cancer treatment, infusion and hemodialysis circuits.
2. Develop general medical consumables and products, such as blood collection needles for the laboratory, nasal oxygen tubes for respiratory care, oxygen masks, sterile gauzes, patient identification tapes, and alcohol cotton pads (sterile).
3. Develop long-term care consumables, such as silicone gastric tube (sterile) and silicone urinary catheter (sterile).
4. Develop new medical consumables with high economic value, such as low-residue needle-free connectors for cancer injection and high-pressure valve systems for contrast injection.
5. Continue to evaluate the development benefits of advanced catheter products, such as extracorporeal circulation catheters and central venous catheters

(III) Major production and sales policies

1. Build complete supply chain partnership to ensure the quality and supply of raw materials, shorten the production cycle and reduce inventory costs.
2. Strengthen bargaining power in procurement, improve R&D and design capabilities, improve process efficiency, and strictly control production costs to improve product competitiveness.
3. Continue to introduce automated production to improve product quality and delivery efficiency and thus satisfy existing customers and expand potential customers.
4. Actively develop new customers to increase market share, and adjust product sales structure to improve profitability.

(IV) Sales expectations and basis

The Company's sales expectations are based on the prediction of the overall market situation in 2025, the evaluated potential of customers, the Company's sales forecast, and the overall industry and economic situation. It is expected that the sales in 2025 will grow compared to 2024.

### **III. Impact of External Competition Environment, Regulatory Environment, and Overall Business Environment**

(I) External competition environment

The global medical device industry are facing fierce competition due to the low price in China market. Although the threat of China's manufacturers was eased slightly due to the US-China trade war and the rise of local manufacturing awareness in recent years, the development of emerging nations will bring another wave of impact. As medical consumables are facing a long-term low-price competition, manufacturers are actively seeking product transformation and investing in high-end and safe products, and taking these as the main R&D goals. They introduce high-level automated production equipment to improve production efficiency and product quality in order to reduce production costs and maintain market competitiveness. Therefore, the Company continues to optimize related internal operations to maintain our advantages in the face of fierce external competitions.

(II) Regulatory environment

The governments and the International Standards Organization (ISO) are continuing to revise medical device regulations and standards. For example, The US Food and Drug Administration (US FDA) has launched the FDARA and other related bills, EU announced that the Medical Device Regulation (MDR) and the In Vitro Diagnostic Regulation (IVDR) were implemented in May 2021 and May 2022, respectively, and Japan's Pharmaceuticals and Medical Devices Act made significant changes to product registration requirements, quality management systems and verification agencies. The Company should not stay out of these changes. Therefore, the Company will comply with the requirements of international medical device regulations, abide by international standards through regulatory compliance and quality improvement, and assist in the global business development to achieve the goal of sustainable operations and growth.

(III) Overall economic environment

According to the data of the United Nations, the population over 65 years in 2023 accounted for about 10% of the total population in the world, to a total number of about 800 million people. It is expected that the growth will come up to 14% in 2039, entering an aging society, and will reach 16.6% in 2051, with a population of about 1.6 billion, a double increase compared to 2023. At the same time, the average life expectancy per capita will be extended, F1990 to 2023, the life expectancy per capita extended by 9 years to 73.2 in 2023; the life expectancy per capita in 2051 will be 77.1. Therefore, as the population ages, the demand for elderly care and the chronic diseases will increase. Medical consumables will be improved with the changes in type of the disease and the advancement of the medical technology. They are closely related to life and social welfare and are less susceptible to fluctuations caused by economic changes. Therefore, they

will continue to have long-term stable growth in the future.

#### **IV. Future Development Strategies**

The Company has developed in the medical consumables industry for more than 30 years. The main products have been widely used in major medical centers and hospitals, and have received a high degree of dependence. Therefore, in addition to continuously improving existing products and increasing the domestic and overseas market share, the Company has deployed sterile medical consumables and long-term care market related consumables to meet the market demand of an aging population.

By adhering to the concept of "Perfect Quality, Respect for Life", we will to provide high-quality products that conform with market trends and continue improving and developing products to enhance the efficiency and safety of the medical personnel. The Company will continue to optimize the process and management performance to pursue operational growth and profitability. I would like to take this opportunity to show our appreciation to all the directors and shareholders for your long-term trust and encouragement to the company. We will continue to make changes, innovations and progresses, and do our best to achieve the expectations of all shareholders!

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

## **【Attachment II】**

### **Perfect Medical Industry Co., Ltd.**

#### **Audit Committee's Review Report**

We, the Audit Committee of the Company, hereby acknowledge that the Board of Directors has worked out and submitted hereto the Business Report, financial statements, and proposed allocation of earnings of Perfect Medical Industry Co., Ltd. for 2024 and that among them, the financial statements have been duly audited by CPAs, Mr. Huang Yu-Ting and Mr. Luo Wen-Zhen of Ernst & Young Global Limited appointed by the the Board of Directors, who already issued the Audit Report.

We hereby further declare and confirm that the aforementioned Business Report, financial statements, and proposed allocation of earnings have been further duly reviewed by us, the Committee, and no nonconformities were found. We hereby issue this Report in or accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please approve.

To

2025 General Shareholders' Meeting

Perfect Medical Industry Co., Ltd.

Convener of Audit Committee: Hsu Chih-Cheng

March 13, 2025

## **【 Attachment III 】**

### **Independent CPA's Report**

To the Board of Directors and Shareholders of Perfect Medical Industry Co., Ltd.:

#### **Audit opinions**

We have audited the entity balance sheets of Perfect Medical Industry Co., Ltd. and its subsidiaries as of December 31, 2024, and December 31, 2023, along with the entity statements of comprehensive income, changes in equity, and cash flows for the period from January 1 to December 31, 2024 and 2023, and the accompanying notes to the entity financial statements (including a summary of significant accounting policies).

In our opinion, the above entity financial statements, in all material respects, have been prepared in accordance with the financial reporting standards for securities issuers. They fairly present the entity financial position of Perfect Medical Industry Co., Ltd. as of December 31, 2024 and 2023, as well as their entity financial performance and cash flows for the periods from January 1 to December 31, 2024 and 2023.

#### **Basis of Audit opinions**

We conducted our audit in accordance with the Rules Governing the Audit of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under these standards will be further explained in the section on the responsibilities of the CPA in auditing the entity financial statements. The personnel of the firm to which we belong have maintained independence from Perfect Medical Industry Co., Ltd. in accordance with the independence regulations and have fulfilled other responsibilities as required by the professional ethical standards for CPAs. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

#### **Key Audit Matters**

Key audit matters refer to those matters that, in our professional judgment, were of the most significance in our audit of the entity financial statements of Perfect Medical Industry Co., Ltd. for the year ended December 31, 2024. These matters were addressed in the context of our audit of the entity financial statements as a whole and in forming our audit opinion. We do not express a separate opinion on these matters.

### Allowance for losses on accounts receivable

As of December 31, 2024, the net accounts receivable (including related parties) of Perfect Medical Industry Co., Ltd. amounted to NTD 93,010 thousand, representing 9% of the total assets, and is considered significant to the financial statements of Perfect Medical Industry Co., Ltd.. The assessment of the allowance for doubtful accounts to reflect the credit risk of accounts receivable involves significant judgment by management. Therefore, the allowance for doubtful accounts has been determined by the CPA to be a key audit matter. Our audit procedures included (but were not limited to) evaluating the effectiveness of the internal controls established by management for accounts receivable management; assessing the appropriateness of the allowance for doubtful accounts policy, including understanding the relevant data used by management—based on historical experience, current market conditions, and forecasts of future economic conditions—to estimate the expected loss rate; testing the underlying aging information by sampling original vouchers to verify their accuracy; analyzing trends in the allowance for doubtful accounts and the accounts receivable turnover ratio; and selecting samples to perform accounts receivable confirmation procedures and reviewing subsequent receipts on accounts receivable to assess their collectability. We also considered the appropriateness of the disclosure of accounts receivable in Note 5 and Note 6 of the consolidated financial statements.

### Inventory valuation

The net inventory of Perfect Medical Industry Co., Ltd. as of December 31, 2024, amounts to NTD 62,261 thousand, accounting for 6% of the total assets. This is considered significant to the financial statements of Perfect Medical Industry Co., Ltd.. Due to the impact of market fluctuations and changes in economic conditions on raw material prices, which may lead to significant fluctuations in inventory prices, and the fact that the inventory provision evaluation involves significant judgment by management, the auditor has determined that inventory valuation is a key audit matter. Our audit procedures include (but are not limited to) evaluating the effectiveness of internal controls established by management for inventory, performing simple tests and understanding the appropriateness of management's accounting policy for assessing obsolete and outdated inventory, selecting significant inventory locations to observe inventory counting procedures, testing the accuracy of inventory aging intervals, recalculating the reasonableness of the provision for obsolete inventory, and obtaining the annual detailed list of purchases, sales, and inventory movements. We also test related purchase and sales documents, recalculate the unit cost of inventory, and evaluate the net realizable value used by management in the inventory valuation. We also considered the appropriateness of the disclosure of inventories in Note 5 and Note 6 of the consolidated financial statements.

### **Responsibilities of management and governance bodies for the entity financial statements**

The responsibility of management is to prepare the entity financial statements in accordance with the financial reporting standards for securities issuers. Management must ensure that the entity financial statements are properly presented and maintain the necessary internal controls related to their preparation to ensure that there are no material misstatements caused by fraud or error.

In the preparation of the entity financial statements, management's responsibility also includes evaluating the ability of Perfect Medical Industry Co., Ltd. to continue as a going concern, disclosing related matters, and adopting the going concern basis of accounting, unless management intends to liquidate Perfect Medical Industry Co., Ltd. or cease operations, or unless there is no viable alternative to liquidation or cessation of operations.

The governance body of Perfect Medical Industry Co., Ltd. (including the Audit Committee) is responsible for overseeing the financial reporting process.

## **Responsibilities of CPAs to audit the entity financial statements**

Our purpose in auditing the entity financial statements is to obtain reasonable assurance about whether the entity financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report. Reasonable assurance is a high level of assurance, but an audit conducted in accordance with auditing standards does not guarantee that material misstatements in the entity financial statements will be detected. Misstatements may arise from fraud or error. Misstatements, individually or in aggregate, are considered material if it is reasonable to expect that they will influence the economic decisions of users based on the entity financial statements.

In conducting the audit in accordance with auditing standards, we, as CPAs, exercise professional judgment and professional skepticism. We also perform the following tasks:

1. Identify and assess the risk of material misstatement in the entity financial statements due to fraud or error; design and implement appropriate responses to the assessed risks; and obtain sufficient and appropriate audit evidence to form the basis for the audit opinion. Fraud may involve collusion, forgery, deliberate omission, misrepresentation, or circumvention of internal controls, thus the risk of failing to detect material misstatements due to fraud is higher than that due to error.
2. To obtain an understanding of the internal controls relevant to the audit in order to design appropriate audit procedures for the circumstances, but the purpose is not to express an opinion on the effectiveness of the internal controls of Perfect Medical Industry Co., Ltd..
3. To evaluate the appropriateness of the accounting policies adopted by management and the reasonableness of the accounting estimates and related disclosures made.
4. Based on the audit evidence obtained, to conclude on the appropriateness of the continuation basis of accounting adopted by management and whether events or conditions exist that may raise significant doubt about the ability of Perfect Medical Industry Co., Ltd. to continue as a going concern. If we believe that such events or conditions present significant uncertainty, we must draw the users' attention in the audit report to the relevant disclosures in the entity financial statements, or modify our audit opinion if such disclosures are deemed inappropriate. Our conclusion is based on the audit evidence obtained as of the date of the audit report. However, future events or circumstances may cause the Company and its subsidiaries to no longer have the ability to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the entity financial statements (including the related notes), and whether the entity financial statements appropriately reflect the relevant transactions and events.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the individual entities within the Group to form an opinion on the entity financial statements. We are responsible for the guidance, supervision, and execution of the group audit engagement, and for forming the group audit opinion.

We communicate with the governance body regarding matters such as the planned audit scope and timeline, as well as significant audit findings, including any material weaknesses in internal control identified during the audit process.

We determine the key audit matters for the audit of the 2024 entity financial statements of Perfect Medical Industry Co., Ltd. based on the matters communicated with the governance body. We outline these matters in the audit report, unless law prohibits the disclosure of specific matters, or in extremely rare circumstances, where we decide not to communicate certain matters in the audit report due to a reasonable expectation that the negative impact of such communication would outweigh the public interest it would serve.

Ernst & Young Joint Accounting Firm

Financial Reports for Publicly Listed Companies Approved by  
the Competent Authority

Audit Certification Document Number:  
Jin-Guan-Zheng-Shen-Zi No. 1080326041  
Jin-Guan-Zheng-Shen-Zi No. 1110348358

Huang Yu-Ting

CPA:

Lo Wen-Chen

March 13, 2025

Perfect Medical Industry Co., Ltd.  
Parent company only balance sheet  
December 31, 2024 and 2023

Unit: NTD thousands

Assets			December 31, 2024		December 31, 2023	
Code	Accounting Items	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4 and 6.1	\$75,822	7	\$100,195	11
1150	Net notes receivable	4 and 6.15	8,190	1	11,158	1
1170	Net accounts receivable	4, 6.2, and 6.15	74,160	7	75,390	8
1180	accounts receivables - Net amount from related parties	4, 6.2, 6.15, and 7	18,850	2	14,610	2
130X	Inventory	4 and 6.3	62,261	6	67,383	7
1410	Advance payment		2,500	-	3,419	-
1470	Other current assets	7	29,344	3	23,273	2
11XX	Total current assets		271,127	26	295,428	31
	Non-current assets					
1517	Financial assets measured at fair value through other comprehensive income - non-current	4 and 13	2,091	-	6,134	-
1550	Investments accounted for using the equity method	4 and 6.4	580,954	56	451,305	48
1600	Property, plant and equipment	4, 6.5 and 8	75,428	7	74,623	8
1755	Right-of-use assets	4 and 6.16	3,145	-	1,920	-
1760	Net investment property	4, 6.6 and 8	73,809	7	73,809	8
1840	Deferred income tax assets	4 and 6.20	3,854	1	7,477	1
1900	Other non-current assets	4, 6.7 and 8	32,066	3	36,449	4
15XX	Total non-current assets		771,347	74	651,717	69
1XXX	Total assets		\$1,042,474	100	\$947,145	100

(Please refer to the notes to the parent company only financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi



Perfect Medical Industry Co., Ltd.  
Parent company only balance sheet (continued)  
December 31, 2024 and 2023

Unit: NTD thousands

Debt and equity			December 31, 2024		December 31, 2023	
Code	Accounting Items	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term borrowings	4 and 6.8	\$10,000	1	\$50,000	5
2110	Short-term notes payable	4 and 12	-	-	40,000	4
2130	Contract liabilities - current	4 and 6.14	-	-	34	-
2150	Notes payable		714	-	3,427	-
2170	Accounts payable		9,595	1	33,328	4
2200	Other accounts payable	6.9	34,999	3	29,107	3
2230	Income tax liabilities in the current period	4	8,132	1	7,898	1
2280	Lease liabilities - current	4 and 6.16	2,862	-	1,786	-
2320	Long-term borrowings due within one year or one business cycle	4 and 6.10	47,354	5	71,520	8
2399	Other current liabilities - others		952	-	1,059	-
21XX	Total current liabilities		114,608	11	238,159	25
	Non-current liabilities					
2540	Long-term borrowings	4 and 6.10	123,438	12	44,971	5
2570	Deferred income tax liabilities	4 and 6.20	169	-	-	-
2580	Lease liabilities - non-current	4 and 6.16	400	-	256	-
25XX	Total non-current liabilities		124,007	12	45,227	5
2XXX	Total liabilities		238,615	23	283,386	30
31XX	Equity attributable to owners of the parent company	4 and 6.12				
3100	Share capital					
3110	Common stock capital		526,627	51	456,627	48
3200	Capital reserve		122,301	12	79,908	8
3300	Retained earnings					
3310	Legal reserve		61,514	6	53,054	6
3320	Special reserve		46,343	4	38,783	4
3350	Undistributed earnings		94,356	9	86,394	9
	Total retained earnings		202,213	19	178,231	19
3400	Other equity					
3410	Exchange difference arising from translation of the financial statements of foreign operations		(43,239)	(4)	(51,007)	(5)
3420	Financial assets measured at fair value through other comprehensive income					
	Unrealized gains/losses on assets		(4,043)	(1)	-	-
34XX	Total other equity		(47,282)	(5)	(51,007)	(5)
3XXX	Total equity		803,859	77	663,759	70
	Total liabilities and equity		\$1,042,474	100	\$947,145	100

(Please refer to the notes to the parent company only financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

Perfect Medical Industry Co., Ltd.  
Parent company only statement of comprehensive income  
January 1 to December 31, 2024

Unit: NTD thousands

Code	Items	Notes	2024		2023	
			Amount	%	Amount	%
4000	Operating revenue	4, 6.14 and 7	\$576,605	100	\$559,320	100
5000	Operating cost	6.3, 6.11, 6.17 and 7	(416,750)	(72)	(445,068)	(80)
5900	Operating gross profit		159,855	28	114,252	20
5910	Unrealized gains/losses on inventory		(1,847)	-	(1,061)	-
5920	Realized gains/losses from sales		1,061	-	1,130	-
5950	Net operating gross profit		159,069	28	114,321	20
6000	Operating expenses	6.11, 6.13 and 6.17				
6100	Selling expense		(39,412)	(7)	(42,075)	(7)
6200	Administrative expenses		(57,333)	(10)	(39,029)	(7)
6300	R&D expenses		(9,304)	(2)	(7,402)	(1)
6450	Expected credit impairment loss	6.15	(87)	-	(13)	-
	Total operating expenses		(106,136)	(19)	(88,519)	(15)
6900	Operating profit		52,933	9	25,802	5
7000	Non-operating income and expenses					
7100	Interest income	6.18	2,185	1	882	-
7010	Other income	6.18 and 7	25,787	4	23,435	4
7020	Other gains and losses	6.18 and 7	569	-	(14,495)	(2)
7050	Financial cost	6.18	(3,720)	(1)	(4,345)	(1)
7070	Share of profit or loss of subsidiaries, affiliates and joint ventures recognized using the equity method	6.4	26,562	5	13,858	2
	Total non-operating income and expenses		51,383	9	19,335	3
7900	Profit before tax		104,316	18	45,137	8
7950	Income tax expense	6.20	(15,193)	(3)	(5,048)	(1)
8200	Net income of the current period		89,123	15	40,089	7
8300	Other comprehensive income (net)					
8310	Items not reclassified as gains and losses					
8316	Investments in equity instrument measured at fair value through other comprehensive income		(4,043)	(1)	-	-
	Unrealized valuation (losses) gains					
8360	Items that may be reclassified as gains and losses subsequently					
8361	Exchange difference arising from translation of the financial statements of foreign operations	6.4 and 6.19	7,768	2	(12,224)	(2)
	Other comprehensive income of the current period (net amount after tax)		3,725	1	(12,224)	(2)
8500	Total comprehensive income of the current period		\$92,848	16	\$27,865	5
	Earnings per share (NTD)	6.21				
9750	Basic earnings per share		\$1.81		\$0.88	
9850	Diluted earnings per share		\$1.74		\$0.87	

(Please refer to the notes to the parent company only financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

Perfect Medical Industry Co., Ltd.  
Parent company only statement of changes in equity  
January 1 to December 31, 2024

Unit: NTD thousands

	Items	Notes	Common stock capital	Capital reserve	Retained earnings			Other equity items		Total equity
					Legal reserve	Special reserve	Unappropriated earnings	Exchange difference arising from translation of the financial statements of foreign operations	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	
Code			3110	3200	3310	3320	3350	3410	3420	3XXX
A1	Balance on January 1, 2023	6.12	\$456,627	\$76,736	\$51,627	\$64,910	\$38,500	\$(38,783)	\$ -	\$649,617
	Appropriation and distribution of 2022 earnings									
B1	Appropriated to legal reserve				1,427		(1,427)			-
B5	Cash dividend for common shares						(16,895)			(16,895)
B17	Reversal of special reserve					(26,127)	26,127			-
D1	Net income in 2023						40,089			40,089
D3	Other comprehensive income (loss) in 2023							(12,224)		(12,224)
D5	Total comprehensive income of the current period		-	-	-	-	40,089	(12,224)	-	27,865
N1	Share-based payment transactions	6.13		3,172						3,172
Z1	Balance on December 31, 2023	6.12	<u>\$456,627</u>	<u>\$79,908</u>	<u>\$53,054</u>	<u>\$38,783</u>	<u>\$86,394</u>	<u>\$(51,007)</u>	<u>\$ -</u>	<u>\$663,759</u>
A1	Balance on January 1, 2024	6.12	\$456,627	\$79,908	\$53,054	\$38,783	\$86,394	\$(51,007)	\$ -	\$663,759
	Appropriation and distribution of 2023 earnings									
B1	Appropriated to legal reserve				4,009		(4,009)			-
B3	Appropriated to special reserve					12,224	(12,224)			-
B5	Cash dividend for common shares						(31,964)			(31,964)
	Appropriation and distribution of 2024 earnings									
B1	Appropriated to legal reserve				4,451		(4,451)			-
B5	Cash dividend for common shares						(33,177)			(33,177)
B17	Reversal of special reserve					(4,664)	4,664			-
D1	Net income in 2024						89,123			89,123
D3	Other comprehensive income in 2024							7,768	(4,043)	3,725
D5	Total comprehensive income of the current period		-	-	-	-	89,123	7,768	(4,043)	92,848
E1	Capital increase in cash		70,000	37,870						107,870
N1	Share-based payment transactions	6.13		4,523						4,523
Z1	Balance on December 31, 2024	6.12	<u>\$526,627</u>	<u>\$122,301</u>	<u>\$61,514</u>	<u>\$46,343</u>	<u>\$94,356</u>	<u>\$(43,239)</u>	<u>\$(4,043)</u>	<u>\$803,859</u>

(Please refer to the notes to the parent company only financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

Perfect Medical Industry Co., Ltd.  
Parent company only statement of cash flows  
January 1 to December 31, 2024

Unit: NTD thousands

Code	Items	2024	2023
AAAA	Cash flow from operating activities:		
A10000	Net income before tax of the current period	\$104,316	\$45,137
A20000	Adjustment items:		
A20010	Revenue, expenses, gains, and losses Items:		
A20100	Depreciation expense	14,336	20,607
A20200	Amortization expenses	305	210
A20300	Expected credit impairment loss	87	13
A20900	Interest expense	3,720	4,345
A21200	Interest income	(2,185)	(882)
A21300	Dividend income	(887)	(863)
A21900	Share-based payment for remuneration cost	4,523	3,172
A22400	Share of profit or loss of subsidiaries, affiliates and joint ventures recognized using the equity method	(26,562)	(13,858)
A22500	Gain from disposal and scrap of property, plant and equipment	(83)	(243)
A23700	Non-financial assets impairment loss	4,281	14,605
A23900	Unrealized gains between affiliates	1,847	1,061
A24000	Realized gain between affiliates	(1,061)	(1,130)
A29900	Inventory impairment and sluggish reversal gains	(15,183)	(323)
A30000	Changes in assets/liabilities related to operating activities:		
A31130	Decrease (increase) in notes receivable	2,968	(680)
A31150	Decrease in accounts receivable	1,143	3,892
A31160	Accounts receivable - related parties (increase) decrease	(4,240)	2,356
A31200	Decrease in inventory	20,305	12,572
A31230	Decrease (increase) in advance payments	919	(1,663)
A31240	Increase in other current assets	(6,135)	(14,088)
A32125	Increase (decrease) in contract liabilities	(34)	31
A32130	Decrease (increase) in notes payable	(2,713)	1,910
A32150	Increase (decrease) in accounts payable	(23,733)	15,281
A32180	Increase (decrease) in other accounts payable	6,074	(8,472)
A32230	Increase (decrease) in other current liabilities	(107)	40
A33000	Cash inflow from operation	81,901	83,030
A33100	Interest received	2,249	818
A33300	Interest paid	(3,531)	(4,277)
A33500	Income tax paid	(11,167)	(4,879)
AAAA	Net cash inflow from operating activities	69,452	74,692
	(continued)		

(Please refer to the notes to the parent company only financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

Perfect Medical Industry Co., Ltd.  
Parent company only statement of cash flows(continued)  
January 1 to December 31, 2024

Unit: NTD thousands

Code	Items	2024	2023
	(continued)		
BBBB	Cash flow from investing activities:		
B01800	Acquisition of investments accounted for using the equity method	(96,105)	(27,410)
B02700	Acquisition of property, plant and equipment	(16,772)	(12,850)
B02800	Disposal of property, plant and equipment	613	4,696
B04500	Acquisition of intangible assets	(1,510)	(896)
B06700	Decrease in other non-current assets	5,588	6,774
B07600	Dividends received	887	863
BBBB	Cash outflow from investing activities:	(107,299)	(28,823)
CCCC	Cash flow from financing activities:		
C00100	Increase in short-term borrowings	120,000	170,000
C00200	Decrease in short-term borrowings	(160,000)	(160,000)
C00500	Increase in short-term notes payable	10,000	110,000
C00600	Decrease in short-term notes payable	(50,000)	(70,000)
C01600	Proceeds from long-term borrowings	1,230,838	1,446,549
C01700	Repayment of long-term borrowings	(1,176,537)	(1,486,482)
C04020	Repayment of the principal of the lease	(3,556)	(4,909)
C04500	Payment of cash dividends	(65,141)	(16,895)
C04600	Capital increase in cash	107,870	-
CCCC	Net cash inflow (outflow) from financing activities	13,474	(11,737)
EEEE	Increase (decrease) in cash and cash equivalents for the current period	(24,373)	34,132
E00100	Beginning balance of cash and cash equivalents	100,195	66,063
E00200	Ending balance of cash and cash equivalents	\$75,822	\$100,195

(Please refer to the notes to the parent company only financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

## **【 Attachment IV 】**

### **Independent CPA's Report**

To the Board of Directors and Shareholders of Perfect Medical Industry Co., Ltd.:

#### **Audit opinions**

We have audited the consolidated balance sheets of Perfect Medical Industry Co., Ltd. and its subsidiaries as of December 31, 2024, and December 31, 2023, along with the consolidated statements of comprehensive income, changes in equity, and cash flows for the period from January 1 to December 31, 2024 and 2023, and the accompanying notes to the consolidated financial statements (including a summary of significant accounting policies).

In our opinion, the above consolidated financial statements, in all material respects, have been prepared in accordance with the financial reporting standards for securities issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Financial Reporting Interpretations, and related announcements issued and approved by the Financial Supervisory Commission. They fairly present the consolidated financial position of Perfect Medical Industry Co., Ltd. and its subsidiaries as of December 31, 2024 and 2023, as well as their consolidated financial performance and cash flows for the periods from January 1 to December 31, 2024 and 2023.

#### **Basis of Audit opinions**

We conducted our audit in accordance with the Rules Governing the Audit of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under these standards will be further explained in the section on the responsibilities of the CPA in auditing the consolidated financial statements. The personnel of the firm to which we belong have maintained independence from Perfect Medical Industry Co., Ltd. and its subsidiaries in accordance with the independence regulations and have fulfilled other responsibilities as required by the professional ethical standards for CPAs. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

#### **Key Audit Matters**

Key audit matters refer to those matters that, in our professional judgment, were of the most significance in our audit of the consolidated financial statements of Perfect Medical Industry Co., Ltd. and its subsidiaries for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion. We do not express a separate opinion on these matters.

## Allowance for losses on accounts receivable

As of December 31, 2024, the net accounts receivable (including related parties) of Perfect Medical Industry Co., Ltd. and its subsidiaries amounted to NTD 94,717 thousand, representing 8% of the total assets, and is considered significant to the financial statements of Perfect Medical Industry Co., Ltd. and its subsidiaries. The assessment of the allowance for doubtful accounts to reflect the credit risk of accounts receivable involves significant judgment by management. Therefore, the allowance for doubtful accounts has been determined by the CPA to be a key audit matter. Our audit procedures included (but were not limited to) evaluating the effectiveness of the internal controls established by management for accounts receivable management; assessing the appropriateness of the allowance for doubtful accounts policy, including understanding the relevant data used by management—based on historical experience, current market conditions, and forecasts of future economic conditions—to estimate the expected loss rate; testing the underlying aging information by sampling original vouchers to verify their accuracy; analyzing trends in the allowance for doubtful accounts and the accounts receivable turnover ratio; and selecting samples to perform accounts receivable confirmation procedures and reviewing subsequent receipts on accounts receivable to assess their collectability. We also considered the appropriateness of the disclosure of accounts receivable in Note 5 and Note 6 of the consolidated financial statements.

## Inventory valuation

The net inventory of Perfect Medical Industry Co., Ltd. and its subsidiaries as of December 31, 2024, amounts to NTD 188,136 thousand, accounting for 17% of the total assets. This is considered significant to the financial statements of Perfect Medical Industry Co., Ltd. and its subsidiaries. Due to the impact of market fluctuations and changes in economic conditions on raw material prices, which may lead to significant fluctuations in inventory prices, and the fact that the inventory provision evaluation involves significant judgment by management, the auditor has determined that inventory valuation is a key audit matter. Our audit procedures include (but are not limited to) evaluating the effectiveness of internal controls established by management for inventory, performing simple tests and understanding the appropriateness of management's accounting policy for assessing obsolete and outdated inventory, selecting significant inventory locations to observe inventory counting procedures, testing the accuracy of inventory aging intervals, recalculating the reasonableness of the provision for obsolete inventory, and obtaining the annual detailed list of purchases, sales, and inventory movements. We also test related purchase and sales documents, recalculate the unit cost of inventory, and evaluate the net realizable value used by management in the inventory valuation. We also considered the appropriateness of the disclosure of inventories in Note 5 and Note 6 of the consolidated financial statements.

## **Responsibilities of management and governance bodies for the consolidated financial statements**

The responsibility of management is to prepare the consolidated financial statements in accordance with the financial reporting standards for securities issuers, as well as the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and interpretations and announcements approved and issued by the FSC. Management must ensure that the consolidated financial statements are properly presented and maintain the necessary internal controls related to their preparation to ensure that there are no material misstatements caused by fraud or error.

In the preparation of the consolidated financial statements, management's responsibility also includes evaluating the ability of Perfect Medical Industry Co., Ltd. and its subsidiaries to continue as a going concern, disclosing related matters, and adopting the going concern basis of accounting, unless management intends to liquidate Perfect Medical Industry Co., Ltd. and its subsidiaries or cease operations, or unless there is no viable alternative to liquidation or cessation of operations.

The governance body of Perfect Medical Industry Co., Ltd. and its subsidiaries (including the Audit Committee) is responsible for overseeing the financial reporting process.

## **Responsibilities of CPAs to audit the consolidated financial statements**

Our purpose in auditing the consolidated financial statements is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report. Reasonable assurance is a high level of assurance, but an audit conducted in accordance with auditing standards does not guarantee that material misstatements in the consolidated financial statements will be detected. Misstatements may arise from fraud or error. Misstatements, individually or in aggregate, are considered material if it is reasonable to expect that they will influence the economic decisions of users based on the consolidated financial statements.

In conducting the audit in accordance with auditing standards, we, as CPAs, exercise professional judgment and professional skepticism. We also perform the following tasks:

1. Identify and assess the risk of material misstatement in the consolidated financial statements due to fraud or error; design and implement appropriate responses to the assessed risks; and obtain sufficient and appropriate audit evidence to form the basis for the audit opinion. Fraud may involve collusion, forgery, deliberate omission, misrepresentation, or circumvention of internal controls, thus the risk of failing to detect material misstatements due to fraud is higher than that due to error.
2. To obtain an understanding of the internal controls relevant to the audit in order to design appropriate audit procedures for the circumstances, but the purpose is not to express an opinion on the effectiveness of the internal controls of Perfect Medical Industry Co., Ltd. and its subsidiaries.
3. To evaluate the appropriateness of the accounting policies adopted by management and the reasonableness of the accounting estimates and related disclosures made.
4. Based on the audit evidence obtained, to conclude on the appropriateness of the continuation basis of accounting adopted by management and whether events or conditions exist that may raise significant doubt about the ability of Perfect Medical Industry Co., Ltd. and its subsidiaries to continue as a going concern. If we believe that such events or conditions present significant uncertainty, we must draw the users' attention in the audit report to the relevant disclosures in the consolidated financial statements, or modify our audit opinion if such disclosures are deemed inappropriate. Our conclusion is based on the audit evidence obtained as of the date of the audit report. However, future events or circumstances may cause the Company and its subsidiaries to no longer have the ability to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the consolidated financial statements (including the related notes), and whether the consolidated financial statements appropriately reflect the relevant transactions and events.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the individual entities within the Group to form an opinion on the consolidated financial statements. We are responsible for the guidance, supervision, and execution of the group audit engagement, and for forming the group audit opinion.



We communicate with the governance body regarding matters such as the planned audit scope and timeline, as well as significant audit findings, including any material weaknesses in internal control identified during the audit process.

We determine the key audit matters for the audit of the 2024 consolidated financial statements of Perfect Medical Industry Co., Ltd. and its subsidiaries based on the matters communicated with the governance body. We outline these matters in the audit report, unless law prohibits the disclosure of specific matters, or in extremely rare circumstances, where we decide not to communicate certain matters in the audit report due to a reasonable expectation that the negative impact of such communication would outweigh the public interest it would serve.

## **Others**

Perfect Medical Industry Co., Ltd. has prepared the parent company only financial reports for the fiscal years 2024 and 2023, which have been audited by us and accompanied by an unqualified audit opinion, available for reference.

Ernst & Young Joint Accounting Firm

Financial Reports for Publicly Listed Companies Approved by  
the Competent Authority

Audit Certification Document Number:  
Jin-Guan-Zheng-Shen-Zi No. 1080326041  
Jin-Guan-Zheng-Shen-Zi No. 1110348358

Huang Yu-Ting

CPA:

Lo Wen-Chen

March 13, 2025

Perfect Medical Industry Co., Ltd. and its subsidiaries:  
Consolidated balance sheet  
December 31, 2024 and 2023

Unit: NTD thousands

Assets			December 31, 2024		December 31, 2023	
Code	Accounting Items	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4 and 6.1	\$207,175	18	\$161,408	16
1136	Financial assets measured at amortized cost - current	4	32,275	3	19,005	2
1150	Net notes receivable	4 and 6.14	8,190	1	11,158	1
1170	Net accounts receivable	4, 6.2, and 6.14	84,953	7	89,868	9
1180	accounts receivables - Net amount from related parties	4, 6.2, 6.14, and 7	9,764	1	8,852	1
130X	Inventory	4 and 6.3	188,136	17	153,624	15
1410	Advance payment		24,417	2	28,909	3
1470	Other current assets		7,713	1	6,432	1
11XX	Total current assets		562,623	50	479,256	48
	Non-current assets					
1517	Financial assets measured at fair value through other comprehensive income - non-current	4	2,091	-	6,134	1
1600	Property, plant and equipment	4, 6.4 and 8	347,435	31	300,616	30
1755	Right-of-use assets	4, 6.15 and 8	78,957	7	78,551	8
1760	Net investment property	4, 6.5 and 8	73,809	7	73,809	8
1840	Deferred income tax assets	4 and 6.19	4,223	1	7,690	1
1900	Other non-current assets	6, 6.4 and 8	45,612	4	42,424	4
15XX	Total non-current assets		552,127	50	509,224	52
1XXX	Total assets		\$1,114,750	100	\$988,480	100

(Please refer to the notes to the consolidated financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

Perfect Medical Industry Co., Ltd. and its subsidiaries:  
Consolidated balance sheet (continued)  
December 31, 2024 and 2023

Unit: NTD thousands

Debt and equity			December 31, 2024		December 31, 2023	
Code	Accounting Items	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term borrowings	4 and 6.7	\$10,000	1	\$50,000	5
2110	Short-term notes payable		-	-	40,000	4
2130	Contract liabilities - current	4 and 6.13	1,193	-	2,284	-
2150	Notes payable		714	-	3,427	1
2170	Accounts payable		32,635	3	23,553	2
2200	Other accounts payable	6.8	74,573	7	64,576	7
2230	Income tax liabilities in the current period	4	15,430	2	20,810	2
2280	Lease liabilities - current	4 and 6.15	2,862	-	1,786	-
2320	Long-term borrowings due within one year or one business cycle	4 and 6.9	47,354	4	71,520	7
2399	Other current liabilities - others		2,123	-	1,538	-
21XX	Total current liabilities		186,884	17	279,494	28
	Non-current liabilities					
2540	Long-term borrowings	4 and 6.9	123,438	11	44,971	5
2570	Deffered income tax liabilities	4 and 6.19	169	-	-	-
2580	Lease liabilities - non-current	4 and 6.15	400	-	256	-
25XX	Total non-current liabilities		124,007	11	45,227	5
2XXX	Total liabilities		310,891	28	324,721	33
31XX	Equity attributable to owners of the parent company	4 and 6.11				
3100	Share capital					
3110	Common stock capital		526,627	47	456,627	46
3200	Capital reserve		122,301	11	79,908	8
3300	Retained earnings					
3310	Legal reserve		61,514	6	53,054	5
3320	Special reserve		46,343	4	38,783	4
3350	Undistributed earnings		94,356	8	86,394	9
	Total retained earnings		202,213	18	178,231	18
3400	Other equity					
3410	Exchange difference arising from translation of the financial statements of foreign operations		(43,239)	(4)	(51,007)	(5)
3420	Financial assets measured at fair value through other comprehensive income					
	Unrealized gains/losses on assets		(4,043)	-	-	-
34XX	Total other equity		(47,282)	(4)	(51,007)	(5)
3XXX	Total equity		803,859	72	663,759	67
	Total liabilities and equity		\$1,114,750	100	\$988,480	100

(Please refer to the notes to the consolidated financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

Perfect Medical Industry Co., Ltd. and its subsidiaries:  
Consolidated statement of comprehensive income  
January 1 to December 31, 2024

Unit: NTD thousands

Code	Items	Notes	2024		2023	
			Amount	%	Amount	%
4000	Operating revenue	4, 6.13 and 7	\$744,157	100	\$734,133	100
5000	Operating cost	6.3, 6.10 and 6.16	(505,964)	(68)	(533,576)	(73)
5900	Operating gross profit		238,193	32	200,557	27
6000	Operating expenses	6.10, 6.12 and 6.16				
6100	Selling expense		(54,394)	(8)	(54,215)	(7)
6200	Administrative expenses		(83,167)	(11)	(80,568)	(11)
6300	R&D expenses		(9,304)	(1)	(7,402)	(1)
6450	Expected credit impairment loss	6.14	(87)	-	(13)	-
	Total operating expenses		(146,952)	(20)	(142,198)	(19)
6900	Operating profit		91,241	12	58,359	8
7000	Non-operating income and expenses	6.17				
7100	Interest income		4,530	-	2,465	-
7010	Other income		5,863	1	5,498	1
7020	Other gains and losses		9,465	1	(7,700)	(1)
7050	Financial cost		(3,720)	-	(4,369)	(1)
	Total non-operating income and expenses		16,138	2	(4,106)	(1)
7900	Profit before tax		107,379	14	54,253	7
7950	Income tax expense	6.19	(18,256)	(2)	(14,164)	(2)
8200	Net income of the current period		89,123	12	40,089	5
8300	Other comprehensive income (net)	6.18				
8310	Items not reclassified as gains and losses					
8316	Equity instrument measured at fair value through other comprehensive income		(4,043)	(1)	-	-
	Unrealized (losses) gains on investments					
8360	Items that may be reclassified as gains and losses subsequently					
8361	Exchange difference arising from translation of the financial statements of foreign operations		7,768	1	(12,224)	(1)
	Other comprehensive income of the current period (net amount after tax)		3,725	-	(12,224)	(1)
8500	Total comprehensive income of the current period		\$92,848	12	\$27,865	4
8600	Net income attributable to:					
8610	The parent company		\$89,123		\$40,089	
8620	Non-controlling interests		-		-	
			\$89,123		\$40,089	
8700	Total comprehensive income attributable to:					
8710	The parent company		\$92,848		\$27,865	
8720	Non-controlling interests		-		-	
			\$92,848		\$27,865	
	Earnings per share (NTD)	6.20				
9750	Basic earnings per share		\$1.81		\$0.88	
9850	Diluted earnings per share		\$1.74		\$0.87	

(Please refer to the notes to the consolidated financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

Perfect Medical Industry Co., Ltd. and its subsidiaries:  
Consolidated statement of changes in equity  
January 1 to December 31, 2024

Unit: NTD thousands

Code	Items	Notes	Equity attributable to owners of the parent company							Total equity
			Common stock capital	Capital reserve	Retained earnings			Other equity items		
					Legal reserve	Special reserve	Unappropriated earnings	Exchange difference arising from translation of the financial statements of foreign operations	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	
			3110	3200	3310	3320	3350	3410	3420	3XXX
A1	Balance on January 1, 2023	6.11	\$456,627	\$76,736	\$51,627	\$64,910	\$38,500	\$(38,783)	\$ -	\$649,617
	Appropriation and distribution of 2022 earnings									
B1	Appropriated to legal reserve				1,427		(1,427)			-
B5	Cash dividend for common shares						(16,895)			(16,895)
B17	Reversal of special reserve					(26,127)	26,127			-
D1	Net income in 2023						40,089			40,089
D3	Other comprehensive income (loss) in 2023							(12,224)		(12,224)
D5	Total comprehensive income of the current period		-	-	-	-	40,089	(12,224)	-	27,865
N1	Share-based payment transactions	6.12		3,172						3,172
Z1	Balance on December 31, 2023	6.11	\$456,627	\$79,908	\$53,054	\$38,783	\$86,394	\$(51,007)	\$ -	\$663,759
A1	Balance on January 1, 2024	6.11	\$456,627	\$79,908	\$53,054	\$38,783	\$86,394	\$(51,007)	\$ -	\$663,759
	Appropriation and distribution of 2023 earnings									
B1	Appropriated to legal reserve				4,009		(4,009)			-
B3	Appropriated to special reserve					12,224	(12,224)			-
B5	Cash dividend for common shares						(31,964)			(31,964)
	Appropriation and distribution of 2024 earnings									
B1	Appropriated to legal reserve				4,451		(4,451)			-
B5	Cash dividend for common shares						(33,177)			(33,177)
B17	Reversal of special reserve					(4,664)	4,664			-
D1	Net income in 2024						89,123			89,123
D3	Other comprehensive income in 2024							7,768	(4,043)	3,725
D5	Total comprehensive income of the current period		-	-	-	-	89,123	7,768	(4,043)	92,848
E1	Capital increase in cash		70,000	37,870						107,870
N1	Share-based payment transactions	6.12		4,523						4,523
Z1	Balance on December 31, 2024	6.11	\$526,627	\$122,301	\$61,514	\$46,343	\$94,356	\$(43,239)	\$(4,043)	\$803,859

(Please refer to the notes to the consolidated financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

Perfect Medical Industry Co., Ltd. and its subsidiaries:  
Consolidated statement of cash flows  
January 1 to December 31, 2024

Unit: NTD thousands

Code	Items	2024	2023
AAAA	Cash flow from operating activities:		
A10000	Net income before tax of the current period	\$107,379	\$54,253
A20000	Adjustment items:		
A20010	Revenue, expenses, gains, and losses Items:		
A20100	Depreciation expense	51,618	54,146
A20200	Amortization expenses	4,648	2,712
A20300	Expected credit impairment loss	87	13
A20900	Interest expense	3,720	4,369
A21200	Interest income	(4,530)	(2,465)
A21300	Dividend income	(887)	(863)
A21900	Share-based payment for remuneration cost	4,523	3,172
A22500	Gain from disposal and scrap of property, plant and equipment	(404)	(1,185)
A23700	Non-financial assets impairment loss	4,281	14,605
A29900	Inventory impairment and sluggish (reversal gains) losses	(7,457)	9,800
A30000	Changes in assets/liabilities related to operating activities:		
A31130	Decrease (increase) in notes receivable	2,968	(680)
A31150	Decrease in accounts receivable	5,083	6,411
A31160	Accounts receivables - Increase from related parties	(912)	(8,791)
A31200	Increase (decrease) in inventory	(25,146)	14,214
A31230	Decrease in advance payments	4,492	4,104
A31240	Increase in other current assets	(1,432)	(1,150)
A32125	Decrease in contract liabilities	(1,091)	(1,459)
A32130	Decrease (increase) in notes payable	(2,713)	1,910
A32150	Increase in accounts payable	9,082	3,145
A32180	Increase in other accounts payable	8,498	6,676
A32230	Increase in other current liabilities	585	233
A33000	Cash inflow from operation	162,392	163,170
A33100	Interest received	4,681	3,153
A33300	Interest paid	(3,531)	(4,321)
A33500	Income tax paid	(20,000)	(12,129)
AAAA	Net cash inflow from operating activities	143,542	149,873
	(continued)		

(Please refer to the notes to the consolidated financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

Perfect Medical Industry Co., Ltd. and its subsidiaries:  
Consolidated statement of cash flows(continues)  
January 1 to December 31, 2024

Unit: NTD thousands

Code	Items	2024	2023
	(continued)		
BBBB	Cash flow from investing activities:		
B00040	Acquisition of financial assets measured at amortized cost - current	(13,270)	(19,005)
B02700	Acquisition of property, plant and equipment	(97,702)	(64,701)
B02800	Disposal of property, plant and equipment	6,984	13,102
B04500	Acquisition of intangible assets	(1,535)	(1,608)
B06700	Increase (decrease) in other non-current assets	(6,286)	7,779
B07600	Dividends received	887	863
BBBB	Cash outflow from investing activities:	(110,922)	(63,570)
CCCC	Cash flow from financing activities:		
C00100	Increase in short-term borrowings	120,000	170,000
C00200	Decrease in short-term borrowings	(160,000)	(164,665)
C00500	Increase in short-term notes payable	10,000	110,000
C00600	Decrease in short-term notes payable	(50,000)	(70,000)
C01600	Proceeds from long-term borrowings	1,230,838	1,446,549
C01700	Repayment of long-term borrowings	(1,176,537)	(1,486,482)
C04020	Repayment of the principal of the lease	(3,556)	(4,909)
C04500	Payment of cash dividends	(65,141)	(16,895)
C04600	Capital increase in cash	107,870	-
CCCC	Net cash inflow (outflow) from financing activities	13,474	(16,402)
DDD	Effect of exchange rate changes on cash and cash equivalents	(327)	(1,236)
EEEE	Increase in cash and cash equivalents for the current period	45,767	68,665
E00100	Beginning balance of cash and cash equivalents	161,408	92,743
E00200	Ending balance of cash and cash equivalents	\$207,175	\$161,408

(Please refer to the notes to the consolidated financial statements)

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi

**【Attachment V】**

**Perfect Medical Industry Co., Ltd.**  
**Earnings Distribution Table**  
**2024**

Unit: NTD

Item	Amount
<b>Undistributed earnings of the previous years</b>	38,197,448
Plus: Net income of 2024	89,123,116
Reversed special reserve	3,724,555
Less: 10% of legal reserve	(8,912,312)
<b>Distributable profits for current period</b>	122,132,807
Distribution items:	
2024 H1 Cash dividend for common shares (NTD 0.63 per share)	(33,177,501)
2024 H2 Cash dividend for common shares (NTD 0.87 per share)	(45,816,549)
<b>Undistributed earnings</b>	43,138,757

Note 1: Calculated based on the number of 52,662,700 outstanding shares on March 13, 2025.

Note 2: According to Letter Tai-Zei-Shi-Tzi No. 871941343 of the Ministry of Finance on April 30, 1998, the distribution of earnings should be individually identified. The earnings of the Company in the second half of 2024 is set aside in priority for the distribution of earnings in the period.

Note 3: The cash dividend is calculated to the nearest whole dollar. In the case of fractional shares to which the distributed amount is less than NTD 1 per share, the total amount distributed is recognized as "other income" of the Company.

Note 4: According to Article 27-1 of the Articles of Incorporation, the distribution of earnings shall be made in cash dividends, and the Board of Directors is authorized to make a resolution and report to the general shareholders' meeting.

Chairperson: Tung Da Fa Asset Management Co., Ltd.    Manager: Chen Hung-Jen    Accounting Manager: Yeh Ya-Tung  
Representative: Hsu Kuo-Chi



## 【Attachment VI】

### Perfect Medical Industry Co., Ltd.

#### Comparison Table of the Company's Articles of Incorporation Before and After Amendment

After Amendment	Current Provision	Description
<p><b>Chapter 4 Directors and Managers</b> Article 15: The Company shall have seven directors to be elected at the shareholders meeting from among the individuals of legal capacity to serve a term of three years. All directors may be reelected for consecutive terms. The election of directors is based on the "Cumulative Voting System". When electing the directors, each share shall be entitled to the number of voting rights equal to number of the directors to be elected. The holder of the shares may cast all the votes for one candidate or distribute the votes for different candidates. The election of directors shall be conducted <u>under</u> the candidate nomination system <u>according to</u> the <u>requirements</u> specified in Article 192-1 of the Company Act. Directors shall be elected by shareholders from the list of the candidates. When the directors are elected, independent directors and directors shall be elected at the same time and the elected seats shall be counted separately. The candidates receiving more votes shall be elected as independent directors and non-independent directors. <u>To ensure the sound development of the Board of Directors and the diversity of its gender composition, the Board of Directors must include at least one member of different gender.</u></p> <p>Article 15-1: <u>The Company has appointed independent directors in accordance with the law.</u> The number of independent <u>directors</u> shall not be fewer than three seats and shall not be less than one-<u>third</u> of all the directors. <u>If Chairperson and the President, or any other equivalents, are the</u></p>	<p><b>Chapter 4 Directors and Managers</b> Article 15: The Company shall have seven directors to be elected at the shareholders meeting from among the individuals of legal capacity to serve a term of three years. All directors may be reelected for consecutive terms. The election of directors is based on the "Cumulative Voting System. When electing the directors, each share shall be entitled to the number of voting rights equal to number of the directors to be elected. The holder of the shares may cast all the votes for one candidate or distribute the votes for different candidates. The election of directors shall be conducted under the candidate nomination system according to the <del>requirements</del> specified in Article 192-1 of the Company Act. Directors shall be elected by shareholders from the list of the candidates. When the directors are elected, independent directors and directors shall be elected at the same time and the elected seats shall be counted separately. The candidates receiving more votes shall be elected as independent directors and non-independent directors.</p> <p>Article 15-1: <del>The number of directors referred to in the previous paragraph includes the number of independent directors.</del> The number of independent directors shall not be fewer than three seats, and shall not be less than one-<del>fifth</del> of the directors;</p>	<p><b>1. According to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies published by the Financial Supervisory Commission.</b> <b>2. Addition/deletion of texts</b></p>

After Amendment	Current Provision	Description
<p><b><u>same person, or spouses or relatives within the first degree of kinship with each other, the number of the independent directors shall not be fewer than four persons.</u></b></p> <p>The independent directors shall be elected under a candidate nomination system from the candidate list of independent directors at a shareholders' meeting. The professional qualifications, shareholding, determination of independence, exercise of powers, restriction on concurrent positions, methods of nomination and election, and other requirements to be observed shall be handled in accordance with the Securities and Exchange Act and other relevant laws and regulations.</p>	<p>The independent directors shall be elected under a candidate nomination system from the candidate list of independent directors at a shareholders' meeting. The professional qualifications, shareholding, determination of independence, exercise of powers, restriction on concurrent positions, methods of nomination and election, and other requirements to be observed shall be handled in accordance with the Securities and Exchange Act and other relevant laws and regulations.</p>	
<p><b>Chapter 5 Distribution of Final Earnings</b> Article 26:</p> <p><b><u>The earning distribution or loss off-setting of the Company shall be implemented at the close of each half fiscal year.</u></b></p> <p><b><u>If the Company has earning distribution or loss off-setting proposals in any previous half fiscal year, the proposal shall be submitted to the Audit Committee for review before the close of the next half fiscal year. The proposals shall, together with the Business Report and financial statements, be submitted to the Audit Committee for review and forwarded to the Board of Directors for resolution.</u></b></p>	<p><b>Chapter 5 Distribution of Final Earnings</b> Article 26:</p>	

After Amendment	Current Provision	Description
<p>At the end of each fiscal year of the Company, the of Board of Directors shall prepare the following documents and submit them to the Audit Committee for review 30 days before the date of the general shareholders' meeting for rectification: (I) Business Report. (II) Financial statements. (III) Motion for distribution of earnings or loss off-setting.</p> <p>Article 27: If the Company makes a profit <u>(referring to pre-tax profit excluding remuneration to employees and directors)</u> in a year, 2%~10% or more of the profit shall be appropriated as remuneration for employees <u>and</u> no more than 5% of the profit shall be appropriated as remuneration for directors.</p> <p><u>From the amount of the employee remuneration referred to in the preceding paragraph, no less than 20% shall be set aside as remuneration to the employees at the lowest level. However, if the Company has accumulated loss, an amount used to cover the loss shall be set aside first.</u></p> <p><u>The remuneration to employees may be paid in the form of stock or cash. The recipients of the remuneration may include the employees of the affiliated companies who have met certain criteria.</u></p> <p><u>The proposals for distribution of the remuneration to employees and directors shall be resolved by the Board of Directors and reported to the shareholders' meeting.</u></p>	<p>At the end of each fiscal year of the Company, the of Board of Directors shall prepare the following documents and submit them to the Audit Committee for review 30 days before the date of the general shareholders' meeting for rectification: (I) Business Report. (II) Financial statements. (III) Motion for distribution of earnings or loss off-setting.</p> <p>Article 27: If the Company makes a profit in a year, 2% - 10% of the profit shall be distributed as remuneration to employees. Whether the distribution shall be made in the form of stock or cash shall be resolved by the Board of Directors. The recipients of the remuneration may include the employees of the affiliated companies who have met certain criteria. The Company may, by resolution of the Board of Directors, distribute no more than 5% of the above-mentioned profit as remuneration to directors. The proposals for distribution of the remuneration to employees and directors shall be reported to the shareholders' meeting.</p> <p><del>The profit referred to above shall be the net profit before tax of a fiscal year prior to deduction of the remuneration to employees and directors.</del></p> <p>However, if the Company has accumulated loss, an amount used to cover the loss shall be set aside first, <del>and then the remuneration to employees and directors shall be set aside in accordance with the aforementioned ratio.</del></p>	<p><b>Amended According to Letter Jin-Guan-Zheng-Fa-Tzi No. 1130385442 of the Financial Supervisory Commission on November 08, 2024.</b></p>
<p>Article 27-1: The Company's profits, if any, in its annual final account shall be first used to pay taxes and make compensation for its accumulated losses, and then 10% of the said profits shall be set aside as legal reserves, unless the amount of such legal reserves has reached the paid-up capital of the</p>	<p>Article 27-1: <del>The earning distribution or loss off setting of the Company shall be implemented at the close of each half fiscal year. Any distribution of profits in cash shall be subject to a decision by the Board of Directors in accordance with Article 228-1 and Paragraph 5, Article 240 of the</del></p>	<p><b>Addition/deletion of texts and change of the sequence</b></p>

After Amendment	Current Provision	Description
<p>Company. The remaining amount of the said profits shall be set aside or reversed as special reserves as required by law or the competent authority or depending on the needs of the business. Any balance thereof still available shall, together with the undistributed profits accumulated, be submitted by the Board of Directors in the form of a proposal for earnings distribution to the shareholders' meeting to make a resolution for distribution of dividends to shareholders.</p> <p><u><b>If the earnings, legal reserve and capital reserve referred to in the preceding paragraph are paid in the form of</b></u> cash, the Bard of Directors is authorized to resolve and report to the shareholders' meeting pursuant to Article 240, Paragraph 5 of the Company Act; <u><b>when the aforementioned are paid by issuing new shares, the proposal shall be submitted to the shareholders' to make a resolution for the payment.</b></u></p>	<p>Company Act and be submitted in a report to the shareholders' meeting–<del>whose ratification thereof is not required.</del></p> <p>The Company's profits, if any, in its annual final account shall be first used to pay taxes and make compensation for its accumulated losses, and then 10% of the said profits shall be set aside as legal reserves, unless the amount of such legal reserves has reached the paid-up capital of the Company. The remaining amount of the said profits shall be set aside or reversed as special reserves as required by law or the competent authority or depending on the needs of the business. Any balance thereof still available shall, together with the undistributed profits accumulated, be submitted by the Board of Directors in the form of a proposal for earnings distribution to the shareholders' meeting to make a resolution for distribution of dividends to shareholders.</p>	
<p>Chapter 6 Supplementary Provisions Article 31: The 1st to the 27th amendments: omitted <u><b>The 28th amendment was made on April 23, 2025.</b></u></p>	<p>Chapter 6 Supplementary Provisions Article 31: The 1st to the 26th amendments: omitted The 27th amendment was made on September 5, 2023.</p>	<p><b>Date of amendment</b></p>

## 【Appendix I】

### Articles of Incorporation of Perfect Medical Industry Co., Ltd. (Before Amendment)

#### Chapter 1 General Provisions

- Article 1: The Company is incorporated in accordance with the Company Act under the name of 普惠醫工股份有限公司. (The English name is PERFECT MEDICAL INDUSTRY CO., LTD.)
- Article 2: The business of the Company is as follows:
1. CF01011 Medical Devices Manufacturing.
  2. F102020 Wholesale of Edible Fat and Oil.
  3. F102040 Wholesale of Nonalcoholic Beverage.
  4. F102170 Wholesale of Foods and Groceries.
  5. F102180 Wholesale of Alcohol.
  6. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories.
  7. F107990 Wholesale of Other Chemical Products.
  8. F108031 Wholesale of Medical Devices.
  9. F108040 Wholesale of Cosmetics.
  10. F203010 Retail Sale of Food, Grocery and Beverage.
  11. F203030 Retail Sale of Alcohol.
  12. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories.
  13. F207990 Retail Sale of Other Chemical Products.
  14. F208031 Retail Sale of Medical Apparatus.
  15. F208040 Retail Sale of Cosmetics.
  16. J101030 Waste Disposing.
  17. J101040 Waste Treatment.
  18. C801120 Manufacture of Man-made Fibers.
  19. G801010 Warehousing.
  20. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company's headquarters shall be located in Changhua County, Taiwan Province, Branches and manufacturing factories may be established domestically or abroad, if needed, subject to the resolution of the Board of Directors.
- Article 3-1: The Company may provide endorsements/guarantees for other companies to meet the needs of the business, and the endorsements/guarantees shall be handled in accordance with the Company's Procedures for Endorsements/Guarantees.
- Article 4: The Company shall make announcements, if any, in accordance with the Article 28 of the Company Act and the regulations of the competent securities authority.

#### Chapter 2 Shares

- Article 5: The total authorized capital of the Company shall be NTD 800,000,000, divided into 80,000,000 shares at a par value of NTD 10 per share. The Board of Directors is authorized to issue the shares in tranches.
- NTD 58,000,000 of the total authorized capital mentioned in the preceding paragraph shall be reserved for issuance of employee stock warrants, totaling 5,800,000 shares.
- The employee stock warrants are granted to the employees of the controlled or affiliated company who have met certain criteria, which shall be determined by the Board of Directors.
- When the Company issues new shares, the employees of the controlled or affiliated company who have met certain criteria may purchase these shares. The criteria shall be determined by the Board of Directors.
- Article 5-1: The Company transfers shares to employees at a price less than the average of the actual repurchase price of shares. If planning to issue employee stock warrants at a price lower than the exercise price specified in Article 53 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers," The Company shall submit the plan to the shareholders' meeting for approval subject to the approval of more than two-thirds of the voting rights represented at the shareholders' meeting at which a majority of the total issued capital stocks are present.
- Article 6: The share certificates of the Company shall be issued in registered form. The time and method of issuance shall be determined in accordance with the the regulations of the competent authority and the Company Act.
- The Company may issue shares without printing out physical share certificates. However, they shall be kept in the custody or registered with a securities depository body.
- Article 7: Unless otherwise provided by laws and regulations, the Company's shareholder services are dealt with in accordance with the requirements of the "Regulations Governing the Administration of Shareholder Services of Public Companies".
- Article 8: The Company's book closure period shall be governed by the Company Act and other relevant laws and regulations.

### Chapter 3 Shareholders' Meeting

- Article 9: The shareholder's meeting is classified into the general and extraordinary shareholders' meetings. The general shareholders' meeting shall be held at least once a year and convened by the Board of Directors within six months after the end of the fiscal year. The extraordinary shareholders' meeting shall be convened whenever necessary. The convention of a shareholders' meeting shall be conducted in accordance with the Company Act and relevant laws and regulations.
- The aforementioned notice shall specify the date, place and reason for the meeting and shall be announced publicly. If agreed by the recipient, the notice may be given by electronic means. For the shareholders holding less than 1,000 registered shares, the notice referred to in the preceding paragraph may be served by means of public announcement.
- Article 10: Any shareholder who is unable to attend a shareholders' meeting for whatever reason may, in accordance with Article 177 of the Company Act and the requirements of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, appoint a proxy to attend the meeting by presenting a letter of attorney.
- Article 11: Any shareholders' meeting shall be convened by the board of directors and chaired by the chairperson of the board. If the chairperson of the board is on leave or unable to exercise his/her function for whatever reasons, he/she shall appoint one of the directors to act on his/her behalf. Where the chairperson of the board does not make such appointment, the board of directors shall select a director to act on behalf of the chairperson. If a shareholders' meeting is convened by any person who is not a director of the board and has the right to do so, the meeting shall be chaired by the person.
- Article 12: A shareholder shall have one voting right for each share held, except for the circumstances specified in Article 157, Subparagraph 3 and Article 179 of the Company Act and relevant laws and regulations.
- If the number of shares pledged by a director of the Company exceeds one half of the number of shares held at the time of being elected, the number of shares in excess of this limit shall not be included in the calculation of the number of voting rights represented by the attending shareholders.
- Article 13: Unless otherwise provided by applicable laws and regulations, any resolution of a shareholders' meeting shall be adopted by a majority of the voting rights held by the shareholders attending the meeting at which shareholders representing a majority of the total outstanding shares are present.
- The Company shall include electronic means as one of the avenues for the exercise of voting rights by shareholders. A shareholder who exercises his/her votes by electronic means shall be deemed to have attended the meeting in person. Relevant matters shall be dealt with in accordance with laws and regulations.
- Article 13-1: The Company's shareholders' meeting may be held by video conference or other means as announced by the central competent authority.
- Article 14: Resolutions adopted by a shareholders' meeting shall be recorded in the meeting minutes. This shall be signed by or stamped and affixed with the seal of the chairperson, and shall be distributed to all shareholders within 20 days after the meeting. The meeting minutes may be produced and distributed in electronic form. The meeting minutes shall record the year, month, day and place of the meeting, the chairperson's name, the methods by which resolutions are adopted, a summary of the meeting proceedings and the meeting results. The meeting minutes shall be retained permanently during the existence of the Company. The attendance book and the proxy forms of the shareholders present at the meeting shall be retained for at least one year. The distribution of the aforementioned meeting minutes referred to in the preceding paragraph may be made through public announcement.
- Article 14-1: If the Company has a plan to revoke the public offering, the revocation shall be reported to the shareholders' meeting for resolution.

### Chapter 4 Directors and Managers

- Article 15: The Company shall have seven directors to be elected at the shareholders meeting from among the individuals of legal capacity to serve a term of three years. All directors may be reelected for consecutive terms. The election of directors is based on the "Cumulative Voting System. When electing the directors, each share shall be entitled to the number of voting rights equal to number of the directors to be elected. The holder of the shares may cast all the votes for one candidate or distribute the votes for different candidates.
- The election of directors shall be conducted under the candidate nomination system according to the requirements specified in Article 192-1 of the Company Act. Directors shall be elected by shareholders from the list of the candidates.
- When the directors are elected, independent directors and directors shall be elected at the same time and the elected seats shall be counted separately. The candidates receiving more votes shall be elected as independent directors and non-independent directors
- Article 15-1: The number of directors referred to in the previous paragraph includes the number of independent directors. The number of independent directors shall not be fewer than three seats, and shall not be less than one-fifth of the directors. The independent directors shall be elected under a candidate nomination system from the candidate list of independent directors at a shareholders' meeting. The professional qualifications, shareholding, determination of independence, exercise of powers,

- restriction on concurrent positions, methods of nomination and election, and other requirements to be observed shall be handled in accordance with the Securities and Exchange Act of 1934.
- Article 16: If the number of directors falls below one-third of the total number of directors, the Board of Directors shall convene an extraordinary shareholders' meeting to hold a by-election to fill the vacancies, and the term of office of the director elected shall be limited to the remaining term of his/her predecessor.
- Article 17: If the term of office of a director expires and no re-election is held in time, his/her term of office shall be extended until the re-election is conducted.
- Article 18: The directors shall form the Board of Directors. With the attendance of more than two-thirds of the directors and the consent of more than half of the attending directors, a chairperson and a vice chairperson shall be elected from among the directors. The chairperson shall implement all the affairs of the Company in accordance with the laws, the Articles of Incorporation, and resolutions of the shareholders' meetings and the Board of Directors.
- Article 19: The Company's business policy and other important matters shall be implemented by resolution of the Board of Directors. If the Board of Directors is convened by the Chairperson, he/she shall preside over the Board meeting. Article 208 of the Company Act shall apply if the chairperson is on leave or unable to exercise his/her powers for whatever reasons.
- The first meeting of each term of the Board of Directors shall be convened by the director representing the largest number of votes at the shareholders' meeting. The convener shall act as the chairperson of the meeting. When there are two or more of such conveners, the chairperson of the meeting shall be elected from among themselves.
- If the Board meeting is convened by a majority of the directors in accordance with Article 203, Paragraph 4 or Article 203-1, Paragraph 3 of the Company Act, the chairperson of the meeting shall be elected from among the directors.
- The Board of Directors shall indicate the reasons for the convention and inform each director 7 days beforehand. In case of emergency, a Board meeting may be convened at any time. The notice of the Board meeting may be delivered in writing, by fax or by e-mail.
- Article 20: Except as otherwise provided by the Company Act, a meeting of the Board of Directors shall be attended by a majority of the directors and a resolution shall be adopted by a majority of the directors present. If a director is unable to attend the meeting in person, he/she may appoint any other director to attend on his/her behalf by presenting a proxy form indicating the scope of authorization with respect to the reasons for convening the meeting. However, a director may appoint only one person to act on his/her behalf. If a Board meeting is held by teleconference, the directors who participated in such meeting shall be deemed attending the meeting in person.
- Article 21: Meeting minutes shall be prepared for each Board meeting, signed or sealed by the chairperson, and shall be distributed to each director within 20 days after the meeting. The preparation and distribution of the meeting minutes may be done electronically.
- Article 22: The Company shall establish Audit Committee comprised of all independent directors.
- The number, term, and duties of the members, the rules of procedure of the Audit Committee, and the resources that the Company shall provide for the Audit Committee to exercise its powers shall be established in the "Rules of Organization of the Audit Committee."
- The Company shall establish Remuneration Committee and it is advisable that the majority of the members shall be composed of independent directors. Relevant matters shall be handled in accordance with "Rules of Organization of the Remuneration Committee" of the Company.
- The Board of Directors may establish other functional committees. Their rules of organization shall be established by the Board of Directors.
- Article 23: The payment standard of the remuneration to directors shall be determined by the Board of Directors based on the degree of their involvement in and the value of their contribution to the operations of the Company and with reference to the standard of other companies in the industry.
- Article 24: The Company may appoint managerial officers, whose appointment, dismissal and remuneration shall be subject to Article 29 of the Company Act.
- Article 25: The Company may take out liability insurance for the directors and managerial officers during their term of office for the damage compensation liabilities to be assumed by them in accordance with laws within the scope of their duties.

#### Chapter 5 Distribution of Final Earnings

- Article 26: At the end of each fiscal year of the Company, the Board of Directors shall prepare the following documents and submit them to the Audit Committee for review 30 days before the date of the general shareholders' meeting for rectification: (I) Business Report. (II) Financial statements. (III) Motion for distribution of earnings or loss off-setting.
- Article 27: If the Company makes a profit in a year, 2% - 10% of the profit shall be distributed as remuneration to employees. Whether the distribution shall be made in the form of stock or cash shall be resolved by the Board of Directors. The recipients of the remuneration may include the employees of the affiliated companies who have met certain criteria. The Company may, by resolution of the Board of Directors, distribute no more than 5% of the above-mentioned profit as remuneration to directors. The proposals

for distribution of the remuneration to employees and directors shall be reported to the shareholders' meeting.

The profit referred to above shall be the net profit before tax of a fiscal year prior to deduction of the remuneration to employees and directors.

However, if the Company has accumulated loss, an amount used to cover the loss shall be set aside first, and then the remuneration to employees and directors shall be set.

Article 27-1: The earning distribution or loss off-setting of the Company shall be implemented at the close of each half fiscal year. Any distribution of profits in cash shall be subject to a decision by the Board of Directors in accordance with Article 228-1 and Paragraph 5, Article 240 of the Company Act and be submitted in a report to the shareholders' meeting, whose ratification thereof is not required.

The Company's profits, if any, in its annual final account shall be first used to pay taxes and make compensation for its accumulated losses, and then 10% of the said profits shall be set aside as legal reserves, unless the amount of such legal reserves has reached the paid-up capital of the Company. The remaining amount of the said profits shall be set aside or reversed as special reserves as required by law or the competent authority or depending on the needs of the business. Any balance thereof still available shall, together with the undistributed profits accumulated, be submitted by the Board of Directors in the form of a proposal for earnings distribution to the shareholders' meeting to make a resolution for distribution of dividends to shareholders.

Article 27-2: The Company shall set aside no less than 10% of the distributable earnings as dividends and bonuses to shareholders. These may be paid in cash or stock and the percentage of the cash dividends shall not be less than 10%.

Article 27-3: Where incurring no loss, the Company may, in accordance with Article 241 of the Company Act, distribute the legal reserve and capital reserve, in whole or in part, by issuing new shares which shall be distributable as dividend shares to the original shareholders in proportion to the number of shares being held by each of them or in cash.

#### Chapter 6 Supplementary Provisions

Article 28: The Company's rules of organization and execution rules shall be determined by the Board of Directors separately.

Article 29: The Company shall not be a shareholder of unlimited liability in another company or a partner of a partnership enterprise. The Company may invest in other businesses and the total amount of the investments shall not be limited by the restriction of total investment amount specified in Article 13 of the Company Act that prohibits exceeding 40% of the paid-in capital.

Article 30: Any matters not specified in these Articles of Incorporation shall be subject to the requirements of the Company Act and other laws and regulations.

Article 31: These Articles of Incorporation were established on March 15, 1989.

The 1st amendment was made on November 8, 1990.

The 2nd amendment was made on October 15, 1992.

The 3rd amendment was made on May 21, 1993.

The 3th amendment was made on September 1, 1997.

The 5th amendment was made on October 5, 1997.

The 6th amendment was made on February 4, 1998.

The 7th amendment was made on June 17, 2001.

The 8th amendment was made on November 26, 2001.

The 9th amendment was made on June 16, 2002.

The 10th amendment was made on August 28, 2002.

The 11th amendment was made on February 15, 2005.

The 12th amendment was made on June 5, 2008.

The 13th amendment was made on December 25, 2009.

The 14th amendment was made on June 18, 2010.

The 15th amendment was made on June 26, 2012.

The 16th amendment was made on June 26, 2014.

The 17th amendment was made on May 25, 2015.

The 18th amendment was made on September 29, 2015.

The 19th amendment was made on February 22, 2016.

The 20th amendment was made on June 15, 2016.

The 21st amendment was made on June 29, 2017.

The 22nd amendment was made on May 16, 2019.

The 23rd amendment was made on June 29, 2020.

The 24th amendment was made on August 21, 2020.

The 25th amendment was made on June 29, 2022.

The 26th amendment was made on May 25, 2023.

The 27th amendment was made on September 5, 2023.

Perfect Medical Industry Co., Ltd.

Chairperson Tung Da Fa Asset Management Co., Ltd



## 【Appendix II】

### Perfect Medical Industry Co., Ltd. Rules of Procedure for Shareholders' Meetings

Approved at the general shareholders' meeting on May 25, 2023

- Article 1 To establish a good governance system for the Company's shareholders' meeting, ensure its sound supervisory functions and strengthen its management capability, the Rules have been adopted pursuant to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
- Article 2 Except as otherwise provided by law or the Articles of Incorporation, the procedure for shareholders' meetings of the Company shall be governed by the Rules.
- Article 3 Except as otherwise provided by law, the shareholders' meeting of the Company shall be convened by the Board of Directors.

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

Changes to how the Company convenes its shareholders' meeting shall be resolved by the Board of Directors, and shall be made no later than the delivery of the shareholders' meeting notice.

The Company shall prepare electronic versions of the shareholders' meeting notice, proxy forms, materials relating to all proposals (including proposals for ratification), matters for deliberation and the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders' meeting or 15 days before the date of a special shareholders' meeting.

The Company shall upload the shareholders' meeting handbook and supplementary information of the meeting to the MOPS at least 21 days before a general shareholders' meeting or at least 15 days before an extraordinary shareholders' meeting.

The Company shall prepare the shareholders' meeting handbook and supplemental materials 15 days before the date of the shareholders meeting and make them available for review by shareholders at any time. The meeting handbook and supplemental materials shall be displayed at the Company and the professional shareholding services agent designated thereby.

The aforementioned meeting handbook and supplementary materials shall be available to the shareholders in the following manner on the date of the meeting:

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

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form. Election or dismissal of directors, change of Articles of Incorporation, capital reduction, application for cessation of public offering, approval for directors to compete with the Company, capital increase from retained earnings or capital reserve, company dissolution, merger, spin-off, or all matters specified in Paragraph 1, Article 185 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out with description of the main details in the reasons for convening the shareholders' meeting. None of the said matters may be raised by extempore motion.

Where a new election of all directors and the date when the elected directors begin their term have been specified in the reasons for convening the shareholders' meeting, the meeting may not change that date through an extempore motion or any other way after the election has been completed at the same meeting.

Any shareholder holding 1% or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. Such a proposal, however, shall be limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph in Paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. Shareholders may propose a recommendation to urge the Company to promote public interests or fulfill

its social responsibilities. Only one proposal may be submitted in accordance with the procedure and Article 172-1 of the Company Act, and if more than one proposals are submitted, they shall be excluded from the list of proposals to be discussed.

Prior to the book closure date before a regular shareholders' meeting is held, the Company shall publicly announce that it will receive shareholder proposals, the methods for receipt of the proposals in a written or electronic form, and the location and time period for receipt of the proposals. The time period for receipt of the proposals may not be less than ten days.

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

Prior to the date on which the notice of a shareholders' meeting is delivered, the Company shall inform the shareholders who submitted proposals of the proposal screening results and list the proposals that conform to the provisions of this article in the notice of meeting. At the shareholders meeting the Board of Directors shall explain the reasons for the exclusion of any shareholder proposals from the agenda.

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

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company 5 days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy revocation shall be submitted to the Company 2 business days before the meeting date. If the revocation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to the Company, the shareholder wishes to attend the shareholders' meeting virtually, a written notice of proxy revocation shall be submitted to the Company 2 business days before the meeting date. If the revocation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

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

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

The restrictions on the venue of the meeting as referred to in the preceding paragraph shall not apply when the Company convenes a virtual shareholders' meeting.

Article 6 (Preparation of documents such as the attendance book)

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

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

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

The Company shall furnish the attending shareholders with an attendance book to sign; Or, the attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall provide attending shareholders with the meeting handbook, annual report, attendance card, speaker's slips, voting slips and other meeting materials. Where there is an election of directors, ballots shall also be provided.

When the government or a juridical person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juridical person is appointed to attend the

shareholders' meeting as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders' meeting, shareholders who wish to attend the meeting online shall register with the Company two days before the meeting date.

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

Article 6-1 (Convening a virtual shareholders meeting and particulars to be included in the shareholders meeting notice)

To convene a virtual shareholders' meeting Company shall include the follow particulars in the notice of the shareholders' meeting:

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

Article 7 (The Board of Directors and non-voting participants of a shareholders' meeting)

If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairperson. When the Chairperson is on leave or for any reason unable to exercise the powers of the Chairperson, the Vice Chairperson shall act in place of the Chairperson. If there is no Vice Chairperson or the Vice Chairperson also is on leave or for any reason unable to exercise the powers of the Vice Chairperson, the Chairperson shall appoint one of the managing directors to act as the chair, or, if there are no managing directors, one of the directors shall be appointed to act as the chair. When the Chairperson does not make a designation, the managing directors or the directors shall appoint one person among themselves to serve as the chair.

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

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

If a shareholders' meeting is convened by a party with the convening right other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, the chair of the meeting shall be elected from among themselves.

The Company may appoint its attorneys, certified public accountants, or other related persons retained by it to attend a shareholders' meeting.

Article 8 (Documentation of a shareholders meeting by audio or video)

The Company, starting from the time it accepts shareholder attendance registrations, shall make an

uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

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

When a shareholders' meeting is held virtually, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record the entire proceedings of the virtual meeting without interruption.

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

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

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

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

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

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

If the attending shareholders represent a majority of the total number of issued shares before the end of the meeting, the chair may resubmit the tentative resolution for a vote at the shareholders' meeting pursuant to Article 174 of the Company Act.

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

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with convening right other than the Board of Directors.

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

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

Article 11 (Shareholder speech)  
Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech,

his/her/their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

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

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If a shareholder speaks in contravention of the rules or beyond the scope of the subject, the chair may terminate his/her/their speech.

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

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

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

When a virtual shareholders' meeting is convened, the shareholders attending the virtual meeting may raise questions in writing form on the virtual meeting platform, starting from the chair's declaration of opening of the meeting to the chair's declaration of adjournment of the meeting. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words, and the regulations in Paragraphs 1 to 5 do not apply.

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

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

The voting at a shareholders' meeting shall be calculated based on the number of shares.

With respect to resolutions at shareholders' meetings, the number of shares held by shareholders with no voting rights shall not be counted toward the total number of the issued shares.

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

The number of shares of which voting rights may not be exercised as set forth in the preceding paragraph shall not be counted toward the number of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

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

When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. Therefore, it is advisable that the Company avoid the submission of extraordinary motions and of amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means as set forth in the preceding paragraph shall deliver a written declaration of intent to the Company 2 days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, unless a declaration is made to cancel the earlier declaration of intent.

In the event a shareholder intends to attend the shareholders' meeting in person or virtually after having exercised his/her/their voting rights by correspondence or electronic means, a written declaration of intent to retract the exercised voting rights as set forth in the preceding paragraph shall be made known

to the Company, by the same means by which the voting rights were exercised, 2 business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights by correspondence or electronic means and appointed a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the approval of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of voting on each proposal, the chair or the person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

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

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

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

When the Company holds a video conference, the shareholders who participated in the video conference shall vote on each motion and the election of directors through the video conference platform after the chair calls the meeting. The voting shall be completed before the Board of Directors announces the end of the voting. If the time limit is not met, the shareholders shall be deemed to have waived their rights.

If the shareholders' meeting is convened by video conference, the results of the voting and the election shall be announced after the Board of Directors announces the end of the voting.

When the Company holds a videoconference, the shareholders who have registered for the videoconference in accordance with Article 6 shall attend the meeting in person. They shall revoke the registration two days before the meeting in the same manner as the revocation of the registration. If the revocation is made after that time, only the videoconference may be attended.

If the shareholder exercises the voting right in writing or by way of electronic transmission, and has not revoked the intent of expression, and participates in the shareholders' meeting by way of video conferencing, except for extempore motions, the shareholder shall not exercise the voting right on the original motion or the amended motion, or the amended motion, on the original motion.

#### Article 14 (Election matters)

The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-the-spot immediately, including the names of those elected as directors and the numbers of votes with which they were elected as well as the names of directors and supervisors not elected and number of votes they received.

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

#### Article 15 Resolutions adopted by a shareholders' meeting shall be recorded in the meeting minutes. This shall be signed by or stamped and affixed with the seal of the chair, and shall be distributed to all shareholders within 20 days after the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes as set forth in the preceding paragraph by means of a public announcement made in the MOPS.

The meeting minutes shall faithfully record the year, month, date and place of the meeting, the full name of the chair, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights). They shall also disclose the number of

voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

When a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the starting time and the end time of the shareholders' meeting, how the meeting is convened, the name of the chair and the secretary, actions to be taken in the event of disruption to the virtual meeting platform or to the participation in the virtual meeting due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual shareholders' meeting, other than compliance with the requirements described in the preceding paragraph, the Company shall specify in the meeting minutes the alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting.

Article 16 (Public disclosure)

On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event of a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

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

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

Article 17 (Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When the proctors or the security personnel help maintain order at the meeting place, they shall wear identification cards or armbands bearing the word "Proctor."

At the place of a shareholders' meeting where loudspeakers are equipped, if a shareholder speaks through any device other than the public address equipment set up by the Company, the chair may terminate his/her/their speech.

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

Article 18 (Recess and resumption of a shareholders meeting)

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

If the meeting venue is no longer available for use before all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19 (Disclosure of information at virtual meetings)

According to the regulations, in the event of a virtual shareholders' meeting, the Company shall disclose real-time results of votes and election on the virtual meeting platform immediately after the end of the voting session, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20 (Location of the chair and secretary of virtual-only shareholders meeting)

When the Company convenes a virtual shareholders' meeting, both the chair and the secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called

to order.

Article 21 (Handling of disconnection)

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

In the event of a virtual shareholders' meeting, except for circumstances where a meeting is not required to be postponed to or resumed at another time under Paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, when declaring the opening of the meeting, the chair shall also announce that if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within 5 days, in which case Article 182 of the Company Act shall not apply.

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

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

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

When the Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in the second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue, and no postponement or resumption thereof under the second paragraph is required.

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

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

During the dates or period as set forth in the second half of Article 12 and Paragraph 3, Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies and Paragraph 2, Article 44-5, Article 44-15 and Paragraph 1, Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.

Article 22 (Handling of digital divide)

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

Article 23 These Rules, and any amendments hereto, shall be implemented after being adopted by the Board of Directors and submitted to a shareholders' meeting for approval.

Article 24 Revision history

Date of establishment: May 9, 2005

The 1st amendment was made on April 8, 2015.

The 2nd amendment was made on December 24, 2020.



The 3rd amendment was approved by the Board of Directors on March 4, 2021, and implemented after being adopted by the shareholders' meeting.

The 4th amendment was approved by the Board of Directors on April 11, 2022, and implemented after being adopted by the shareholders' meeting.

The 5th amendment was approved by the Board of Directors on April 13, 2023, and implemented after being adopted by the shareholders' meeting.

**【Appendix III】****Perfect Medical Industry Co., Ltd.****Shareholding of Directors**

Up until Feb 23, 2025, the book closure date, the number of shares held by all directors is as follows:

Title	Name	Number of shares held	Shareholding ratio
Chairperson	Tung Da Fa Asset Management Co., Ltd Representative: Hsu Kuo-Chi	3,372,817	6.40%
Vice Chairperson	Kao Da Technology Co., Ltd. Representative: Chen Po-Chen	9,962,217	18.92%
Legal person as director	Medifly Co., Ltd. Representative: Huang Lung-Hu	1,162,956	2.21%
Director	Chuang Cheng-Kuo	269,798	0.51%
Independent director	Hsu Chih-Cheng	89,990	0.17%
Independent director	Huang, Yu-Hsun	0	0%
Independent director	Lai Chia-Hui	0	0%
Total		14,857,778	28.21%

Note 1: The number of common shares issued by the Company is 52,662,700.

Note 2: According to Article 26 of the Securities and Exchange Act and the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the number of shares which shall be held statutorily by all the Company's directors is 4,213,016. (The Company has set up the Audit Committee.)

Note 3: The date of the general shareholders' meeting is April 23, 2025 (the book closure period is from February 23, 2025 to April 23, 2025).

## **【Appendix IV】**

### **Other Matters**

- I. Shareholders' proposals at this general shareholders' meeting are handled as follows:
  - ( I ) According to Article 172-1 of the Company Act, the Company's 2025 general shareholders' meeting accepts written proposals from shareholders holding more than 1% of the shares from February 14, 2025 to February 24, 2025.
  - ( II ) The Company did not receive any proposals from any shareholders during the aforementioned period.