Stock Code: 6543

Perfect Medical Industry Co., Ltd.

2025 Annual report

Publication date: March 31, 2026
For the annual report, please visit the website (MOPS): http://mops.twse.com.tw
Website of the Company: https://www.perfectmedical.com.tw

I. Name, title, contact number and e-mail address of the spokesperson and acting spokesperson:

Spokesperson
Name: Yeh Ya-Tung Title: CFO
Tel.: (04) 888-7998 Email: 1082@pwuhui.com.tw

Acting Spokesperson
Name: Chen Hung-Jen Title: General Manager
Tel.: (04) 888-7998 Email: 1025@pwuhui.com.tw

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

Address of Headquarters:

No. 100, Xingong 1st Rd., Beidou Township, Changhua County 52149
Headquarters Tel.: (04) 888-7998

Vietnam first factory: Perfect Medical Industrial (VN) Co., Ltd.
Address: Block D7/I, No. 1B Road, Vinh Loc Industrial Zone, Binh Tan Ward, Ho Chi Minh City, Vietnam.
Tel.: +84 28-3765-3131

Vietnam second factory: Perfect TW Medical Industrial (VN) Co., Ltd.
Address: Block MF3 and MF3-1, No. 8 Road, Duc Hoa 1 Industrial Zone, Hamlet 5, My Hanh Commune, Tay Ninh Province, Vietnam.
Tel.: +84 27-2381-7131

III. Name, address, website and telephone number of the stock transfer agency:

Name: Stock Affairs Agency Department, Horizon Securities Corp.
Address: 3F., No. 236, Sec. 4, Xinyi Rd., Da'an Dist., Taipei City 106
Website: http://srd.honsec.com.tw
Tel.: (02) 2326-8818

IV. Name of CPA, firm, address, website and telephone number of the most recent financial report:

Name of CPA: Huang Yu-Ting, Lo Wen-Chen
Name of CPA firm: Ernst & Young Global Limited
Address: 26F., No. 186, Shinzheng N. 7th Rd., Xitun Dist., Taichung City 407
Website: https://www.ey.com/zh_tw
Tel.: (04) 2259-8999

V. Name of the exchange where the Company's overseas securities are traded, and the method by which the Company's overseas securities information is accessed: None.

VI. Website of the Company: http://www.perfectmedical.com.tw

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One. Letter to Shareholders

Amid escalating geopolitical tensions, tightening monetary policies among major economies, and rising regional security risks, the global economic environment remains highly uncertain. Although the medical device industry has gradually returned to normalized demand following the COVID-19 pandemic and continues to benefit from long-term trends such as an aging population, the growing prevalence of chronic diseases, and advancements in minimally invasive technologies, the overall market has maintained steady growth momentum. Nevertheless, fluctuations in raw material prices, rising transportation costs, and supply chain restructuring have exerted pressure on the industry's cost structure and profitability.

In response to these challenges, Perfect Medical Group has continued to strengthen its supply chain management and regionalized production footprint, enhancing production flexibility and cost control capabilities. At the same time, we have optimized our product portfolio by increasing the proportion of high value-added products to mitigate the impact of external uncertainties. Looking ahead, we will continue to follow our long-term development strategy, steadily advancing capacity expansion and technological upgrades to enhance overall competitiveness and operational resilience.

The year 2025 was both challenging and transformative for the Group. Benefiting from the ongoing U.S.-China trade tensions and the increasing awareness of establishing backup supply chains, we successfully expanded our market presence into North America. Moving forward, in addition to meeting the comprehensive product needs of our North American customers, we will actively explore opportunities in the European market, with the goal of making Perfect Medical's products available worldwide.

We would like to express our sincere gratitude to our shareholders for their continued support and trust, as well as to all employees for their dedication and hard work, which have enabled the Company to maintain stable revenue growth. The following is a summary of our operating results for 2025 and our business plan for 2026.

I. 2025 operating results

(I) Implementation results:

Unit: NTD thousand; %

Items	2025	2024	Amount of increase/decrease	Change ratio
Operating revenue	779,015	744,157	34,858	4.68
Operating net profit	51,416	91,241	(39,825)	(43.65)
Non-operating income and expenses	20,117	16,138	3,979	24.66
Net income after tax	54,247	89,123	(34,876)	(39.13)

(II) Budget execution: The Company set internal budget targets for 2025 but did not publicly disclose financial forecasts.

(III) Analysis of financial income, expenditure and profitability

1. Analysis of financial income and expenditure:

Item		2025	2024
Financial structure	Debt to assets ratio (%)	38.76	27.89
	Long-term capital to property, plant and equipment ratio (%)	200.91	267.06
Solvency	Current ratio (%)	170.84	301.05
	Quick ratio (%)	108.01	187.32
	Interest coverage ratio	11.47	29.87

2. Analysis of profitability:

Item	2025	2024
Return on assets (%)	4.86	8.76
Return on equity (%)	6.67	12.15
Ratio of net income before tax to paid-in capital (%)	12.81	20.39
Net profit margin (%)	6.96	11.98
Earnings per share (NTD)	1.00	1.81

(IV) R&D Status

During the year, R&D expenses amounted to NT$15,831 thousand, representing 2.03% of consolidated revenue, an increase of 42.80% compared to NT$11,086 thousand in the previous year. Key development areas included surgical tubing, retractable safety curved needles, blood collection needles, and automatic needle holders.

The Company also actively collaborated with nursing staff from major medical institutions for product trials, feedback, and technical exchange, with the aim of providing safer and more effective medical devices for healthcare professionals.

II. Business Plan for 2026

(I) Operating guidelines for the current year

Leveraging the geographical advantages of its production bases, Perfect Medical Group continues to enhance its global visibility. In addition to evaluating market opportunities across different regions, the Group is actively pursuing collaboration opportunities with international enterprises to create greater value.

In recent years, factors such as the pandemic, geopolitical tensions, and tariff barriers have accelerated supply chain restructuring and adjustments to manufacturing locations. In response, the Group continues to review production costs, optimize manufacturing efficiency, and strengthen procurement management to enhance cost competitiveness. By offering more competitive pricing, the Group aims to secure additional partnerships and orders.

Meanwhile, the Company continues to invest in the development of sterilized medical consumables and long-term care-related products, broadening its product portfolio and strengthening future growth momentum.

In terms of capacity expansion, Phase I of the Group's second Vietnam plant commenced operations in the second half of 2025. To meet continuously growing customer demand, the Group is currently planning and promoting the construction of Phase III of the second Vietnam plant, which is expected to be completed and operational in the first half of 2027. This expansion will further increase production capacity and enhance overall operational efficiency.

At the same time, the first Vietnam plant continues to accelerate production efficiency improvements and process optimization initiatives, strengthening cost control and quality management to further enhance overall competitiveness.

(II) R&D Direction

1. Continuously improve existing products, including safety injection syringes, ester-based safety needle-free medication delivery systems, safety curved needles for cancer treatment, infusion sets, and hemodialysis circuits.
2. Development of medical consumable products for general departments, such as blood collection needles for laboratory use, nasal oxygen tubes for respiratory care, oxygen masks, sterilization-grade gauze, patient identification bands, and alcohol pads (sterilized), etc.
3. Development of long-term care medical consumable products, such as silicone gastric tubes (sterilized) and silicone urinary catheters (sterilized).
4. Development of high-value medical consumables, such as low-residue needle-free connectors for cancer injections and high-pressure valve systems for contrast injection.
5. Continuously 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 a complete supply chain partnership to ensure the quality and reliable supply of raw materials, thereby shortening the production cycle and reducing 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. Continuously introduce automation in production to improve product quality and delivery efficiency, in order to meet the needs of existing customers and expand potential customer base.
4. Actively develop new customers to increase market share, and adjust the product sales structure to enhance profitability.

(IV) Expected sales volume and basis

The Company's projected sales volume is based on the market outlook forecast for 2026 and customer potential assessments, in line with the Company's expected goals. Additionally, the overall industry and economic conditions are considered for the forecast. It is expected that the sales performance in 2026 will show growth compared to 2025.

III. Impact of external competition, regulatory environment, and overall business environment

(I) External competition environment

The global medical device industry has long been characterized by intense price competition, particularly due to low-cost products from China. Although the impact of Chinese competition has somewhat eased in recent years due to the U.S.-China trade tensions and the rise of localization policies in various countries, the emergence of other developing economies continues to pose new challenges to the industry.

Given the persistent price competition in general medical consumables, manufacturers are increasingly focusing on product upgrades and transformation, emphasizing higher-end and safer product development. At the same time, companies are introducing automation to enhance production efficiency and product quality, reduce costs, and strengthen market competitiveness.

In response to industry changes and intense competition, the Company continues to optimize internal processes and production systems, strengthen cost control and quality management, and steadily expand its market presence while maintaining competitive advantages.

(II) Regulatory environment

Governments worldwide and the International Organizations for Standardization (ISO) are continuously revising regulations and standards for medical devices. For example, the US Medical Device Quality System Regulation (QSR) was harmonized with ISO 13485 and renamed QMSR (Quality Management System Regulation), which came into effect on February 2, 2026. The European Union issued two implementation decisions on April 10, 2025, further updating harmonized stasdards related to medical devices (MDR) and in

vitro diagnostic medical devices (IVDR). Japan's Pharmaceuticals and Medical Devices Law has also undergone significant changes regarding product registration requirements, quality management systems, and certification bodies. The Company, too, cannot remain unaffected by these developments. Therefore, the Company will actively comply with international medical device regulations, aligning with regulatory requirements and enhancing quality to facilitate global business expansion, with the goal of achieving sustainable operation and growth.

(III) Overall economic environment

According According to United Nations data, individuals aged 65 and above accounted for approximately 10.3% of the global population (about 830 million people) in 2024. This figure is projected to increase to 1.6 billion, or approximately 16% of the global population, by 2050.

With the ongoing trend of global population aging, demand for elderly care and chronic disease treatment is expected to increase significantly, driving steady growth in healthcare expenditures. Meanwhile, medical consumables will continue to evolve in response to changes in disease patterns and advancements in medical technology.

As the medical device industry is closely linked to human health and social welfare, it is relatively less susceptible to economic cycles. Therefore, the market is expected to maintain stable long-term growth potential.

IV. Future development strategy

With over 30 years of experience in the medical consumables industry, the Company’s core products have been widely adopted and trusted by major medical centers and healthcare institutions. In addition to continuously improving existing products and expanding mass production to increase market share domestically and internationally, the Company has also expanded its North American customer base in 2025, providing syringe development and OEM services.

Looking ahead, the Company will not only continue enhancing existing products but also gradually expand into sterilized medical consumables and long-term care-related products to meet the growing demand driven by an aging population.

The Perfect Medical Team adheres to the philosophy of "Perfect Quality, Respect for Life" as its guiding principle. In addition to providing high-quality products that align with market trends, the team continues to improve and develop products to enhance the efficiency and safety of medical professionals. Furthermore, continuous optimization of processes and management performance is pursued to achieve sustained operational growth and profitability. I would like to take this opportunity to express my gratitude to the directors and shareholders for their long-standing trust and encouragement. The Perfect Medical Team will continue to evolve, innovate, and progress, dedicating ourselves fully to meeting the expectations of our shareholders!

Chairman:	General Manager:	Accounting Manager:
Mr. Hsu Kuo-Chi	Mr. Chen Hung-Jen	Ms.Yeh Ya-Tung

Two. Corporate Governance Report

I. Information on directors, General Manager, Vice General Managers, assistant managers, and heads of departments and branches

(I) Information on directors and supervisors

1. Information of directors:

March 31, 2026; Unit: shares; %

Title (Note 1)	Name	Gender Age	Nationality or place of registration	Date of initial appointment	Date of election	Term of office	Shareholding at the time of election		Number of shares currently held (Note 2)		Shares currently held by spouse and underage children		Shares held in the name of others		Major experience/educational background	Currently holding concurrent positions in the Company and other companies	Other executives, directors, or supervisors who are spouses or relatives within the second degree of kinship of the Company's directors or supervisors			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	Tung Da Fa Asset Management Co., Ltd.	-	Republic of China	2012.12.25	2023.05.25	3 years	2,820,815	6.18	3,372,817	6.04	-	-	-	-	-	-	-	-	-	-
	Representative: Hsu Kuo-Chi (Note 3)	Male 65～70		1989.04.17	2023.05.25	3 years	-	-	1,641,639	2.94	143,198	0.26	3,372,817	6.04	EMBA, National University of Kaohsiung Bachelor, Department of International Trade, Chung Chou University of Science and Technology	CEO of the Company Chairman, Perfect Medical Industrial (VN) Co., Ltd. Chairman, Perfect TW Medical Industrial (VN) Co., Ltd. Chairman,Gao Da Technology Co., Ltd.	Deputy General Manager of Management Department	Hsu Shun-Chieh	Father and son	-
	Hsu Kuo-Chi (Note 3)			1989.04.17	2025.07.29	3 years	1,641,639	2.94	1,641,639	2.94	143,198	0.26	3,372,817	6.04						
Vice Chairman	Gao Da Technology Co., Ltd.	-	Republic of China	2015.07.16	2025.07.29	3 years	9,782,217	17.51	9,782,217	17.51	-	-	-	-	-	-	-	-	-	-
	Representative: Chen Po-Chen	Male 35～40	Republic of China	2023.05.25	2025.07.29	3 years	182,325	0.33	182,325	0.33	41,039	0.07	-	-	Bachelor, Department of Finance, National Yunlin University of Science and Technology Corporate Director Representative, Perfect Medical Industry Co., Ltd. Responsible person, Pin Tai Ji Ltd.	Responsible person, Pin Tai Ji Ltd.	-	-	-	-
Director	Medifly Co., Ltd. (Note 4)	-	Republic of China	2023.05.25	2023.05.25	3 years	504,519	1.10	1,282,956	2.30	-	-	-	-	-	-	-	-	-	-
	Representative: Huang Lung-Hu	Male 60～65	Republic of China	2024.07.08	2024.07.08	3 years	-	-	-	-	-	-	-	-	EMBA, Feng Chia University Operational Manager, Taiwan Branch, Asia Renal Care	Supervisor, Medifly Co., Ltd.	-	-	-	-
Director	Chuang Cheng-Kuo (Note 5)	Male 65～70	Republic of China	1989.04.17	2025.07.29	3 years	269,798	0.48	269,798	0.48	-	-	-	-	Department of Business Management, National United University PhD, Department of Financial Technology, College of Management, National Changhua University of Education EMBA Program in Accounting, National Changhua University of Education General Manager, Perfect Medical Industry Co., Ltd.	-	-	-	-	-

Title (Note 1)	Name	Gender Age	Nationality or place of registration	Date of initial appointment	Date of election	Term of office	Shareholding at the time of election		Number of shares currently held (Note 2)		Shares currently held by spouse and underage children		Shares held in the name of others		Major experience/educational background	Currently holding concurrent positions in the Company and other companies	Other executives, directors, or supervisors who are spouses or relatives within the second degree of kinship of the Company's directors or supervisors			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	Hsu Chih-Cheng	Male 55～60	Republic of China	2016.6.15	2023.5.25	3 years	79,431	0.17	89,990	0.16	-	-	-	-	Bachelor, Department of Computer Science & Information Engineering, National Taiwan University Master of Information Engineering, State University of New York at Stony Brook	Associate Professor, Department of Information Management, National Central University Advisor, Enterprise Resource Planning and Big Data Analytics Center, National Central University	-	-	-	-
Independent Director	Huang Yu-Hsun	Male 35～40	Republic of China	2022.6.29	2023.5.25	3 years	-	-	-	-	-	-	-	-	Master of Accounting, National Taipei University CPA, Cheng-Yi & Co., CPAs Manager, Audit Department, PwC Taiwan Chief, Audit Department, Deloitte Taiwan	CPA, Cheng-Yi & Co., CPAs	-	-	-	-
Independent Director	Lai Chia-Hui	Male 55～60	Republic of China	2023.9.5	2023.9.5	3 years	-	-	-	-	-	-	-	-	Vice Chairman, Taiwan Green Energy Association Adjunct Assistant Professor, National Changhua University of Education Adjunct Assistant Professor, Chienkuo Technology University Supervisor, Tera Autotech Corporation	Chairman, Sen Pao Enterprise Co., Ltd.	-	-	-	-
Independent Director	Weng Ming-Jang	Male 60～65	Republic of China	2025.07.29	2025.07.29	3 years	-	-	-	-	-	-	-	-	PhD of Economics, Texas A&M University Master of Economics, National Taipei University Bachelor of Science, Department of Industrial Management, National Cheng Kung University Director of the Extension Education Center, National Kaohsiung University	Associate Professor, Department of Applied Economics, National Kaohsiung University Director of the Advanced Management Talent Training Center, National Kaohsiung University Independent Directors of Taiwan Fertilizer Co., Ltd.				
Independent Director	Du Yi-Hui	Female 50～55	Republic of China	2025.07.29	2025.07.29	3 years	-	-	-	-	-	-	-	-	Bachelor of Business Administration (Accounting) from the University of San Francisco Bachelor of Science from Hungkuang University Test Rite Group Senior Manager of Vietnam Office Accounting and Administration Manager of IKEA Co., Ltd.	Project Manager of Yaoxiang Outdoor Products (Vietnam) Co., Ltd.				

Title (Note 1)	Name	Gender Age	Nationality or place of registration	Date of initial appointment	Date of election	Term of office	Shareholding at the time of election		Number of shares currently held (Note 2)		Shares currently held by spouse and underage children		Shares held in the name of others		Major experience/educational background	Currently holding concurrent positions in the Company and other companies	Other executives, directors, or supervisors who are spouses or relatives within the second degree of kinship of the Company's directors or supervisors			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	Lu Qiao-Yun	Female 50～55	Republic of China	2025.07.29	2025.07.29	3 years	-	-	-	-	-	-	-	-	Bachelor of Accounting College of Management National Taiwan University Assistant Manager of Underwriting Department, Yuanta Securities Co., Ltd. Audit Team Leader, Anhou Jianye United Accounting Firm	Partnership Accountant Chen Yao Asia Pacific CPA Firm				
Independent Director	Lin Kang-Ting	Female 35～40	Republic of China	2025.07.29	2025.07.29	3 years	-	-	-	-	-	-	-	-	Master of Business Administration National Cheng Kung University Bachelor of Accounting, Soochow University Audit Team Leader Deloitte & Touche	Partnership Accountant Sunshine & Co.,CPAs Independent Director of G&E Herbal Biotechnology Co., Ltd.				

Note 1:The company held a full re-election 12th directors on July 29, 2025.
The original directors, Tung Da Fa Asset Management Co., Ltd.and its representative Mr. Hsu Kuo-Chi, Medifly Co., Ltd Co., Ltd. and its representative Mr. Huang Lung-Hu, independent directors Mr. Hsu Chih-Cheng, Mr. Huang Yu-Hsun and Mr. Lai Chia-Hui, are hereby dismissed effective immediately; the new directors are Mr. Hsu Kuo-Chi, Mr. Chuang Cheng-Kuo, Gao Da Technology Co., Ltd. and its appointed representative Mr. Chen Po-Chen, independent directors Mr. Weng Ming-Jang, Ms. Du Yi-Hui, Ms. Lu Qiao-Yun and Ms. Lin Kang-Ting, who will assume office effective immediately.

Note 2: As of March 31, 2026, the Company had issued a total of 55,854,700 shares.

Note 3: Mr. Hsu Kuo-Chi served as a director for eight terms from April 17, 1989 to July 15, 2015, and as the legal representative of the director from July 16, 2015 to July 28, 2025. He is now a director as a natural person on July 29, 2025.
1.If the Chairperson and the General Manager (the highest-ranking executive) are the same person, spouses, or first-degree relatives, an explanation should be provided regarding the reasons, reasonableness, necessity, and corresponding measures:
2.The Company's CEO, Mr. Hsu Kuo-Chi, is the founder of the Company and is well-versed in the medical industry. His ability to promptly grasp and understand the Company's operational status and formulate business strategies demonstrates both reasonableness and necessity.
3.In response to the aforementioned situation, the Company has taken the following measures to strengthen the oversight function of the Board of Directors:
(1) On July 29, 2025, the board of directors was held a full re-elected, increasing the number of independent directors to four, each with expertise in finance and accounting, corporate management and industry, in order to strengthen the supervisory function.
(2) More than half of the directors on the board do not concurrently hold the positions of employee and manager.
(3) Independent directors can fully discuss and make suggestions to the board of directors for reference in order to improve the board's operational efficiency.

Note 4: Medifly Co., Ltd served as a corporate director for two terms from July 16, 2015 to August 20, 2020, and was re-elected as a corporate director on May 25, 2023,and until dismissal effective on July 29, 2025.

Note 5: Director Mr. Chuang Cheng-Kuo served as a director from March 15, 1989, to June 2015. Due to a vacancy in the board of directors, a by-election was held in September 2015, and his term of office lasted from September 2015 to May 2018. In May 2018, he served as the director representative of Gao Da Technology Co., Ltd. Due to another vacancy in the board, a by-election was held in July 2018, followed by a re-election in May 2023. He was elected as a director in his personal capacity and has served in this role ever since.

2. Major shareholders of corporate shareholders

March 31, 2026

Name of corporate shareholder	Major shareholders of corporate shareholders
Tung Da Fa Asset Management Co., Ltd.	Hsu Kuo-Chi (64.55%), Lin Shu-Chih (17.32%), Hsu Shun-Chieh (6.30%), Hsu Han-Yuan (3.97%), and Hsu Pei-Ju (7.87%).
Gao Da Technology Co., Ltd.	Hsu Han-Yuan (39.15%), Yeh Hsi-Yi (11.17%), Hsu Pei-Ju (16.24%), Hsu Kuo-Chi (3.90%), Lin Shu-Chih (3.41%), Da Pu Investment Co., Ltd. (3.63%), Hsu Tsu-Wei (3.26%), Hsu Shu-Yuan (2.67%), Chuang Yu-ze(2.23%), Chuang Yung-Hung (2.23%).
Medifly Co., Ltd.	Excelsior Medical Co., Ltd. (28.66%), Rifu International Investment Co., Ltd. (20.04%), Chang Chih Cheng (8.75%), Yang Po-Hsun (4.57%), Lan Wu-Yang (4.47%), Wang Yu-Pei (4.44%), Hou Yi-Tai (3.85%), Chou Chih-Hung (3.50%), Chou Yi-Chen (3.45%), Huang Lung-Hu (3.16%).

3. Major shareholders of major shareholders who are corporate entities:

March 31, 2026

Name of corporate shareholder	Major shareholders of corporate shareholders
Da Pu Investment Co., Ltd.	Gao Da Technology Co., Ltd.(49.00%), Hsu Kuo-Chi (3.55%), Hsu Han-Yuan (47.45%).
Excelsior Medical Co., Ltd.	Jia Yi Investment Co., Ltd. (11.18%), Jia He Investment Co., Ltd. (10.58%), Bestchain Healthtaiwan Co., Ltd. (9.82%), Arich Investment Co., Ltd. (2.98%), Hsuan Hui Investment Co., Ltd. (2.71%), Lin Chun-Yao (1.06%), Bank SinoPac Co., Ltd. (0.62%), Citibank Custody DFA Emerging Markets Core Equity Investment Account (0.55%), Taiwan Bank Custody ING Retirement Fund Investment Account (0.51%), Hsieh Yen-Sheng (0.45%).
Rifu International Investment Co., Ltd.	Teng Chih-Chien (56.35%), Sung Mei-Yen (22.97%), Teng Liu Mei-Ying (7.13%), Teng Hsing-Wen (10.15%), Teng Yu-Ching (3.40%).

4. Information disclosure on the professional qualifications and independence of directors:

Conditions / Name(Note)	Professional Qualification and Experience	Independence	Number of Independent Director Positions Concurrently Held in Other Publicly Listed Companies
Tung Da Fa Asset Management Co., Ltd. Representative: Hsu Kuo-Chi	Chairman Hsu Kuo-Chi graduated with an IEMBA degree at National University of Kaohsiung. Currently still studying for an EMBA at a well-known university in Taichung. He is currently the Corporate Chairman Representative and CEO of the Company, with nearly 40 years of experience in entrepreneurship, marketing, and business management. He is skilled in business communication and crisis management, providing advice on risk management and decision-making. There are no circumstances under Article 30 of the Company Act applicable to him.	There are no circumstances among the directors that fall under Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.	0
Hsu Kuo-Chi			
Gao Da Technology Co., Ltd. Representative: Chen Po-Chen	Mr. Chen Po-Chen graduated from the Department of Finance at National Yunlin University of Science and Technology. He is currently the responsible person of Pin Tai Ji Ltd., with experience in procurement, marketing, and business management. He is able to provide financial risk management advice and has no circumstances under any of the provisions of Article 30 of the Company Act.	There are no circumstances among the directors that fall under Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.	0
Medifly Co., Ltd. Representative: Huang Lung-Hu	Mr. Huang Lung-Hu is currently the supervisor of Medifly Co., Ltd.. He possesses professional marketing and management experience and is capable of providing management and crisis response advice. He has no circumstances under any of the provisions of Article 30 of the Company Act.	There are no circumstances among the directors that fall under Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.	0
Chuang Cheng-Kuo	PhD, Department of Financial Technology, College of Management, National Changhua University of Education. He has served as the General Manager of Perfect Medical Industry Co., Ltd. and the General Manager of the Vietnam subsidiary for over 20 years. He is Familiarity with the medical industry and management capabilities with Extensive practical experience in business operations. He has no circumstances under any of the provisions of Article 30 of the Company Act.	There are no circumstances among the directors that fall under Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.	0

Conditions / Name(Note)	Professional Qualification and Experience	Independence	Number of Independent Director Positions Concurrently Held in Other Publicly Listed Companies
Hsu Chih-Cheng	Currently serving as an Associate Professor in the Department of Information Management at National Central University and as an advisor at the Enterprise Resource Planning and Big Data Analytics Center at National Central University, with expertise in financial data mining, Python-based data mining system development, software engineering, system integration, digital learning, and information management, among other areas. He has no circumstances falling under any of the provisions of Article 30 of the Company Act.	During the two years prior to appointment and throughout the term of service, there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Not a spouse or a relative within the second degree of kinship of any other director, and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	0
Huang Yu-Hsun	Currently a CPA at Cheng-Yi & Co., CPAs. Previously served as an Audit Manager at PWC and an Audit Team Leader at Deloitte . Leveraging expertise in financial accounting, tax planning, and auditing to enhance the Company's financial management, corporate governance, and the supervisory function of the Audit Committee. No circumstances as specified in Article 30 of the Company Act.	During the two years prior to appointment and throughout the term of service, there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Not a spouse or a relative within the second degree of kinship of any other director, and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	0
Lai Chia-Hui	Currently serving as the Chairman of Sen Pao Enterprise Co., Ltd., holding a Ph.D. from the Department of Electrical Engineering at National Changhua University of Education. Previously served as the Founding Chairman of the Changhua County Senior Executive Management Research and Development Association and as an Assistant Professor at National Changhua University of Education. Possesses extensive management experience and connections, demonstrating expertise in industry trend analysis, market insights, business operations, marketing strategies, and industrial technology. No circumstances as specified in Article 30 of the Company Act.	During the two years prior to appointment and throughout the term of service, there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Not a spouse or a relative within the second degree of kinship of any other director, and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	0

Conditions / Name(Note)	Professional Qualification and Experience	Independence	Number of Independent Director Positions Concurrently Held in Other Publicly Listed Companies
Weng Ming-Jang	PhD in Economics from Texas A&M University. Currently serving as Associate Professor in the Department of Applied Economics and Director of the Center for Senior Management Training at National Kaohsiung University. He serves as the convener of the company's Salary and Compensation Committee, Audit Committee, and Sustainability Committee. Possess professional qualifications and expertise in business management, finance, and applied economics. No circumstances as specified in Article 30 of the Company Act.	During the two years prior to appointment there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The number of shares held by the company's relatives (or through other people's names) is 0,and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	1
Du Yi-Hui	Bachelor of Business Administration (Accounting) from the University of San Francisco. Previously worked as a manager at a well-known brand company. Possesses financial, business, and practical management capabilities. She is a member of the company's Compensation Committee, Audit Committee, and Sustainability Committee. No circumstances as specified in Article 30 of the Company Act.	During the two years prior to appointment there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The number of shares held by the company's relatives (or through other people's names) is 0,and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	0
Lu Qiao-Yun	Bachelor of Accounting College of Management National Taiwan University. Current position partnership Accountant Chen Yao Asia Pacific CPA Firm. previously served as the head of the audit team Anhou Jianye United Accounting Firm. Possessing expertise in financial accounting, tax planning, and auditing enhances the company's financial and corporate governance management quality and the audit committee's oversight capabilities. No circumstances as specified in Article 30 of the Company Act.	During the two years prior to appointment there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The number of shares held by the company's relatives (or through other people's names) is 0,and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	0

Conditions / Name(Note)	Professional Qualification and Experience	Independence	Number of Independent Director Positions Concurrently Held in Other Publicly Listed Companies
Lin Kang-Ting	Master of Business Administration National Cheng Kung University and Bachelor of Accounting, Soochow University. Current position Partnership Accountant Sunshine & Co.,CPAs. previously served as the head of the audit team Deloitte & Touche. Possessing expertise in financial accounting, tax planning, and auditing enhances the company's financial and corporate governance management quality and the audit committee's oversight capabilities. No circumstances as specified in Article 30 of the Company Act.	During the two years prior to appointment there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The number of shares held by the company's relatives (or through other people's names) is 0,and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	1

Note1:The company held a full re-election 12th directors on July 29, 2025.

Note2:The original directors, Tung Da Fa Asset Management Co., Ltd.and its representative Mr. Hsu Kuo-Chi, Medifly Co., Ltd Co., Ltd. and its representative Mr. Huang Lung-Hu, independent directors Mr. Hsu Chih-Cheng, Mr. Huang Yu-Hsun and Mr. Lai Chia-Hui, are hereby dismissed effective immediately; the new directors are Mr. Hsu Kuo-Chi, Mr. Chuang Cheng-Kuo, Gao Da Technology Co., Ltd. and its appointed representative Mr. Chen Po-Chen, independent directors Mr. Weng Ming-Jang, Ms. Du Yi-Hui, Ms. Lu Qiao-Yun and Ms. Lin Kang-Ting, who will assume office effective immediately.

5. Diversification and independence of the Board of Directors:

(1) Diversification of the Board of Directors

In order to strengthen corporate governance and promote the sound development of board composition and structure, the company adheres to the diversity policy for the board of directors, as outlined in Article 20 of the 'Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.' This diversity policy includes, but is not limited to, basic conditions and values (such as gender, age, nationality, and culture), as well as professional knowledge and skills (such as professional background, expertise, and industry experience). Article 20 of the 'Corporate Governance Best Practice Principles' and Article 3 of the 'Director Selection Procedure' clearly stipulate that diversity should be considered in the composition of the board of directors. Additionally, it is specified that directors who are also managers of the company should not exceed one-third of the total number of directors. Furthermore, proper diversity guidelines are drafted based on corporate operations, business types, and development requirements. These guidelines should include, but are not limited to, standards concerning the following two aspects:

A..Basic conditions and values :such as gender, age, nationality and culture, etc. Among them, female directors account for one-third of Yida’s director seats.

B..Professional knowledge and skills : professional background(e.g, law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

Members of the Board shall generally possess the knowledge, skills and qualities necessary for the performance of their duties. Their overall abilities that should be possessed are as follows:

A. Operational judgment.

B. Accounting and financial analysis.

C. Operation and management.

D. Crisis handling.

E. Industry knowledge.

F. International market outlook.

G. Leadership.

H. Decision-making.

The Company's Board of Directors comprises members from various fields across industry and academia, possessing both cross-industry academic expertise and practical management experience. The diversity of professional backgrounds and complementary capabilities is can strengthen corporate governance and promote the sound development of the board structure adhering to a diversified approach. the Company aims to improve overall performance and achieve corporate governance objectives and Strengthen of the board functions, Exert each functional Committee & Board of Directors. thereby safeguarding shareholders' equity, respecting stakeholder right and enhancing information transparency.

The current board of directors consists of 7 members, including 4 independent directors, representing 57.14% of the board; 1 director with a managerial position, representing 14.29%; and 3 female directors, representing 42.86%. The diversity, complementarity, and implementation of the board's structure are superior to the requirements of Article 20 of the Company's "Code of Corporate Governance Practices".

The implementation status of the company's current board of directors' diversity policy is described below:

Core Items of Diversification / Name of director (Note)	Basic conditions and values							Industry experience and professional skills								
	Nationality	Gender	Holding concurrent position as an employee of the Company	Age			Tenure of independent directors	Operational judgment capability	Crisis management capability	Business management and leadership capability	Decision-making capability	International market perspective	Pharmaceutical biotechnology industry knowledge	Professional competence in information and electronic engineering	Marketing and promotion expertise	Professional competence in financial accounting analysis
				31-~40	51~ 60	61~70	More than 3 years									
Representative of Tung Da Fa Asset Management Co., Ltd.: Hsu Kuo-Chi	Republic of China	Male	✓			✓		✓	✓	✓	✓	✓	✓		✓	✓
Hsu Kuo-Chi		Male	✓			✓		✓	✓	✓	✓	✓	✓		✓	✓
Representative of Gao Da Technology Co., Ltd.: Chen Po-Chen		Male		✓				✓	✓	✓	✓	✓			✓	✓
Representative of Medifly Co., Ltd.: Huang Lung-Hu		Male				✓		✓	✓	✓	✓	✓	✓		✓	
Chuang Cheng-Kuo		Male				✓		✓	✓	✓	✓	✓	✓		✓	✓
Hsu Chih-Cheng		Male			✓		✓	✓	✓	✓	✓	✓		✓	✓	✓
Huang Yu-Hsun		Male		✓					✓	✓	✓	✓			✓	✓
Lai Chia-Hui		Male			✓			✓	✓	✓	✓	✓			✓	
Weng Ming-Jang		Male				✓	✓	✓	✓	✓	✓	✓			✓	✓
Du Yi-Hui		Female			✓			✓	✓	✓	✓	✓			✓	✓
Lu Qiao-Yun		Female			✓			✓	✓	✓	✓	✓			✓	✓
Lin Kang-Ting		Female		✓				✓	✓	✓	✓	✓			✓	✓

Note 1:The company held a full re-election 12th directors on July 29, 2025.

Note 2:The original directors, Tung Da Fa Asset Management Co., Ltd.and its representative Mr. Hsu Kuo-Chi, Medifly Co., Ltd Co., Ltd. and its representative Mr. Huang Lung-Hu, independent directors Mr. Hsu Chih-Cheng, Mr. Huang Yu-Hsun and Mr. Lai Chia-Hui, are hereby dismissed effective immediately; the new directors are Mr. Hsu Kuo-Chi, Mr. Chuang Cheng-Kuo, Gao Da Technology Co., Ltd. and its appointed representative Mr. Chen Po-Chen, independent directors Mr. Weng Ming-Jang, Ms. Du Yi-Hui, Ms. Lu Qiao-Yun and Ms. Lin Kang-Ting, who will assume office effective immediately.

(2) Independence of the Board of Directors:

The Company's Board of Directors consists of seven seats, with four seats designated for independent directors, accounting for 57.14% of the board. For details regarding the board's independence, please refer to One., III., (II), 1. Information on directors and independent directors, and One., III., (II), 4. Information disclosure on the professional qualifications and independence of directors. As indicated in the aforementioned board information table, the Company has established an Audit Committee to replace the role of the supervisor. Additionally, none of the board members have a spousal or close relative relationship within the second degree of kinship, thus there are no circumstances as specified in Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act.

(II) Information on General Manager, Deputy General Managers, Assistant Managers, and Supervisors of Departments and Branch Agencies

March 31, 2026; Unit: shares: %

Title	Nationality	Name	Gender	Date Of Election (Assumption Of Office)	Shares Held		Shares Held By Spouse And Underage Children		Shares Held In The Name Of Others		Major Experience/Educational Background	Currently Holding Concurrent Positions In And Other Companies	Managers Who Are Spouses Or Relatives Within The Second Degree Of Kinship			Remarks
					Number Of Shares	Shareholding Ratio	Number Of Shares	Shareholding Ratio	Number Of Shares	Shareholding Ratio			Title	Name	Relations	
CEO (Note1)	Republic Of China	Hsu Kuo-Chi	Male	2013.09.24	1,641,639	2.94	143,198	0.26	3,372,817	6.04	Master Of International Business Administration, Kaohsiung University Bachelor, Department Of International Trade, Chung Chou University Of Science And Technology	Chairman, Perfect Medical Industrial (VN) Co., Ltd. Chairman, Perfect TW Medical Industrial (VN) Co., Ltd. Chairman , Gao Da Technology Co., Ltd.	Deputy General Manager Of Management Department	Hsu Shun-Chieh	Father And Son	-
General Manager	Republic Of China	Chen Hung-Jen	Male	2012.12.25	878,906	1.57	250,149	0.45	-	-	Department Of Mechanical Engineering, National Taiwan University Of Science Responsible Person, Chuan Yu Co., Ltd. Technical Consultant, Delta Electronics, Inc.	General Manager And Administrative Management Office Leader, Perfect Medical Industrial (VN) Co., Ltd. General Manager And Administrative Management Office Leader, Perfect TW Medical Industrial (VN) Co., Ltd.	-	-	-	--
Deputy General Manager Of Management Department And Sustainability Manager (Note2)	Republic Of China	Hsu Shun-Chieh	Male	2021.07.16	611,515	1.09	1,000	-	-	-	EMBA, National Chiao Tung University Master Of Pharmaceutical Technology, Chia Nan University Of Pharmacy & Science Project Manager, Metal Industries Research & Development Centre Project Manager, Medical And Pharmaceutical Industry Technology And Development Center	Deputy General Manager, Administrative Management Office-Procurement And Chairman's Special Assistant Of Perfect Medical Industrial (VN) Co., Ltd. Deputy General Manager, Administrative Management Office- Procurement And Chairman's Special Assistant Of Perfect TW Medical Industrial (VN) Co., Ltd. Chairman, Tung Da Fa Asset Management Co., Ltd. Chairman, Da Pu Investment Co., Ltd.	CEO	Hsu Kuo-Chi	Father And Son	-
CFO And Corporate Governance Manager (Note3)	Republic Of China	Yeh Ya-Tung	Female	2021.07.16	120,000	0.21	-	-	-	-	Master Of Finance, Southern Taiwan University Of Science And Technology Bachelor, Department Of Business Administration, Mingdao University Finance Manager, Perfect Medical Industry Co., Ltd. Finance Manager, Perfect Medical Industrial (VN) Co., Ltd. General Manager, Perfect TW Medical Industrial (VN) Co., Ltd. Senior Specialist, Finance Department, Supertec Machinery, Inc.	-	-	-	-	-
Audit Office Assistant Manager	Republic Of China	Hsieh Yueh-Chu	Female	2018.01.01	131,878	0.24	-	-	-	-	Bachelor, Department Of Business Administration, Mingdao University Manager Of Management Department, Perfect Medical Industry Co., Ltd.	-	-	-	-	-
Quality Assurance Department And Legal Regulation Department Assistant Manager	Republic Of China	Chen Tung-Shun	Male	2019. 02. 01	377,160	0.68	-	-	-	-	Department Of Chemical Engineering, Nanya Institute Of Technology Section Chief, Pharmaceutical Plant, Huashin Chemical Pharmaceutical Works Co., Ltd.	Assistant Manager, Administrative Management Office - Legal Affairs Department, Perfect Medical Industrial (VN) Co., Ltd. Assistant Manager, Administrative Management Office - Legal Affairs Department, Perfect TW Medical Industrial (VN) Co., Ltd.	-	-	-	-
R&D Department Manager	Republic Of China	Chen Yu-Lung	Male	2022. 07. 01	105,155	0.19	-	-	-	-	Bachelor, Department Of Mechanical Engineering, National Kaohsiung University Of Science And Technology Section Chief, R&D Department, Advanced International Multitech Co., Ltd. PM, Aerospace Project, Gongin Precision Industries Co., Ltd.	Manager, Administrative Management Office - Product Verification Department, Perfect Medical Industrial (VN) Co., Ltd. Manager, Administrative Management Office - Product Verification Department, Perfect TW Medical Industrial (VN) Co., Ltd.	-	-	-	-

Note1: 1.If the Chairperson and the General Manager (the highest-ranking executive) are the same person, spouses, or first-degree relatives, an explanation should be provided regarding the reasons, reasonableness, necessity, and corresponding measures:

2.The Company's CEO, Mr. Hsu Kuo-Chi, is the founder of the Company and is well-versed in the medical industry. His ability to promptly grasp and understand the Company's operational status and formulate business strategies demonstrates both reasonableness and necessity.

3.In response to the aforementioned situation, the Company has taken the following measures to strengthen the oversight function of the Board of Directors:

(1) On July 29, 2025, the board of directors was held a full re-elected, increasing the number of independent directors to four, each with expertise in finance and accounting, corporate management and industry, in order to strengthen the supervisory function.

(2) More than half of the directors on the board do not concurrently hold the positions of employee and manager.

(3) Independent directors can fully discuss and make suggestions to the board of directors for reference in order to improve the board's operational efficiency.

Note2: On March 13, 2025, the Board of Directors resolved to appoint Mr. Hsu Shun-Chieh as the head of Sustainability Manager.

Note3: On March 13, 2025, the Board of Directors resolved to appoint Ms. Yeh Ya-Tung as the head of Corporate Governance Manager.

II. Remuneration to directors, General Manager, and Vice General Managers in the most recent fiscal year

(I) Remuneration to general directors and independent directors

December 31, 2025; Unit: NTD thousands

Title	Name(Note)	Remuneration to directors								The sum of A, B, C and D and as a percentage of net income after tax		Relevant remuneration received by those concurrently serving as employees								The sum of A, B, C, D, E, F and G as a percentage of net income after tax		Remuneration from the reinvested business other than the subsidiaries or the parent company
		Remuneration (A)		Severance pay and pension (B)		Remuneration to directors (C)		Business execution cost (D)				Salaries, bonuses, and special allowances (E)		Severance pay and pension (F)		Employee remuneration (G)						
																The Company		All companies included in the consolidated financial statements				
		The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	Amount of cash	Amount of stock	Amount of cash	Amount of stock	The Company	All companies included in the consolidated financial statements	
Chairman	Tung Da Fa Asset Management Co., Ltd. Representative: Hsu Kuo-Chi	-	-	-	-	2,275	2,275	330	330	2,605 (4.8%)	2,605 (4.8%)	2,583	2,583	-	-	540	-	540	-	5,728 (10.6%)	5,728 (10.6%)	-
	Hsu Kuo-Chi																					
Vice Chairman	Gao Da Technology Co., Ltd. Representative: Chen Po-Chen																					
Corporate Director	Medifly Co., Ltd. Representative: Huang Lung-Hu																					
Director	Chuang Cheng-Kuo																					
Independent Director	Hsu Chih-Cheng	684	684	-	-	-	-	206	206	890 (1.6%)	890 (1.6%)	-	-	-	-	-	-	-	-	890 (1.6%)	890 (1.6%)	-
Independent Director	Huang Yu-Hsun																					
Independent Director	Lai Chia-Hui																					
Independent Director	Weng Ming-Jang																					
Independent Director	Du Yi-Hui																					
Independent Director	Lu Qiao-Yun																					
Independent Director	Lin Kang-Ting																					
Total		600	600	-	-	3,440	3,440	672	672	4,712 (5.3%)	4,712 (5.3%)	3,274	3,274	-	-	1,074	-	1,074	-	9,060 (10.2%)	9,060 (10.2%)	-

1. The remuneration policy, system, standards, and structure for independent directors are outlined based on the responsibilities, risks, time commitment, and other factors. The linkage between these factors and the amount of remuneration provided is detailed accordingly.
   The remuneration structure for independent directors at the Company includes director remuneration and business execution expenses. According to Article 23 of the Company's Articles of Incorporation, the remuneration for the Company's directors is authorized by the Board of Directors. The payment standards are determined based on the directors' level of participation in the Company's operations and the value of their contributions, taking into account the usual standards in the domestic industry.
2. Apart from the disclosures in the table above, there were no circumstances in the most recent year where the Company’s directors received remuneration for services provided to any company within the financial report (such as serving as non-employee consultants, etc.).

Note:The company held a full re-election 12th directors on July 29, 2025.
The original directors, Tung Da Fa Asset Management Co., Ltd.and its representative Mr. Hsu Kuo-Chi, Medifly Co., Ltd Co., Ltd. and its representative Mr. Huang Lung-Hu, independent directors Mr. Hsu Chih-Cheng, Mr. Huang Yu-Hsun and Mr. Lai Chia-Hui, are hereby dismissed effective immediately; the new directors are Mr. Hsu Kuo-Chi, Mr. Chuang Cheng-Kuo, Gao Da Technology Co., Ltd. and its appointed representative Mr. Chen Po-Chen, independent directors Mr. Weng Ming-Jang, Ms. Du Yi-Hui, Ms. Lu Qiao-Yun and Ms. Lin Kang-Ting, who will assume office effective immediately.

Remuneration scale table

Remuneration scale of each director of the Company	Name of director			
	Total of the remuneration in the preceding four items (A+B+C+D)		Total of the remuneration in the preceding seven items (A+B+C+D+E+F+G)	
	The Company	All companies included in the consolidated financial statements H	The Company	All companies included in the consolidated financial statements I
Less than NTD 1,000,000	Tung Da Fa Asset Management Co., Ltd. Hsu Kuo-Chi, Gao Da Technology Co., Ltd., Chen Po-Chen, Medifly Co., Ltd., Huang Lung-Hu, Chuang Cheng-Kuo, Hsu Chih-Cheng, Huang Yu-Hsun, Lai Chia-Hui, Weng Ming-Jang, Du Yi-Hui, Lu Qiao-Yun, Lin Kang-Ting	Tung Da Fa Asset Management Co., Ltd. Hsu Kuo-Chi, Gao Da Technology Co., Ltd., Chen Po-Chen, Medifly Co., Ltd., Huang Lung-Hu, Chuang Cheng-Kuo, Hsu Chih-Cheng, Huang Yu-Hsun, Lai Chia-Hui, Weng Ming-Jang, Du Yi-Hui, Lu Qiao-Yun, Lin Kang-Ting	Tung Da Fa Asset Management Co., Ltd. Gao Da Technology Co., Ltd., Chen Po-Chen, Medifly Co., Ltd., Huang Lung-Hu, Chuang Cheng-Kuo, Hsu Chih-Cheng, Huang Yu-Hsun, Lai Chia-Hui, Weng Ming-Jang, Du Yi-Hui, Lu Qiao-Yun, Lin Kang-Ting	Tung Da Fa Asset Management Co., Ltd. Gao Da Technology Co., Ltd., Chen Po-Chen, Medifly Co., Ltd., Huang Lung-Hu, Chuang Cheng-Kuo, Hsu Chih-Cheng, Huang Yu-Hsun, Lai Chia-Hui, Weng Ming-Jang, Du Yi-Hui, Lu Qiao-Yun, Lin Kang-Ting
NTD 1,000,000 (inclusive) - NTD 2,000,000 (non-inclusive)	-	-	-	-
NTD 2,000,000 (inclusive) - NTD 3,500,000 (non-inclusive)	-	-		
NTD 3,500,000 (inclusive) - NTD 5,000,000 (non-inclusive)	-	-	Hsu Kuo-Chi	Hsu Kuo-Chi
NTD 5,000,000 (inclusive) - NTD 10,000,000 (non-inclusive)	-	-	-	-
NTD 10,000,000 (inclusive) - NTD 15,000,000 (non-inclusive)	-	-	-	-
NTD 15,000,000 (inclusive) - NTD 30,000,000 (non-inclusive)	-	-	-	-
NTD 30,000,000 (inclusive) - NTD 50,000,000 (non-inclusive)	-	-	-	-
NTD 50,000,000 (inclusive) - NTD 100,000,000 (non-inclusive)	-	-	-	-
More than NTD 100,000,000	-	-	-	-
Total	14	14	14	14

Note: The remuneration details disclosed in this table differ from the concept of income under the Income Tax Act. Therefore, the purpose of this table is for informational disclosure only and is not intended for taxation purposes.

(II) Remuneration to General Manager and Vice General Managers in the most recent fiscal year

December 31, 2025; Unit: NTD thousands

Title	Name	Salaries (A)		Severance pay and pension(B)		Bonuses and special allowances (C) (Note 1)		Amount of employee remuneration(D)				The sum of A, B, C and D and as a percentage of net income after tax (%)		Remuneration from the reinvested business other than the subsidiaries or the parent company
		The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	The Company		All companies included in the consolidated financial statements		The Company	All companies included in the consolidated financial statements	
								Amount of cash	Amount of stock	Amount of cash	Amount of stock			
CEO	Hsu Kuo-Chi	6,066	6,186	-	-	838	838	1,309	-	1,309	-	8,213 (15.1%)	8,333 (15.4%)	-
General Manager & Director of Administration	Chen Hung-Jen (Note 3)													
Deputy General Manager of Management Department & Sustainability Manager	Hsu Shun-Chieh (Note 4)													

Note 1: Includes transportation allowances or the use of company vehicles, with the usage cost calculated based on the depreciation amount of the vehicle.
Note 2: The remuneration details disclosed in this table differ from the concept of income under the Income Tax Act. Therefore, the purpose of this table is for informational disclosure only and is not intended for taxation purposes.
Note 3: Starting March 1, 2026, General Manager Mr. Chen Hung-Jen will also serve as the Director of Administration of the subsidiary.
Note 4: On March 13, 2025, the Board of Directors resolved to appoint Mr. Hsu Shun-Chieh as the head of Sustainability Manager.

Remuneration scale table

Remuneration scale of each General Manager and Vice General Managers of the Company	Name of General Manager and Vice General Managers	
	The Company	All companies included in the consolidated financial statements
Less than NTD 1,000,000	-	-
NTD 1,000,000 (inclusive) - NTD 2,000,000 (non-inclusive)	Hsu Shun-Chieh	Hsu Shun-Chieh
NTD 2,000,000 (inclusive) - NTD 3,500,000 (non-inclusive)	Chen Hung-Jen	Chen Hung-Jen
NTD 3,500,000 (inclusive) - NTD 5,000,000 (non-inclusive)	Hsu Kuo-Chi	Hsu Kuo-Chi
NTD 5,000,000 (inclusive) - NTD 10,000,000 (non-inclusive)	-	-
NTD 10,000,000 (inclusive) - NTD 15,000,000 (non-inclusive)	-	-
NTD 15,000,000 (inclusive) - NTD 30,000,000 (non-inclusive)	-	-
NTD 30,000,000 (inclusive) - NTD 50,000,000 (non-inclusive)	-	-
NTD 50,000,000 (inclusive) - NTD 100,000,000 (non-inclusive)	-	-
More than NTD 100,000,000	-	-
Total	3	3

(III) Names of managers receiving employee remuneration and the status of distribution

December 31, 2025

	Title	Name	Amount of stock (NTD thousand)	Amount of cash (NTD thousand)	Total (NTD thousand)	As a percentage of net income after tax (%)
Managers	CEO	Hsu Kuo-Chi	-	1,831	1,831	3.38
	General Manager	Chen Hung-Jen				
	Deputy General Manager of Management Department & Sustainability Manager	Hsu Shun-Chieh (Note 1)				
	CFO & Corporate Governance Manager	Yeh Ya-Tung (Note 2)				
	Audit Office Assistant Manager	Hsieh Yueh-Chu				
	Quality Assurance Department and Legal Regulation Department Assistant Manager	Chen Tung-Shun				
	R&D Department Manager	Chen Yu-Lung				

Note 1: On March 13, 2025, the Board of Directors resolved to appoint Mr. Hsu Shun-Chieh as the head of stainability Manager.
Note 2: On March 13, 2025, the Board of Directors resolved to appoint Ms. Yeh Ya-Tung as the head of Corporate Governance Manager.

(IV) Analysis of the total amount of remuneration paid to the directors, General Manager, and Vice General Managers of the Company and all companies in the consolidated financial statements in the most recent two years, as a percentage of the net income after tax of the parent company only statements. This analysis includes an explanation of the remuneration policy, standards, and structure, the process for determining the remuneration, and the relationship between remuneration and operational performance as well as future risks.

1.The total amount of remuneration paid to the directors, independent directors, General Manager, and Vice General Managers in the most recent two years as a percentage of net income after tax:

Unit: NTD thousands

Year / Items	2024				2025			
	Total remuneration		As a percentage of net income after tax (%) (Note 1)		Total remuneration		As a percentage of net income after tax (%) (Note 2)	
	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements
Directors (including independent directors) (Note 3)	4,712	4,712	5.3	5.3	3,495	3,495	6.4	6.4
General Manager and Vice General Manager	8,646	8,766	9.7	9.8	8,213	8,333	15.1	15.4

Note 1: The net income after tax for the Company in 2024 was NTD 89,123 thousand.
Note 2: The net income after tax for the Company in 2025 was NTD 54,247 thousand.
Note 3: The total remuneration to directors (including independent directors) does not include remuneration for those concurrently serving as employees.

2. The policy, standards, and composition of remuneration to directors and managers, the procedures for setting remuneration, and the relationship between business performance and future risks.

(1) Policy, Standards, and Structure of Remuneration Payment

A. Remuneration to directors

According to Article 23 of the Company's Articles of Incorporation, the remuneration for directors is authorized by the Board of Directors. The payment standards are determined based on the directors' level of participation in the Company's operations and the value of their contributions, taking into account industry standards. In addition, according to the Articles of Incorporation, if the Company achieves a profit in a given fiscal year, up to 5% of the profit shall be allocated as remuneration for directors. The Compensation Committee shall assess the correlation between remuneration and business performance based on the results of the annual performance evaluation (for evaluation criteria, please refer to pages 22~23 on the implementation of the Board performance evaluation) and propose a distribution ratio. The proposal shall be approved by the Board of Directors and reported to the Shareholders' Meeting before distribution.

B.Remuneration to independent directors

The remuneration for the Company's independent directors is determined in accordance with the Company's 'Regulations on Directors' and Executives' Remuneration' and is approved by the Board of Directors as a fixed annual payment. Independent directors do not participate in the distribution of directors' remuneration, nor do they receive transportation allowances for attending Board meetings.

C. Remuneration to managers

The remuneration for the Company's managers is determined in accordance with the Company's "Regulations on Directors' and Executives' Remuneration." It is calculated based on the position held, experience, business performance, responsibilities, and contributions to the Company, in accordance with the Company's salary system standards and reference to industry benchmarks.

Additionally, according to the Company's Articles of Incorporation, if the Company generates a profit, 2-10% shall be allocated as employee compensation. The relevant remuneration is proposal and reviewed by the Compensation Committee, approved by the Board of Directors, and reported to the Shareholders' Meeting before distribution.

(2) Procedure for Determining Remuneration

A. To regularly assess the remuneration of directors and executives, the evaluation is based on the results of assessments conducted in accordance with the Company's "Board Performance Evaluation Regulations" and "Regulations on Directors' and Executives' Remuneration."

B. The performance evaluation and remuneration reasonableness of the Company's directors and executives are reviewed and assessed annually by the Compensation Committee and the Board of Directors. In addition to considering individual performance achievements and contributions to the Company, the assessment also takes into account the Company's overall operational performance, industry risks, and future development trends. The remuneration system is reviewed periodically based on actual business conditions and relevant regulations to ensure fair compensation.The distribution of directors' and executives' remuneration for the year 2025 has been reviewed by the Compensation Committee and submitted to the Board of Directors for approval.

(3) The relationship between business performance and future risks

The Company's remuneration policies, payment standards, and compensation system are primarily reviewed based on overall operational performance. Compensation standards are determined by evaluating performance achievement rates and individual contributions, aiming to enhance the overall effectiveness of the Board of Directors and management team. Additionally, industry compensation benchmarks are referenced to ensure the competitiveness of executive remuneration, thereby retaining top managerial talent.

Going forward, the performance targets of the Company’s managers will be integrated with risk control measures to ensure that potential risks within their scope of responsibility are effectively managed and mitigated. Performance evaluations will be based on actual results and will be linked to human resource policies, including salary and compensation structures. The Company’s key management decisions are made with a balanced consideration of various risk factors. The effectiveness of these decisions is reflected in the Company's profitability, and executive remuneration is directly tied to risk management performance.

III. Operational Status of Corporate Governance

(I) Operational status of the Board of Directors

In the most recent year (2025), the Board of Directors held 8 meetings, with the attendance of directors and independent directors as follows:

Title	Name	Number of actual attendance in person	Number of attendance by proxy	Actual attendance rate (%)	Remarks
Chairman	Tung Da Fa Asset Management Co., Ltd. Representative: Hsu Kuo-Chi	4	0	100	
	Hsu Kuo-Chi	4	0	100	
Vice Chairman	Gao Da Technology Co., Ltd. Representative: Chen Po-Chen	8	0	100	
Director	Medifly Co., Ltd. Representative: Huang Lung-Hu	4	0	100	
Director	Chuang Cheng-Kuo	8	0	100	
Independent Director	Hsu Chih-Cheng	4	0	100	
Independent Director	Huang Yu-Hsun	4	0	100	
Independent Director	Lai Chia-Hui	3	1	75	
Independent Director	Weng Ming-Jang	4	0	100	
Independent Director	Du Yi-Hui	4	0	100	
Independent Director	Lu Qiao-Yun	4	0	100	
Independent Director	Lin Kang-Ting	4	0	100	

Note: The company held a full re-election 12th directors on July 29, 2025.
The original directors, Tung Da Fa Asset Management Co., Ltd.and its representative Mr. Hsu Kuo-Chi, Medifly Co., Ltd Co., Ltd. and its representative Mr. Huang Lung-Hu, independent directors Mr. Hsu Chih-Cheng, Mr. Huang Yu-Hsun and Mr. Lai Chia-Hui, are hereby dismissed effective immediately; the new directors are Mr. Hsu Kuo-Chi, Mr. Chuang Cheng-Kuo, Gao Da Technology Co., Ltd. and its appointed representative Mr. Chen Po-Chen, independent directors Mr. Weng Ming-Jang, Ms. Du Yi-Hui, Ms. Lu Qiao-Yun and Ms. Lin Kang-Ting, who will assume office effective immediately.

Other matters to be recorded:

I. If any of the following circumstances occur in the operation of the Board of Directors, the date, term, content of the agenda, all independent directors' opinions, and the Company's handling of the independent directors' opinions should be stated:
   (I) Matters listed in Article 14-3 of the Securities and Exchange Act: Please refer to pages 25~29 of this Annual Report, "Independent Directors' Opinions on Material Motions or Resolution Outcoms".
   (II) Except for the aforementioned matters, other board resolutions with recorded or written statements reflecting dissenting or reserved opinions by independent directors: None.

II. The implementation of directors' recusal from matters involving conflicts of interest should specify the director's name, the content of the motion, the reason for the conflict of interest, and their participation in the voting process:

Name of director	Content of motion	Reasons of recusal	Participation in voting
Tung Da Fa Asset Management Co., Ltd. Representative: Hsu Kuo-Chi Gao Da Technology Co., Ltd. Representative: Chen Po-Chen Medifly Co., Ltd. Representative: Huang Lung-Hu Chuang Cheng-Kuo	The Company's 2024 remuneration distribution to employees and directors.	Involving personal interest	Did not participated in voting
Tung Da Fa Asset Management Co., Ltd. Representative: Hsu Kuo-Chi	The company's CEO and General Manager concurrently serve as managers of subsidiaries.	Involving personal interest	Did not participated in voting
Hsu Chih-Cheng Huang Yu-Hsun Lai Chia-Hui	Proposal to review the independent director remuneration policy, system, standards, and structure.	Involving personal interest	Did not participated in voting
Tung Da Fa Asset Management Co., Ltd. Representative: Hsu Kuo-Chi Gao Da Technology Co., Ltd. Representative: Chen Po-Chen Medifly Co., Ltd. Representative: Huang Lung-Hu Chuang Cheng-Kuo	Proposal to review the director remuneration policy, system, standards, and structure.	Involving personal interest	Did not participated in voting
Tung Da Fa Asset Management Co., Ltd. Representative: Hsu Kuo-Chi	Proposal to review the CEO performance evaluation and remuneration policy, system, standards, and structure.	Involving personal interest	Did not participated in voting
Tung Da Fa Asset Management Co., Ltd. Representative: Hsu Kuo-Chi Gao Da Technology Co., Ltd. Representative: Chen Po-Chen Medifly Co., Ltd. Representative: Huang Lung-Hu Chuang Cheng-Kuo	The Board of Directors nominates candidates for the 12th Board of Directors (including independent directors) Candidate list and qualification review document.	Involving personal interest	Did not participated in voting
Tung Da Fa Asset Management Co., Ltd. Representative: Hsu Kuo-Chi Gao Da Technology Co., Ltd. Representative: Chen Po-Chen Chuang Cheng-Kuo	The proposal lifting of the non-compete restrictions on the newly appointed directors and their representatives of the Company.	Involving personal interest	Did not participated in voting
Hsu Kuo-Chi	The case of Vietnam Perfect Medical Industrial (VN) Co., Ltd. intending to lease a dormitory in Vietnam from Mr. Hsu Kuo-Chi, a related party.	Involving personal interest	Did not participated in voting
Weng Ming-Jang Du Yi-Hui	Establishment of a Sustainable Development Committee and Appointment of Committee Members.	Involving personal interest	Did not participated in voting
Weng Ming-Jang Du Yi-Hui Lu Qiao-Yun	Appointment of the Salary and Compensation Committee Members.	Involving personal interest	Did not participated in voting

Hsu Kuo-Chi Gao Da Technology Co., Ltd. Representative: Chen Po-Chen Medifly Co., Ltd. Representative: Huang Lung-Hu Chuang Cheng-Kuo Weng Ming-Jang Du Yi-Hui Lu Qiao-Yun Lin Kang-Ting	The proposal attendance and Transportation expensesl expenses for the Company's Board of Directors and functional committees.	Involving personal interest	Did not participated in voting
Weng Ming-Jang Du Yi-Hui Lu Qiao-Yun Lin Kang-Ting	The proposal to adjust the salaries and compensation of independent directors.	Involving personal interest	Did not participated in voting
Hsu Kuo-Chi Gao Da Technology Co., Ltd. Representative: Chen Po-Chen Medifly Co., Ltd. Representative: Huang Lung-Hu Chuang Cheng-Kuo Weng Ming-Jang Du Yi-Hui Lu Qiao-Yun Lin Kang-Ting	Revising the Company's " Internal control measures ".	Involving personal interest	Did not participated in voting
Hsu Kuo-Chi Gao Da Technology Co., Ltd. Representative: Chen Po-Chen Chuang Cheng-Kuo	The Company's 2025 remuneration distribution to employees and directors.	Involving personal interest	Did not participated in voting
Weng Ming-Jang Du Yi-Hui Lu Qiao-Yun Lin Kang-Ting	Proposal to review the independent director remuneration policy, system, standards, and structure.	Involving personal interest	Did not participated in voting
Hsu Kuo-Chi Gao Da Technology Co., Ltd. Representative: Chen Po-Chen Chuang Cheng-Kuo	Proposal to review the director remuneration policy, system, standards, and structure.	Involving personal interest	Did not participated in voting
Hsu Kuo-Chi	Proposal to review the CEO performance evaluation and remuneration policy, system, standards, and structure.	Involving personal interest	Did not participated in voting
Hsu Kuo-Chi	Proposal to review the director remuneration policy, system, standards, and structure.	Due to interests involving second-degree relatives.	
Hsu Kuo-Chi	Proposed Adoption of the Employee Stock Subscription Plan for the First Cash Capital Increase in 2026.	Involving personal interest	Did not participated in voting

III. Listed companies should disclose information regarding the self (or peer) evaluation cycle and period of the Board of Directors, the scope of the evaluation, methods, and evaluation content: As the Company has not yet passed the Board of Directors' performance evaluation procedures, the evaluation will be conducted after the board approves the procedures in the near future.

(I)Internal Self-Evaluation

Evaluation cycle	Once a year
Evaluation period	2025/1/1~2025/12/31
Scope of assessment	The board of direc directors, individual directors and Functional Committee
Evaluation approach	Self- Evaluation

Assessment content and results	1. Board performance evaluations

Evaluation approach	Evaluation points
A.Degree of involvement in the operation of the Company	19.95
B.Quality of board decision making	19.71
C.Composition and structure of the board	20.00
D.Selection and continuing education of directors	19.67
E.Internal control.	19.51
Total points	98.84

2. Performance Evaluation of individual directors

Evaluation approach	Evaluation points
A.Understanding of corporate objectives and tasks	15.56
B.Cognition of directors' responsibilities	16.51
C.Involvement in company operations	16.31
D.Internal relationship management and communication	16.03
E.Directors' professional and continuing education	16.35
F.Internal control	16.35
Total points	97.11

3.Performance evaluation by Functional Committee:

Evaluation approach	Evaluation points
A.Participation in company operation	20.00
B.Cognition of Functional Committee's responsibilities	19.72
C.Decision making quality of Functional Committee	20.00
D.Composition and selection of members of Functional Committee	20.00
E.Internal control	20.00
Total points	99.72

Conclusion:：

The overall evaluation results for the Board of Directors, individual directors, and functional committees for 2025 fell within the highly satisfactory range, indicating that the Board and its functional committees operated effectively and that the Company’s corporate governance framework functioned soundly.

IV. The goals for strengthening the functions of the Board of Directors in the current and most recent year (e.g., establishing an Audit Committee, improving information transparency, etc.) and the evaluation of their implementation:

(I) Establish an audit committee, a compensation committee, and a sustainability committee, and implemented relevant regulations such as the "Organizational Procedures of the Audit Committee," the "Organizational Procedures of the Compensation and Remuneration Committee," the "Code of Practice for Corporate Sustainability," the "Management Measures for Board Performance Evaluation," and the "Management Measures for Corporate Governance Code of Practice," and has implemented these measures to strengthen the functions of the board of directors and enhance the transparency of company information.

(II) The Company has incorporated the conduct of board meetings into its internal control system in accordance with applicable laws and regulations, and the Audit Unit conducts regular audits.

(III) The Company convenes the Board of Directors at least once every quarter, and important resolutions made after each meeting are uploaded to the MOPS in accordance with laws and regulations to protect shareholders' rights.

(IV) In accordance with Article 15, Paragraph 2 of the “Taipei Exchange Directions for Compliance Requirements for the Appointment and Exercise of Powers of the Board of Directors of TPEx Listed Companies”, announced by the competent authority on December 27, 2018: "Listed companies shall establish “Standard Operating Procedures for Handling Requests from Directors” and provide appropriate and timely responses to directors' requests". The Company approved the establishment of the "Standard Operating Procedures for Handling Requests from Directors" by resolution of the Board of Directors on December 17, 2019.

(V) The company regularly arranges for directors to participate in professional development courses to maintain their core values, professional advantages, and capabilities.

(VI) Appoint a corporate governance Manager, The Company’s Board of Directors passed a resolution on March 13, 2025.

(II) Operation of the Audit Committee or Supervisors' participation in the Board of Directors' operation.
In the most recent year (2025), the Audit Committee held 7 meetings, with the attendance of independent directors as follows:

Title	Name (Note)	Number of actual attendance in person	Number of attendance by proxy	Actual attendance rate (%)	Remarks
Independent Director	Hsu Chih-Cheng	4	0	100	
Independent Director	Huang Yu-Hsun	4	0	100	
Independent Director	Lai Chia-Hui	3	1	75	
Independent Director	Weng Ming-Jang	4	0	100	
Independent Director	Du Yi-Hui	4	0	100	
Independent Director	Lu Qiao-Yun	4	0	100	
Independent Director	Lin Kang-Ting	4	0	100	

Note:The company held a full re-election 12th directors on July 29, 2025.
The original Independent directors, Mr. Hsu Chih-Cheng, Mr. Huang Yu-Hsun and Mr. Lai Chia-Hui, are hereby dismissed effective immediately; the new independent directors Mr. Weng Ming-Jang, Ms. Du Yi-Hui, Ms. Lu Qiao-Yun and Ms. Lin Kang-Ting, who will assume office effective immediately.

Other matters to be recorded:

I. If any of the following circumstances occur in the operation of the Audit Committee, the date, term, agenda items, dissenting opinions of independent directors, reserved opinions, or major recommendations, the resolution results of the Audit Committee, and the Company's handling of the Audit Committee's opinions should be specified.

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

Date of meeting	Content of motion	Opinions of the Audit Committee	The Company's handling of the opinions of the Audit Committee
2025.03.13	The proposal for the ratification of the Company's 2024 Business Report and Financial Statements.	Approved by the Audit Committee and submitted to the Board of Directors.	The Board of Directors approved the motion unanimously.
	The proposal for the company's earnings distribution for the second half of 2024.		
	The proposal for the Company's 2024 Internal Control System Statement.		
	The proposal to amend Some of the clauses Company's "Articles of Association".		
	The proposal to revising the Company's " Internal control measures ".		

Date of meeting	Content of motion	Opinions of the Audit Committee	The Company's handling of the opinions of the Audit Committee
2025.04.23	The proposal for the Equipment investment and third-phase plant construction investment additional budget by the Company's 100% owned subsidiary, Perfect TW Medical Industrial (VN) Co., Ltd.	Approved by the Audit Committee and submitted to the Board of Directors.	The Board of Directors approved the motion unanimously.
	The proposal for a cash capital increase of USD 4,500 thousand in the Company's 100% owned subsidiary, Perfect TW Medical Industrial (VN) Co., Ltd.		
	The proposal for the application to short-term loan with Bank SinoPac.		
	The proposal for the application to new an additional credit with Shin Kong Bank.		
	The proposal to an additional the Company's " Internal control measures ".		
2025.06.09	The proposal lifting of the non-compete restrictions on the newly appointed directors and their representatives of the Company.	Approved by the Audit Committee and submitted to the Board of Directors.	The Board of Directors approved the motion unanimously.
	The proposal for the application to loan from bank in the Company's 100% owned subsidiary, Perfect TW Medical Industrial (VN) Co., Ltd.		
	The proposal dissolution of the company's wholly-owned subsidiary, Medela Limited, and the appointment of a liquidator.		
	The proposal for the application to Renewal of Commercial Promissory Notes and Increase credit limit with China Bills Finance Co., Ltd.		
	The proposal for the application to new an additional credit with Union Bank Of Taiwan.		
	The proposal for the new application for a bank credit line.		
	The proposal for the Revising the Company's " Internal control cycling ".		
	The proposal for the Revising the Company's " Internal audit system ".		
2025.7.29	The convener for election of the fifth audit committee.	Mr. Weng Ming-Jang has been elected by all independent directors to serve as the convener of the fifth audit committee.	According to important information was released in accordance with the resolution of the Audit Committee.

Date of meeting	Content of motion	Opinions of the Audit Committee	The Company's handling of the opinions of the Audit Committee
2025.08.08	The proposal for Perfect Medical Industrial (VN) Co., Ltd. intending to lease a dormitory in Vietnam from Mr. Hsu Kuo-Chi, a related party.	Approved by the Audit Committee and submitted to the Board of Directors.	The Board of Directors approved the motion unanimously.
	The proposal for the ratification of the Company's consolidated financial statements for Q2 of 2025 and first-half Business Report.		
	No cash dividends will be paid in the first half of 2025.		
	The proposal for business transactions and fund loans with the Company's 100% owned subsidiary, Perfect Medical Industrial (VN) Co., Ltd.		
	Perfect TW Medical Industrial (VN) Co., Ltd. The second-phase Factory Change from leasing to personal use.		
	The proposal for the Revising the Company's Organization Chart.		
	The proposal for the application to credit with Fubon Commercial Bank.		
	The proposal for the application to 2025 Additions Internal Audit Plan Amendment.		
	The proposal for an Added Revising for the Internal audit system.		
	The proposal for an Added Revising for the " Internal control measures " and " Internal control cycling ".		
2025.08.26	The proposal to revising the Company's " Internal control measures ".	Committee Member Mr.Weng suggested "AM22 Domestic and International Business Trip Management Regulations “ In addition to the newly revised provisions, travel insurance (including medical insurance) should be added to the regulations to ensure protection for medical accidents involving business travelers. Approved by the Audit Committee and submitted to the Board of Directors.	The Board of Directors approved the motion unanimously.
	The proposal for the application to loan Contract renewal and Increase credit limit with Yuanta Bank .	Approved by the Audit Committee and submitted to the Board of Directors.	The Board of Directors approved the motion unanimously.

	2025.11.06	The proposal for 2026 Internal Audit Plan.	Approved by the Audit Committee and submitted to the Board of Directors.	The Board of Directors approved the motion unanimously.
		Assessment of the independence and competence of certified public accountants in 2025.		
		The proposal for the company ‘s appointment of certified public accountant.		
		The proposal for the application to loan from bank in the Company's 100% owned subsidiary, Perfect Medical Industrial (VN) Co., Ltd.		
		The proposal to revising the Company's " Internal control measures ".		
		The proposal for the 2025 budget .		
	2026.03.12	Proposal for the change of the Company’s independent auditors in connection with the internal rotation policy of Ernst & Young.	Approved by the Audit Committee and submitted to the Board of Directors.	The Board of Directors approved the motion unanimously.
		Proposal for the evaluation of the independence and qualifications of the independent auditors for fiscal year 2026.		
		Proposal for the appointment of independent auditors for fiscal year 2026.		
		Proposal for the 2025 Business Report and Financial Statements.		
		Proposal for the distribution of cash dividends from earnings for the second half of fiscal year 2025.		
		Proposal for the appropriation of earnings for fiscal year 2025.		
		Proposal for capitalization of retained earnings through issuance of new shares.		
		Proposal for the 2025 self-assessment of the internal control system and issuance of the Internal Control System Statement.		
		Proposal for the Partial amendments to the “Procedures for Acquisition or Disposal of Assets.”		
		Proposal for the Partial amendments to the Company’s “Internal Control Policies and Procedures.”		
		Proposal to apply for renewal of existing credit facilities and an additional medium-term loan facility from Taipei Fubon Bank.		
		Proposal for a capital injection of USD 7 million into the Company’s wholly-owned subsidiary, Perfect TW Medical Industrial (VN) Co., Ltd.		
		Proposal for a capital injection of USD 1.5 million into the Company’s wholly-owned subsidiary, Perfect Medical Industrial (VN) Co., Ltd.		

	Proposal for the Company's first cash capital increase in fiscal year 2026.		
	Proposal for the employee subscription plan in connection with the first cash capital increase in fiscal year 2026.		
	Proposal for pre-approval of the engagement of non-assurance services.		

(II) Other matters, aside from the aforementioned, that were not approved by the Audit Committee but were approved by more than two-thirds of all directors: No such situation.

II. The implementation of independent directors' recusal from matters involving conflicts of interest should specify the independent director's name, the content of the motion, the reason for the conflict of interest, and their participation in the voting process:

Name of director	Content of motion	Reasons of recusal	Participation in voting
Hsu Chih-Cheng Huang Yu-Hsun Lai Chia-Hui	Proposal to review the independent director remuneration policy, system, standards, and structure.	Involving personal interest	Did not participated in voting
Weng Ming-Jang Du Yi-Hui	Establishment of a Sustainable Development Committee and Appointment of Committee Members.	Involving personal interest	Did not participated in voting
Weng Ming-Jang Du Yi-Hui Lu Qiao-Yun	Appointment of the Salary and Compensation Committee Members.	Involving personal interest	Did not participated in voting
Weng Ming-Jang Du Yi-Hui Lu Qiao-Yun Lin Kang-Ting	The proposal attendance and Transportation expensesl expenses for the Company's Board of Directors and functional committees.	Involving personal interest	Did not participated in voting
Weng Ming-Jang Du Yi-Hui Lu Qiao-Yun Lin Kang-Ting	The proposal to adjust the salaries and compensation of independent directors.	Involving personal interest	Did not participated in voting
Weng Ming-Jang Du Yi-Hui Lu Qiao-Yun Lin Kang-Ting	Revising the Company's " Internal control measures ".	Involving personal interest	Did not participated in voting
Weng Ming-Jang Du Yi-Hui Lu Qiao-Yun Lin Kang-Ting	Proposal to review the independent director remuneration policy, system, standards, and structure.	Involving personal interest	Did not participated in voting

III. Communication between independent directors, the head of internal audit, and the CPAs (including material matters discussed regarding the Company's financial and business status, methods, and outcomes):

(I) Communication between independent directors and the head of internal audit:

Date of meeting	Communication Item	Communication result
2025.03.13	Audit Business Report for the Q4 of 2024.	All independent directors are informed.

	The company Statement of Internal Control System of Company's for 2024.	Approved by the independent directors, submitted to the Board of Directors.
	The proposal to amend Some of the clauses Company's "Articles of Association".	
	The proposal to an additional the Company's"Internal control measures".	
2025.04.23	Audit Business Report for the Q1 of 2025.	All independent directors are informed.
	The proposal to an additional the Company's "Internal control measures" .	Approved by the independent directors, submitted to the Board of Directors.
2025.06.09	The proposal for the Revising the Company's " Internal control cycling ".	Approved by the independent directors, submitted to the Board of Directors.
	The proposal for the Revising the Company's " Internal audit system ".	
2025.08.08	Audit Business Report for the Q2 of 2025.	All independent directors are informed.
	The proposal for the application to 2025 Additions Internal Audit Plan Amendment.	Approved by the independent directors, submitted to the Board of Directors.
	The proposal for an Added Revising for the Internal audit system.	
	The proposal for an Added Revising for the " Internal control measures " and " Internal control cycling ".	
2025.08.26	The proposal to revising the Company's " Internal control measures ".	Approved by the independent directors, submitted to the Board of Directors.
2025.11.06	Audit Business Report for the Q3 of 2025.	All independent directors are informed.
	The proposal for 2026 Internal Audit Plan.	Approved by the independent directors, submitted to the Board of Directors.
	The proposal to revising the Company's " Internal control measures ".	
2026.03.12	Audit Business Report for the Q4 of 2025.	All independent directors are informed.
	Proposal for the 2025 self-assessment of the internal control system and issuance of the Internal Control System Statement.	Approved by the independent directors, submitted to the Board of Directors.
	Proposal for the Partial amendments to the "Procedures for Acquisition or Disposal of Assets."	
	Proposal for the Partial amendments to the Company's "Internal Control Policies and Procedures."	

(II) Communication between independent directors and accountants:

Date of meeting	Communication methods	communication focus
2024.03.12	meeting	The consolidated financial statements for Q4 of 2023 to Verification and Explanation.
2024.08.09	meeting	The consolidated financial statements for Q2 of 2024 to Verification and Explanation.
2025.03.13	meeting	The consolidated financial statements for Q4 of 2024 to Verification and Explanation.
2025.08.08	meeting	The consolidated financial statements for Q2 of 2025 to Verification and Explanation.
2026.03.12	meeting	The consolidated financial statements for Q4 of 2025 to Verification and Explanation.

(III) The Company's governance operations and any deviations with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor:

Assessment Items	Operational Status			Deviations with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary Description	
I. Has the company established and disclosed its Corporate Governance Best Practice Principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies"?	✓		The Company has established the "Corporate Governance Best Practice Principles" and has been approved by the Board of Directors to promote and enhance the operation of corporate governance.	No significant difference.
II. Company shareholding structure and shareholder rights				
(I) Has the Company established internal procedures for handling shareholder suggestions, questions, disputes, and litigation matters, and implemented these procedures accordingly?	✓		(I) The Company has established "shareholder services" audit regulations within its internal control system and has designated a spokesperson, an acting spokesperson, and a professional shareholder services agency to handle shareholder-related issues.	(I) No significant difference.
(II) Does the Company maintain a list of the major shareholders who effectively control the Company and the ultimate controllers of these major shareholders?	✓		(II) The Company's actual controlling shareholder is an insider. The shareholder services unit reports insider shareholding changes on a monthly basis, allowing the Company to constantly monitor the list of major shareholders.	(II) No significant difference.
(III) Has the Company established and implemented risk management and firewall mechanisms between itself and its related parties?	✓		(III) The Company implements risk control and firewall mechanisms for related-party transactions with affiliates in accordance with internal control systems such as the "Procedures for Related Party Transactions", "Procedures for Loaning Funds to Others", "Procedures for Endorsements/Guarantees", and "Procedures for Supervising and Monitoring Subsidiaries".	(III) No significant difference.
(IV) Has the Company established internal regulations prohibiting insiders from trading securities based on non-public information?	✓		(IV) The Company has established the "Insider Trading Prevention Management Regulations" and the "Ethical Corporate Management Best Practice Principles", which are disclosed on both internal and external company websites. Regular training is provided to insiders, prohibiting them from using undisclosed information to trade securities on the market. Furthermore, insiders are instructed not to trade the Company's stock during the close periods defined as 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of each quarterly financial report. Starting from 2025, once the meeting officials have confirmed the actual date of each board meeting, all directors will be notified in advance to observe the close trading period prior to the announcement of the financial reports, in order to safeguard shareholders' rights.	(IV) No significant difference.
III. The Composition and Duties of the Board of Directors				
(I) Has the Board of Directors formulated a diversity policy and implemented specific management objectives?	✓		(I) The Company has established a diversity policy for the board members in its "Corporate Governance Best Practice Principles". When selecting and nominating board members, the Company	(I) No significant difference.

Assessment Items		Operational Status			Deviations with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
		Yes	No	Summary Description	
				takes into account factors such as age, educational and professional backgrounds, and independence, in accordance with the Company's operations, business model, and development needs. All members possess the professional knowledge, skills, practical experience, and ethical standards required for their roles. The Company also plans to implement a gender diversity policy during the next board election, prioritizing both professional experience and gender equality principles.	
(II)	In addition to the legally required Remuneration Committee and Audit Committee, has the Company voluntarily established other functional committees?		✓	(II) The company established a Sustainable Development Committee on August 8, 2025, to implement sustainable development goals and strengthen sustainable governance.	(II) No significant difference.
(III)	Has the Company established Regulations Governing the Board Performance Evaluation and methods, conducted regular annual performance evaluations, reported the evaluation results to the Board of Directors, and used these results as a reference for individual director remuneration and reappointment nominations?	✓		(III) The Company has established the "Regulations Governing the Board Performance Evaluation", which require an annual internal performance evaluation of the Board of Directors and its functional committees in accordance with predefined evaluation procedures and criteria. The assessment is conducted through self-assessment questionnaires, with collected responses documented and reported to the Board of Directors as a basis for review and improvement. The results of the performance evaluation serve as a reference for the selection and nomination of directors. Additionally, individual board member performance evaluations are taken into account when determining remuneration. In 2025, the internal self-evaluation scores for the Board of Directors, board members, and functional committees all exceeded an average of 95 points, indicating effective overall operations. The self-evaluation results will be formally reported to the Board of Directors on March 12, 2026.	(III) No significant difference.
(IV)	Does the Company regularly assess the independence of CPAs?	✓		(IV) To strengthen corporate governance, the Audit Committee conducts an annual assessment of the independence and suitability of the CPA responsible for the Company’s financial statements. The CPA is required to provide a statement of independence and Audit quality indicators(AQIs), and the evaluation results are reported to the Board of Directors. From year 2026 onward, change of the Company’s independent auditors in connection with	(IV) No significant difference.

Assessment Items	Operational Status			Deviations with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary Description	
			the internal rotation policy of Ernst & Young. After evaluation, CPA Lai Shu-Chen and Luo Wen-Zhen from Ernst & Young have no direct or indirect financial interests with the Company or its directors. Their audit and tax services meet the evaluation criteria in terms of quality and timeliness, demonstrating their competence as the Company's attesting CPAs.	
IV. Has the listed company appointed suitable and adequately qualified corporate governance personnel and designated a head of corporate governance responsible for corporate governance matters (including but not limited to providing directors and supervisors with the necessary information to perform their duties, assisting directors and supervisors in complying with laws, handling Board of Directors and shareholders' meetings in accordance with legal requirements, and preparing minutes of Board of Directors and shareholders' meetings)?	✓		The Company has established a shareholder services unit under the Finance Department. The shareholder services personnel assist the directors and independent directors in complying with legal requirements, handling Board of Directors and shareholders' meetings in accordance with the law, preparing minutes for the board and shareholders' meetings, and managing other related matters as directed by the supervisors. On March 13, 2025, the Board of Directors resolved to appoint the head of Corporate Governance Manager.	No significant difference.
V. Has the Company established communication channels with its stakeholders (including but not limited to shareholders, employees, customers, and suppliers), and set up a dedicated stakeholder section on the Company website to appropriately address important corporate social responsibility issues raised by stakeholders?	✓		The Company has appointed a spokesperson and a deputy spokesperson, and has engaged a professional shareholder services agency. In addition, various functional departments maintain close communication with stakeholders. Through diverse channels—including procurement, sales, human resources, and customer service—the Company proactively collects and responds to stakeholder needs and suggestions. We aim to establish robust communication channels and ensure that material information is readily available to stakeholders via the Market Observation Post System (MOPS).	No significant difference.
VI. Has the Company appointed a professional shareholder services agency to handle shareholder meeting affairs?	✓		The Company has appointed Horizon Securities Corp.'s Shareholder Services Department to handle shareholders' meeting affairs.	No difference.
VII. Information Transparency (I) Does the Company have a website to disclose financial, business, and corporate governance information? (II) Does the Company adopt other methods of information disclosure (such as establishing an English website, designating personnel to be responsible for collecting and disclosing company information, implementing a spokesperson system, and placing the process of institutional investor briefings on the Company's website)?	✓ ✓		(I) The Company has a website and regularly discloses financial, business, and corporate governance information on the MOPS. (II) The Company has established an English website, set up a spokesperson office to handle information disclosure matters, and assigned dedicated personnel to collect and disclose information on the MOPS in accordance with regulations.	(I) No significant difference. (II) No significant difference.

Assessment Items	Operational Status			Deviations with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary Description	
(III) Does the Company announce and report the annual financial report within two months after the end of the year, and announce and report the financial reports for Q1, Q2, and Q3, as well as monthly operational conditions, ahead of the prescribed deadlines?	✓		(III) The Company is an emerging stock company and is required to announce and report the annual financial report within four months after the end of the year, and to announce and report the financial report for Q2 and monthly operational conditions before the prescribed deadlines.	(III) No significant difference.
VIII. Does the Company have other important information that helps to understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relationships, stakeholders rights, continuing education of directors and supervisors, implementation of risk management policies and risk measurement standards, implementation of customer policies, and the purchase of liability insurance for directors and supervisors by the Company, etc.)?	✓		1. Employee rights, employee care: The Company has established a Employee Welfare Committee to promote various welfare measures, such as employee gatherings, travel activities, and subsidies for new home completion, weddings, and funerals. These measures are carried out in accordance with the Labor Standards Act and relevant regulations, with a sound welfare system, comprehensive training programs, and regular labor-management meetings. 2. Investor relations: The Company discloses relevant information on the MOPS in a timely manner in accordance with regulations, and the Company's operational status can also be accessed through the Company's website. 3. Supplier relationships: The Company fulfills its relevant rights and obligations to suppliers in accordance with agreements, ensuring that delivery times, prices, quality, and services meet requirements, and establishing and maintaining good cooperative relationships with them. 4. Stakeholders rights: The Company has established various management policies and procedures to be implemented in accordance with regulations to protect the interests of all stakeholders. 5. Continuing education of directors and independent directors: The Company's directors and independent directors regularly participate in continuing education courses. 6. Implementation of risk management policies and risk measurement standards: The Company has established internal control systems and relevant internal regulations in accordance with the law to carry out various risk management and assessments. 7. Implementation of customer policies: The Company is dedicated to meeting customer needs and has established a consumer service hotline at 0800-207158 to ensure the improvement of service quality and the protection of customer rights. 8. Purchase of liability insurance for directors and independent directors: The Company has purchased directors and supervisor liability insurance for the relevant personnel and reports information such as the insurance amount and coverage to the Board of Directors.	No significant difference.

Assessment Items	Operational Status			Deviations with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary Description	
IX. Please explain the improvements made based on the results of the corporate governance evaluation released by the Taiwan Stock Exchange Corporation's Corporate Governance Center for the most recent year, and propose priority areas for improvement and measures for those that have not yet been improved. (Not applicable to companies not included in the evaluation): The Company is currently an emerging stock company and has not yet been included in the evaluation.				

(IV) If the Company has established a Remuneration Committee or a Nomination Committee, it should disclose its composition and operational status.

1. Information on members of the Remuneration Committee

March 31, 2026

Conditions / Identity	Name (note2)	Professional Qualification and Experience	Compliance with independence requirements	Number of Remuneration Committee member positions Concurrently held in other publicly listed companies
Independent Director (Convenor)	Hsu Chih-Cheng	Currently serving as an Associate Professor in the Department of Information Management at National Central University and as an advisor at the Enterprise Resource Planning and Big Data Analytics Center at National Central University, with expertise in financial data mining, Python-based data mining system development, software engineering, system integration, digital learning, and information management, among other areas. He has no circumstances falling under any of the provisions of Article 30 of the Company Act.	During the two years prior to appointment and throughout the term of service, there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Not a spouse or a relative within the second degree of kinship of any other director, and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	0
Independent Director	Huang Yu-Hsun	Currently a CPA at Cheng-Yi & Co., CPAs. Previously served as an Audit Manager at PwC Taiwan and an Audit Team Leader at Deloitte Taiwan. Leveraging expertise in financial accounting, tax planning, and auditing to enhance the Company's financial management, corporate governance, and the supervisory function of the Audit Committee. No circumstances as specified in Article 30 of the Company Act.	During the two years prior to appointment and throughout the term of service, there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Not a spouse or a relative within the second degree of kinship of any other director, and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	0
Independent Director	Lai Chia-Hui	Currently serving as the Chairman of Sen Pao Enterprise Co., Ltd., holding a Ph.D. from the Department of Electrical Engineering at National Changhua University of Education. Previously served as the Founding Chairman of the Changhua County Senior Executive Management Research and Development Association and as an Assistant Professor at National Changhua University of Education. Possesses extensive management experience and connections, demonstrating expertise in industry trend analysis, market insights, business operations, marketing strategies, and industrial technology. No circumstances as specified in Article 30 of the Company Act.	During the two years prior to appointment and throughout the term of service, there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Not a spouse or a relative within the second degree of kinship of any other director, and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	0

Conditions / Identity / Name (note2)		Professional Qualification and Experience	Compliance with independence requirements	Number of Remuneration Committee member positions Concurrently held in other publicly listed companies
ndependent Director (Convenor)	Weng Ming-Jang	PhD in Economics from Texas A&M University. Currently serving as Associate Professor in the Department of Applied Economics and Director of the Center for Senior Management Training at National Kaohsiung University. He serves as the convener of the company's Salary and Compensation Committee, Audit Committee, and Sustainability Committee. Possess professional qualifications and expertise in business management, finance, and applied economics. No circumstances as specified in Article 30 of the Company Act.	During the two years prior to appointment there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The number of shares held by the company's relatives (or through other people's names) is 0,and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	1
ndependent Director	Du Yi-Hui	Bachelor of Business Administration (Accounting) from the University of San Francisco. Previously worked as a manager at a well-known brand company. Possesses financial, business, and practical management capabilities. She is a member of the company's Compensation Committee, Audit Committee, and Sustainability Committee. No circumstances as specified in Article 30 of the Company Act.	During the two years prior to appointment there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The number of shares held by the company's relatives (or through other people's names) is 0,and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	0
ndependent Director	Lu Qiao-Yun	Bachelor of Accounting College of Management National Taiwan University. Current position partnership Accountant Chen Yao Asia Pacific CPA Firm. previously served as the head of the audit team Anhou Jianye United Accounting Firm. Possessing expertise in financial accounting, tax planning, and auditing enhances the company's financial and corporate governance management quality and the audit committee's oversight capabilities. No circumstances as specified in Article 30 of the Company Act.	During the two years prior to appointment there have been no instances of the circumstances set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The number of shares held by the company's relatives (or through other people's names) is 0,and not a member of any of the conditions described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Not a government agency, corporate shareholder, or its representative as defined in Article 27 of the Company Act.	0

Note 1: Please refer to pages 4 to 6 for director information and pages 8 to 11 for the disclosure of directors' professional qualifications and the independence of independent directors.

Note 2: The company held a full re-election 12th directors on July 29, 2025.The original independent directors Mr. Hsu Chih-Cheng, Mr. Huang Yu-Hsun and Mr. Lai Chia-Hui, are hereby dismissed effective immediately; On August 8, 2025, the Board of Directors resolved to appoint Mr. Weng Ming-Jang, Ms. Du Yi-Hui and Ms. Lu Qiao-Yun members of the Remuneration Committee.

2. Information on the operation of the Remuneration Committee

(1) The Company's Remuneration Committee consists of 3 members.

(2) Term of office for this committee: August 8, 2025 to July 28, 2028. In the most recent year (2025), the Remuneration Committee held 3 meetings. The qualifications and attendance of the committee members are as follows:

Title	Name(note)	Number of actual attendance in person	Number of attendance by proxy	Actual attendance rate (%)	Remarks
Convenor	Hsu Chih-Cheng	1	0	100	
Committee member	Huang Yu-Hsun	1	0	100	
Committee member	Lai Chia-Hui	1	0	100	
Convenor	Weng Ming-Jang	2	0	100	
Committee member	Du Yi-Hui	2	0	100	
Committee member	Lu Qiao-Yun	2	0	100	

Note: The company held a full re-election 12th directors on July 29, 2025.The original independent directors Mr. Hsu Chih-Cheng, Mr. Huang Yu-Hsun and Mr. Lai Chia-Hui, are hereby dismissed effective immediately; On August 8, 2025, the Board of Directors resolved to appoint Mr. Weng Ming-Jang, Ms. Du Yi-Hui and Ms. Lu Qiao-Yun members of the Remuneration Committee.

Other matters to be recorded:

I. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it should specify the date of the board meeting, the term, the content of motion, the resolution of the board, and how the Company handled the Remuneration Committee's opinions (for example, if the remuneration package approved by the board is more favorable than the Remuneration Committee's recommendation, the differences and reasons should be explained): No such situation.

II. For the resolution of the Remuneration Committee, if any member has opposing or reserved opinions and there is a record or written statement, it should specify the date of the Remuneration Committee meeting, the term, the content of motion, the opinions of all members, and how the opinions of the members were handled:

Name of director	Content of motion	Remuneration Committee Opinion	The Company's handling of the opinions of the Remuneration Committee
2025.08.26	The proposal to revising the Company's " Internal control measures ".	Committee Member Mr.Weng suggested "AM22 Domestic and International Business Trip Management Regulations “ In addition to the newly revised provisions, travel insurance (including medical insurance) should be added to the regulations to ensure protection for medical accidents involving business travelers. Approved by the Audit Committee and submitted to the Board of Directors.	The Board of Directors approved the motion unanimously.
2026.03.12	Proposal to review the CEO performance evaluation and remuneration policy, system, standards, and structure.	Commissioner Weng suggested subsidizing the NHI premium difference for the current CEO, who concurrently holds the Chairman position and is thus registered as an employer for insurance purposes. The proposal, aiming to cover the gap between employer-rate and employee-rate premiums, has been approved by the Remuneration Committee and reported to the Board.	The Board of Directors approved the motion unanimously.

(V) Implementation of sustainable development and deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reason therefor

Promotion Items	Implementation Status			Deviations with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary Description	
I. Has the Company established a governance structure to promote sustainable development, set up a full-time (or part-time) unit for sustainable development, and authorized senior management to handle related matters with oversight from the Board of Directors?	✓		The Company is actively advancing sustainable development in accordance with the Sustainable Development Best Practice Principles. In March 13,2025, the Board of Directors appointed a Chief Sustainability Officer and established the "ESG Task Force." The ESG Task Force is responsible for embedding environmental, social, and corporate governance (ESG) principles into the Company's culture and business strategy, formulating action plans, and overseeing their implementation. It will report to the Board of Directors annually and disclose progress on the Company's website and in the Sustainability Report.	In the future, actions will be implemented in full compliance with legal regulations and required guidelines.
II. Does the Company conduct a risk evaluation of environmental, social, and corporate governance issues related to its operations based on the materiality principle, and establish relevant risk management policies or strategies?	✓		Application of the principle of materiality: The company risk management measures(AM63) Item 17 Emerging risks such as "climate change" are explicitly included, and Conduct a comprehensive risk identification based on "company size, business characteristics, and risk nature". On November 6, 2025, a report on "Assessment, Identification and Implementation Planning of Risk Implementation Status" was submitted to the Sustainable Development Committee. Point 2 of the report categorizes ESG risks as follows: Environmental (climate change, natural disasters, occupational safety), Social (labor disputes, staff shortages), and Governance (legal compliance, corporate governance). The company assesses ESG risks based on the principle of materiality, manages them through a risk matrix, and implements them through the board of directors' approval, the sustainability committee's supervision, and the risk team's execution. The company also discloses its policies and KPI tracking on its website to ensure effective control.	No significant difference.
III. Environmental Issues (I) Does the Company establish an appropriate environmental management system based on the characteristics of its industry?	✓		(I) The Company has established "Safety and Health Work Rules" to ensure the operational safety of both employees and contractors, and conducts regular environmental monitoring and equipment inspections. Furthermore, in response to climate change, we have implemented a greenhouse gas inventory system, which has been verified by BSI under ISO 14064-1, enabling us to accurately track carbon emission data. We are also committed to promoting energy-	(I) No significant difference.

<table>
<tr><th rowspan="2">Promotion Items</th><th colspan="2">Implementation Status</th><th rowspan="2">Summary Description</th><th rowspan="2">Deviations with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor</th></tr>
<tr><th>Yes</th><th>No</th></tr>
<tr><td>(II) Is the Company committed to improving the energy utilization efficiency and use of renewable materials with low impact on the environment?</td><td>✓</td><td></td><td>saving initiatives annually and implementing resource efficiency management to demonstrate concrete achievements in environmental protection.
(II) The Company cooperates with government environmental protection and resource recycling programs for all reusable resources and strives to use renewable materials that reduce environmental impact whenever possible.</td><td>(II) No significant difference.</td></tr>
<tr><td>(III) Does the Company assess the potential risks and opportunities of climate change to the business, both currently and in the future, and take relevant response measures?</td><td>✓</td><td></td><td>(III) The Company regularly identifies physical and transition risks arising from climate change and has established a greenhouse gas inventory mechanism verified by BSI. Our concrete strategies include prioritizing the procurement of energy-saving equipment and promoting paperless operations alongside low-carbon transportation. The performance of these initiatives is disclosed regularly on the "Sustainability" section of our official website to ensure information transparency.</td><td>(III) No significant difference.</td></tr>
<tr><td>(IV) Does the Company track the GHG emissions, water usage, and total waste weight for the past two years, and establish policies for reducing GHG emissions, water usage, or other waste management?</td><td></td><td>✓</td><td>(IV) As of the date of publication of this annual report, the Company has accumulated greenhouse gas (GHG) quantification data for two consecutive years and completed the third-party verification for 2024 in 2025. Regarding our subsidiaries, the Vietnam Plant I has commenced verification as of 2025, while the Vietnam Plant II is scheduled to implement GHG inventory operations in 2026. Our management policy focuses on the continuous replacement of high-efficiency equipment and the promotion of energy-saving awareness. Through data monitoring and external verification mechanisms, we aim to enhance energy efficiency and progressively achieve our carbon reduction targets.
Greenhouse Gas (GHG) Emissions for the Past Two Years
Unit: tCO2e
<table>
<tr><th colspan="2">Year</th><th colspan="2">2024</th><th colspan="2">2025</th></tr>
<tr><th colspan="2">Item</th><th>Emissions</th><th>Intensity</th><th>Emissions</th><th>Intensity</th></tr>
<tr><td rowspan="4">The company (Note1)</td><td>Scope 1</td><td>56.867</td><td rowspan="9">(Note3)</td><td>59.872</td><td rowspan="9">(Note3)</td></tr>
<tr><td>Scope 2</td><td>544.599</td><td>423.172</td></tr>
<tr><td>Scope 3</td><td>255.793</td><td>289.438</td></tr>
<tr><td>Subtotal</td><td>857.259</td><td>772.482</td></tr>
<tr><td rowspan="4">Vietnam Plant I (Note2)</td><td>Scope 1</td><td>No data</td><td>252.844</td></tr>
<tr><td>Scope 2</td><td>No data</td><td>4,568.050</td></tr>
<tr><td>Scope 3</td><td>No data</td><td>988.803</td></tr>
<tr><td>Subtotal</td><td>No data</td><td>5,809.697</td></tr>
<tr><td colspan="2">total</td><td>857.259</td><td></td><td>6,582.179</td><td></td></tr>
</table>
</td><td>(IV) No significant difference.</td></tr>
</table>

Promotion Items	Implementation Status			Deviations with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary Description	
			Note 1: The Company's GHG inventory for 2024 has been completed and verified by BSI. The 2025 inventory has been completed, while the third-party verification is currently in the planning stage. Note 2: Vietnam Plant I has completed its 2025 GHG inventory. Third-party verification has been commissioned to BSI in accordance with relevant regulations and is currently undergoing the final review process by BSI's headquarters in the UK. Note 3: Vietnam Plant II has not yet implemented GHG inventory operations; therefore, relevant emission intensity metrics are not available.	
IV. Social Issues				
(I) Does the Company establish relevant management policies and procedures in accordance with applicable laws and international human rights conventions?	✓		(I) The Company has established internal control systems and relevant management measures based on the Labor Standards Act, and regularly holds labor-management meetings to safeguard employees' basic rights.	(I) No significant difference.
(II) Does the Company establish and implement reasonable employee welfare measures (including remuneration, leave, and other benefits), and appropriately reflect business performance or results in employee remuneration?	✓		(II) The Company's Articles of Incorporation stipulate that if the company generates a profit for the year, 2%-10% shall be allocated as employee compensation. No less than 20% of employee compensation should be allocated to grassroots employees. The Company provides employees with social insurance in accordance with the law, including labor insurance and national health insurance, covering the required insurance premiums and allocating retirement funds accordingly. Employee wages meet or exceed the legally mandated minimum wage, along with statutory benefits. In compliance with the Labor Standards Act and relevant regulations, the Company has established an Employee Handbook, outlining employee benefits and leave policies. Additionally, an Employee Welfare Committee has been established, with monthly welfare funds allocated for the committee to manage and distribute toward employee birthdays, holiday bonuses, employee trips and gatherings, and gatherings.	(II) No significant difference.
(III) Does the Company provide a safe and healthy working environment for employees and conduct regular safety and health education for them?	✓		(III) The Company regularly conducts occupational safety and fire drills, first aid training, employee health checks, and timely promotes health and safety regulations. The Company did not experience any major occupational safety incidents or fire events in 2024.	(III) No significant difference.
(IV) Does the Company establish an effective career development and training program for employees?	✓		(IV) The Company has established a comprehensive career development program designed for employees across different positions. The training curriculum encompasses core values, professional skills, management, and general education. Additionally, the Company offers diverse learning opportunities through seminars, lectures, external training, in-person sessions, and online courses.	(IV) No significant difference.

Promotion Items	Implementation Status			Deviations with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary Description	
(V) Regarding customer health and safety, customer privacy, marketing, labeling, and other related issues, does the Company comply with relevant laws and international standards, and establish policies and procedures to protect consumer or customer rights and handle complaints?	✓		(V) The Company has established a dedicated Regulatory Affairs Unit responsible for collecting and analyzing domestic and international medical device regulations. This unit also oversees the application, modification, and renewal of global medical device sales licenses, as well as the planning of product quality certification processes. To ensure product safety, the Company continuously implements comprehensive quality management, strictly adhering to relevant regulations and international standards. The Company has obtained ISO 13485, QMS (GMP), and EU CE MDR certifications, while several products have also been SGS-certified, meeting customer expectations for quality and compliance. To enhance product and service quality while ensuring the utmost protection of customer privacy, the Company provides an 0800 toll-free customer service hotline and email, serving as channels for consumer complaints and Purchase usd 1,000 thousand product liability insurance ,safeguarding consumer rights.	(V) No significant difference.
(VI) Does the Company establish supplier management policies, requiring suppliers to comply with relevant regulations on environmental protection, occupational health and safety, labor rights, and other issues, and how are these policies implemented?		✓	(VI) The Company has established a supplier evaluation process to carefully assess suppliers' creditworthiness and determine whether their sourcing and manufacturing processes impact the environment and society. The Company actively promotes corporate sustainability policies and practices among its suppliers and requires their cooperation in complying with relevant regulations and government laws on environmental protection, occupational safety and health, and labor rights. These efforts aim to achieve a balanced development of economic, social, and environmental sustainability.	(VI) Related regulations will be evaluated and added.
V. Does the Company prepare Corporate Social Responsibility reports or other reports disclosing its non-financial information by referring to internationally recognized reporting preparation standards or guidelines? Has the aforementioned report obtained assurance or verification opinions from a third-party verification entity?	✓		The company's 2025 sustainability report was approved on August 26, 2025, and uploaded to the "ESG Digital Platform" on August 29. The content of the sustainability report was prepared with reference to GRI standards, the procedures for listed companies to prepare and report sustainability reports, and the SASB - Sustainability Accounting Standards for Medical Devices and Supplies.	No significant difference.
VI. If the Company, in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", has established its own Sustainable Development Best Practice Principles, please describe its current practices and any deviations from the Principles: The Company has established the "Sustainable Development Best Practice Principles" to implement sustainable development and promote progress in the economic, environmental, and social areas in order to achieve sustainability goals. This principle serves as a guideline for management and all employees to follow, and it is used to manage the Company's risks and impacts related to the economy, environment, and society. Currently, there are no significant differences in its implementation and operation.				

Promotion Items	Implementation Status			Deviations with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary Description	
VII. Other important information that helps to understand the implementation of sustainable development initiatives: (I) Resource Recycling: Committed to energy conservation, carbon reduction, resource recycling, and other measures, in alignment with environmental protection policies to implement the sustainable development plan. (II) Social Contribution: Regularly donating masks, syringes, participating donation in blood and money activities, Support local police-community mutual assistance system, Employing employees with physical and mental disabilities. (III) Respecting Stakeholder Rights: The company website features a dedicated feedback section and stakeholder communication platform, providing online forms, questionnaires, and hotline consultations to regularly collect opinions from employees, customers, suppliers, and others on sustainability issues (such as ESG risks and environmental protection). A dedicated hotline has been set up to understand stakeholders' reasonable expectations and needs through appropriate communication methods, and to respond appropriately to their concerns regarding important sustainability issues.				

(VI) The pursuit of ethical corporate management and the deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the reason therefor

Evaluation Item	Operational Status			Deviations with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary Description	
I. Formulation of ethical corporate management policies and solutions				
(I) Has the Company established an ethical corporate management policy approved by the Board of Directors, and clearly stated the ethical corporate management policy, practices, and the commitment of the Board of Directors and senior management to actively implement the policy in its regulations and external documents?	✓		(I) The Company has established Procedures for Ethical Management and Guidelines for Conduct within its internal control measures, which were approved by the Board of Directors. These guidelines specifically outline the matters that the Company and its personnel should observe when conducting business activities.	(I) No difference.
(II) Has the Company established a risk assessment mechanism for unethical conduct, regularly analyzing and evaluating business activities with higher risks of unethical conduct within its operations, and developed measures to prevent unethical conduct based on this analysis? Additionally, do these measures at least cover the preventive actions outlined in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies"?	✓		(II) The Company has established the "Procedures for Ethical Business Operations and Code of Conduct," which strictly regulate the prevention of transactions with unethical operators and other compliance matters. These procedures also cover the various actions specified in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies." Additionally, a dedicated unit has been established to handle cases related to unethical conduct, thereby eliminating the risks associated with such actions.	(II) No significant difference.
(III) Has the Company clearly defined operational procedures, code of conduct, penalties for violations, and a grievance system within its measures to prevent unethical conduct? Moreover, has the Company implemented these measures effectively and conducted regular reviews and revisions of the plan?	✓		(III) The Company has established Procedures for Ethical Management and Guidelines for Conduct, as well as a penalty system for violations and a grievance procedure within its internal control measures, to implement its ethical corporate management policy.	(III) No significant difference.
II. Implement Ethical Corporate Management				
(I) Does the Company evaluate the integrity records of its counterparties and explicitly stipulate integrity clauses in contracts signed with them?	✓		(I) The Company has an evaluation procedure record for counterparties and includes integrity clauses in agreements, while setting credit rating standards for customers.	(I) No significant difference.
(II) Has the Company established a dedicated unit under the Board of Directors to promote ethical corporate management, and does it report at least once a year to the board on its ethical corporate management policies, measures for preventing unethical conduct, and supervision of implementation?		✓	(II) To strengthen the management of ethical business practices, the Company has established the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Business Operations and Code of Conduct," both of which have been approved by the Board of Directors. The Chairman's Office serves as the dedicated unit responsible for formulating and overseeing the implementation of these procedures and guidelines. Additionally, the unit provides an annual report to the Board of Directors on the execution status	(II) In the future, a dedicated unit will be clearly defined.
(III) Has the Company established a conflict-of-interest prevention policy, provided appropriate reporting channels, and ensured its effective implementation?	✓		(III) The Company has established regulations to prevent conflicts of interest, provided reporting channels, and effectively implemented them.	(III) No significant difference
(IV) Has the Company established an effective accounting system and internal control system to implement ethical corporate management, with the internal audit unit formulating relevant	✓		(IV) The Company has established an effective accounting system and internal control system, with internal audit personnel conducting regular audits.	(IV) No significant difference

Evaluation Item	Operational Status			Deviations with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary Description	
audit plans based on the assessment of unethical conduct risks and conducting audits on the compliance of fraud prevention programs, or engaged CPAs to perform such audits?				
(V) Does the Company regularly conduct internal and external training on ethical corporate management?	✓		(V) The Company provides pre-employment training for new employees to promote ethical corporate management. The chairman should be scheduled to communicate the company's principles of honest operation to all directors at least once a year. And encourages personnel to participate in relevant external training courses.	(V) No significant difference.
III. Operational Status of the Company's Whistleblowing System				
(I) Has the Company established a specific whistleblowing and reward system, created convenient whistleblowing channels, and assigned appropriate personnel to handle the cases of those being reported?	✓		(I) The Company has established a dedicated unit, providing a whistleblowing channel and implementing a reward and penalty system.	(I) No significant difference.
(II) Has the Company established standard operating procedures for handling whistleblowing matters, including follow-up actions after the investigation and related confidentiality mechanisms?	✓		(II) The Company has established Procedures for Ethical Management and Guidelines for Conduct in its internal control regulations, specifying the standard operating procedures for handling whistleblowing matters, the follow-up actions to be taken after an investigation, and related confidentiality mechanisms.	(II) No significant difference.
(III) Does the Company take measures to protect whistleblowers from improper treatment as a result of their whistleblowing?	✓		(III) Whistleblowing cases are handled by the designated unit, which adheres to confidentiality mechanisms to ensure the protection of the whistleblower.	(III) No significant difference
IV. Enhance Information Disclosure Has the Company disclosed the content of its established Ethical Corporate Management Best Practice Principles and its implementation results on its website and the MOPS?	✓		The Company has disclosed the content of its established Ethical Corporate Management Best Practice Principles on both internal and external websites, as well as on the MOPS. The implementation of the ethical corporate management policy is also disclosed in the annual report.	No significant difference
V. The company has established its own integrity management code based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies". There are no significant differences between the Company's operations and the provisions of the established principles.The Company has established an "Ethical Corporate Management Best Practice Principles", and there are no significant differences between its implementation and operations and the provisions of the principles.				
VI. Other important information that helps to understand the Company's ethical corporate management operations (such as whether the Company reviews and revises its established Ethical Corporate Management Best Practice Principles, etc.): (I) Complying with the Company Act, Securities and Exchange Act, Labor Standards Act, and accounting system to protect the rights and interests of employees and shareholders. (II) Establishing an Audit Committee composed of independent directors to strengthen the Company's internal monitoring mechanism. (III) Major investments, fund loans, endorsements and guarantees, bank financing limits, and budget policies of the Company must all be evaluated and analyzed by the responsible departments and reported to the Board of Directors for approval.				

(VII) Other important information that enhances understanding of the Company's governance operations: The Company has established relevant internal control regulations for compliance, and the details can be found on the Company's website.

(VIII) Implementation status of the internal control system

1. Statement of Internal Control

Please refer to the MOPS public information observation station announcements. The search path is: (https://mops.twse.com.tw/mops/#/web/t06sg20), Homepage > Single Company > Corporate Governance > Company Rules/Internal Control > Internal Control Statement Announcement.

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

(IX) Important resolutions of the shareholders' meeting and the Board of Directors for the most recent year and up to the publication date of the annual report:

1. Major resolutions of the annual general shareholders' meeting

Date	Name of meeting	Major resolutions
2025.04.23	2025 General Shareholders' Meeting	1. Ratification of the business report and financial statements for 2024. 2. Ratification of the profit distribution plan for 2024. 3. Approved for the non-compete restrictions on the representatives appointed by the corporate directors of Medifly Co., Ltd. 4. Approved to amend Some of the clauses Company's "Articles of Association".
2025.07.29	2025 Extraordinary shareholders' meeting.	1. Approved to proposal in accordance with legal regulations, cash capital increase and issuance of new shares before listing on the will be a public offering, with existing shareholders waiving their subscription rights. 2. Approved to proposal held a full re-election seven directors. 3. Approved to proposal lifting of the non-compete restrictions on the newly appointed directors and their representatives of the Company.

2. Major resolutions of the Board of Directors

Date	Name of meeting	Major resolutions
2025.02.03	1st meeting of the Board of Directors of 2025	1. Approved the convening of the 2025 General Shareholders' Meeting. 2. Approved the period and location for accepting proposals from shareholders holding more than 1% of the shares.
25.03.13	2nd meeting of the Board of Directors of 2025	1. Approved the Company's 2024 allocation of employees and directors remuneration. 2. Approved the proposal for the ratification of the Company's 2024 Business Report and Financial Statements. 3. Approved the proposal for the company's earnings distribution for the second half of 2024. 4. Approved the proposal for the Company's 2024 Internal Control System Statement. 5. Approved the Company's 2024 remuneration distribution to employees and directors. 6. Approved the proposal for the appointment of the company's "Chief of Sustainable Operations" . 7. Approved the proposal for the appointment of the company's " Corporate Governance Manager " . 8. Approved the proposal to the company's CEO and General Manager concurrently serve as managers of subsidiaries. 9. Approved the proposal to review the independent director remuneration policy, system, standards, and structure. 10. Approved the proposal to review the director remuneration policy, system, standards, and structure. 11. Approved the proposal to review the CEO performance evaluation and remuneration policy, system, standards, and structure. 12. Approved the proposal to review the General Manager and mangers and performance evaluation and remuneration policy, system, standards, and structure. 13. Approved to amend Some of the clauses Company's "Articles of Association". 14. Approved the proposal to the company's defining the scope of its "grassroots employees". 15. Approved the proposal to an additional the Company's " Internal control measures ". 16. Approved the proposal to added grounds for convening the Company's 2025 general meeting of shareholders.

Date	Name of meeting	Major resolutions
2025.04.23	3rd meeting of the Board of Directors of 2025	1. Approved the proposal for the Equipment investment and third-phase plant construction investment additional budget by the Company's 100% owned subsidiary, Perfect TW Medical Industrial (VN) Co., Ltd. 2. Approved the proposal for a cash capital increase of USD 4,500 thousand in the Company's 100% owned subsidiary, Perfect TW Medical Industrial (VN) Co., Ltd. 3. Approved the proposal for the Company 2025 Greenhouse Gas Inventory Plan and Implementation Report. 4. Approved the proposal for the application to short-term loan with Bank SinoPac. 5. Approved the proposal for the application to new an additional credit with Shin Kong Bank. 6. Approved the proposal to an additional the Company's " Internal control measures ".
2025.06.09	4th meeting of the Board of Directors of 2025	1. Approved the proposal to the company application to list its shares on the public offering market. 2. Approved the proposal in accordance with legal regulations, cash capital increase and issuance of new shares before listing on the will be a public offering, with existing shareholders waiving their subscription rights. 3. Approved the proposal held a full re-election seven directors(including four independent directors). 4. Approved the proposal for the board of directors nominates candidates for the 12th board of directors (including independent directors) Candidate list and qualification review document. 5. Approved the proposal lifting of the non-compete restrictions on the newly appointed directors and their representatives of the Company. 6. Approved the proposal to the convene 2025 Extraordinary shareholders' meeting. 7. Approved to the period and location for nominates candidates directors (including independent directors) from shareholders holding more than 1% of the shares. 8. Approved the proposal to the company's ability to self-assess and prepare financial statements. 9. Approved the proposal for the application to loan from bank in the Company's 100% owned subsidiary, Perfect TW Medical Industrial (VN) Co., Ltd. 10. Approved the proposal setting the base date for the conversion of employee stock options into ordinary shares. 11. Approved the proposal dissolution of the company's 100% owned subsidiary, Medela Limited, and the appointment of a liquidator. 12. Approved the proposal for the application Renewal of Commercial Promissory Notes and credit limit with Dah Chung bills finance Corp. 13. Approved the proposal to the application Renewal of Commercial Promissory Notes and Increase credit limit with China Bills Finance Co., Ltd. 14. Approved the proposal to the application new an additional credit with Union Bank of Taiwan. 15. Approved the proposal to the new application for a bank credit line. 16. Approved the proposal for the Revising the Company's " Internal control cycling ". 17. Approved the proposal to the Revising the Company's " Internal audit system ".
2025.07.29	5th meeting of the Board of Directors of 2025	1. Approved the proposal for the election of the chairman. 2. Approved the proposal for the election of the vice chairman.
2025.08.08	6th meeting of the Board of Directors of 2025	1. Approved the proposal for the Perfect Medical Industrial (VN) Co., Ltd. intending to lease a dormitory in Vietnam from Mr. Hsu Kuo-Chi, a related party. 2. Approved the proposal for the Company's consolidated financial statements for Q2 of 2025 and first-half Business Report. 3. Approved the proposal for no cash dividends will be paid in the first half of 2025. 4. Approved the proposal for business transactions and fund loans with the company's 100% owned subsidiary, Perfect Medical Industrial (VN) Co., Ltd.

Date	Name of meeting	Major resolutions
		5. Approved the Perfect TW Medical Industrial (VN) Co., Ltd. The second-phase Factory Change from leasing to personal use. 6. Approved the Establishment of a Sustainable Development Committee and Appointment of Committee Members. 7. Approved the Appointment of the Salary and Compensation Committee Members. 8. Approved the Appointment of the cybersecurity manager. 9. Approved the proposal for the Revising the Company's Organization Chart. 10. Approved the proposal for the application to credit with Fubon Commercial Bank. 11. Approved the proposal for the application to 2025 additions internal audit plan amendment. 12. Approved the proposal for an Added Revising for the Internal audit system. 13. Approved the proposal for an Added Revising for the " Internal control measures " and " Internal control cycling ".
2025.08.26	7th meeting of the Board of Directors of 2025	1. Approved the proposal attendance and transportation expensesl expenses for the company's board of directors and functional committees.. 2. Approved the proposal to adjust the salaries and compensation of independent directors. 3. Approved revising the company's " Internal control measures ". 4. Approved the proposal to the company's 2024 sustainability report. 5. Approved the proposal for the application to loan Contract renewal and Increase credit limit with Yuanta Bank.
2025.11.06	8th meeting of the Board of Directors of 2025	1. Approved the proposal for Assessment of the independence and competence of certified public accountants in 2025. 2. Approved the proposal for the company ‘s appointment of certified public accountant. 3. Approved the proposal for 2026 Internal Audit Plan. 4. Approved the proposal for the application to loan from bank in the Company's 100% owned subsidiary, Perfect Medical Industrial (VN) Co., Ltd. 5. Approved the proposal for application to loan renewal with CTBC Bank. 6. Approved the proposal to Correction for the application to Renewal of Commercial Promissory Notes and Increase credit limit with China Bills Finance Co., Ltd. 7. Approved revising the company's " Internal control measures ". 8. Approved the proposal for the 2025 budget .
2026.02.04	1st meeting of the Board of Directors of 2026	1. Approved the proposal for renew group organization pattern. 2. Approved the convening of the 2026 General Shareholders’ Meeting. 3. Approved the period and location for accepting proposals from shareholders holding more than 1% of the shares.
2026.03.12	2nd meeting of the Board of Directors of 2026	1. Approved the Proposal for the change of the Company’s independent auditors in connection with the internal rotation policy of Ernst & Young. 2. Approved the Proposal for the evaluation of the independence and qualifications of the independent auditors for fiscal year 2026. 3. Approved the Proposal for the appointment of independent auditors for fiscal year 2026. 4. Approved the proposal to temporarily retain the unappropriated earnings of overseas subsidiaries instead of remitting them back. 5. Approved the provision of 2025 compensation for employees and directors. 6. Approved the Proposal for the 2025 Business Report and Financial Statements. 7. Approved the Proposal for the distribution of cash dividends from earnings for the second half of fiscal year 2025. 8. Approved the Proposal for the appropriation of earnings for fiscal year 2025. 9. Approved the Proposal for capitalization of retained earnings through issuance of new shares. 10. Approved the Proposal for the 2025 self-assessment of the internal control system and issuance of the Internal Control System Statement. 11. Approved the Proposal for the Partial amendments to the “Procedures for Acquisition or Disposal of Assets.” 12. Approved the addition of items to the agenda for the 2026 Annual General Meeting. 13. Approved the Proposal for the Partial amendments to the Company’s

Date	Name of meeting	Major resolutions
		"Internal Control Policies and Procedures." 14. Approved the periodic assessment of the definition/scope of "non-managerial employees." 15. The distribution of 2025 compensation for employees and directors. 16. Approved the review of the policy, system, standards, and structure of independent directors' remuneration. 17. Approved the review of the policy, system, standards, and structure of directors' remuneration. 18. Approved the Proposal to review the CEO performance evaluation and remuneration policy, system, standards, and structure. 19. Approved the Proposal to review the director remuneration policy, system, standards, and structure. 20. Approved the Proposal to apply to Union Bank of Taiwan for the renewal of the credit line. 21. Approved the Proposal to apply for renewal of existing credit facilities and an additional medium-term loan facility from Taipei Fubon Bank. 22. Approved the Proposal for a capital injection of USD 7 million into the Company's wholly-owned subsidiary, Perfect TW Medical Industrial (VN) Co., Ltd. 23. Approved the Proposal for a capital injection of USD 1.5 million into the Company's wholly-owned subsidiary, Perfect Medical Industrial (VN) Co., Ltd. 24. Approved the Proposal for the Company's first cash capital increase in fiscal year 2026. 25. Approved the Proposal for the employee subscription plan in connection with the first cash capital increase in fiscal year 2026. 26. Approved the Proposal for pre-approval of the engagement of non-assurance services.

(X) For the most recent year and up to the publication date of the annual report, the main contents of any dissenting opinions or written statements from directors or supervisors regarding important resolutions passed by the Board of Directors: No such situation.

IV. Information on CPA professional fees

(I) CPA professional fees scale table

Unit: NTD thousand

Name of CPA firm	Name of CPA	Audit period	Audit fees	Non-audit fees	Total	Remarks
Ernst & Young Global Limited	Huang Yu-Ting	2025.1.1 to 2025.12.31	2,640	3,527	6,167	
	Lo Wen-Chen					

(II) Disclosure of the audit and non-audit fees paid to the CPAs, their firm, and affiliates, as well as the details of non-audit services: For the year 2025, the total fees for non-audit services amounted to NT$3,526 thousand. The scope of non-audit services included tax attestation services, internal control special audits, transfer pricing documentation, and employee stock option filing engagements.

(III) If the Company has changed its accounting firm and the audit fees for the year of change are lower than those of the previous year, the audit fees before and after the change, as well as the reasons for the change, should be disclosed: No such situation

(IV) If the audit fees have decreased by more than 10% compared to the previous year, the amount, percentage of the decrease, and the reasons for the reduction should be disclosed: No such situation

V. Information on changes of CPAs:

(I) Former CPAs

- Date of Change: February 10, 2026
- Reason for Change: In line with the internal rotation policy of Ernst & Young, the original certifying CPAs, Mr. Yu-Ting Huang and Mr. Wen-Chen Lo, were replaced by Mr. Shu-Chen Lai and Mr. Wen-Chen Lo.
- Indicate whether the engagement was terminated or not renewed by the client or the CPAs:

Situation	CPAs	Client
Voluntary termination of engagement	N/A	N/A
Refusal to accept (or continue) engagement	N/A	N/A

- Audit opinions issued in the most recent two years other than unqualified opinions and the reasons therefor: None.
- Whether there were any disagreements with the issuer:
  Accounting principles or practices: No
  Financial statement disclosures: No
  Audit scope or procedures: No
  Other matters: No
  Explanation: Not applicable.
- Other disclosures (Items 4 to 7, Subparagraph 1, Paragraph 6, Article 10 of the Regulations): None.

(II) Successor CPAs

- Name of CPA Firm: Ernst & Young
- Names of CPAs: Mr. Shu-Chen Lai and Mr. Wen-Chen Lo
- Date of Engagement: February 10, 2026
- Consultation on accounting treatments or principles for specific transactions prior to engagement and the resulting conclusions: None.
- Written opinions from the successor CPAs regarding disagreements with the former CPAs: None.

(II) Response from Former CPAs regarding Items 1 and 3, Subparagraph 6, Article 10 of the Regulations: Not applicable.

VI. If the Chairman, General Manager, or managers responsible for financial or accounting affairs of the Company have worked at the attesting CPA firm or its affiliates within the past year, their names, titles, and periods of employment at the CPA firm or its affiliates should be disclosed: No such situation.

VII. Changes in share transfers and share pledges of directors, managers, and shareholders holding more than 10% of the shares in the most recent year and up to the publication date of the annual report:

(I) Changes in shareholdings of directors, managers, and major shareholders:
Please refer to the MOPS public information observation station announcements. The search path is: (https://mops.twse.com.tw/mops/#/web/t06sg20),Homepage > Summary Reports > Equity Changes/Securities Issuance > Shareholdings of Directors, Supervisors, and Major Shareholders/Pledges/Transfers > Shareholding Balances of Directors, Supervisors, Managers, and Major Shareholders > Summary Table of Shareholding Balances of Directors, Supervisors, Managers, and Major Shareholders.

(II) The counterparty of the transfer of equity is a related party: No such situation.
(III) The counterparty of the pledge of equity is a related party: No such situation.

VIII. Information on the top ten shareholders by shareholding ratio who are related parties to each other or who are spouse or relatives within the second degree of kinship:

March 31, 2026; Unit: shares; %

Name	Shares held by the person		Shares held by spouse and underage children		Total shares held in the name of others		The names and relationships of the top ten shareholders who are related to each other or who are spouses or relatives within the second degree of kinship:		Remarks
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relations	
Gao Da Technology Co., Ltd.	9,782,217	17.51	-	-	-	-	Hsu Kuo-Chi	Chairman of the Company	-
Tung Da Fa Asset Management Co., Ltd.	3,372,817	6.04	-	-	-	-	Hsu Kuo-Chi	The company's chairman, Hsu Shun-Chieh, is his son.	-
Li Wong Investment Co., Ltd.	2,560,968	4.59	-	-	-	-	-	-	-
Tseng Hsin-Tien	2,211,453	3.96	-	-	-	-	-	-	-
Hsiao Ssu-Yin	2,172,499	3.89	230,554	0.44	-	-	-	-	-
Hsu Kuo-Chi	1,641,639	2.94	143,198	0.26	3,372,817	6.04	1. Tung Da Fa Asset Management Co., Ltd. 2. Da Pu Investment Co., Ltd.	The company's chairman, Hsu Shun-Chieh, is his son.	-
							3. Gao Da Technolog Co., Ltd.	Chairman of the Company	
Da Pu Investment Co., Ltd.	1,486,366	2.66	-	-	-	-	Hsu Kuo-Chi	The company's chairman, Hsu Shun-Chieh, is his son.	-
E.Sun Venture Capital Co., Ltd.	1,413,000	2.53	-	-	-	-	-	-	-
Medifly Co., Ltd.	1,282,956	2.30	-	-	-	-	-	-	-
Cheng Chuan-Mei	950,132	1.70	178,124	0.32	-	-	-	-	-

IX. The number of shares held by the Company, its directors, managers, and enterprises directly or indirectly controlled by the Company in the same reinvested business, with the combined shareholding ratio calculated accordingly:

March 31, 2026; Unit: shares; %

Reinvested Business(Note1)	The Company's Investment		Investments by directors, supervisors, managers, and directly or indirectly controlled enterprises		Comprehensive Investment	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
Perfect Medical Industrial (VN) Co., Ltd. (Note)	-	100.00	-	-	-	100.00
Perfect TW Medical Industrial (VN) Co., Ltd. (Note)	-	100.00	-	-	-	100.00
Medela Limited (Note2)	-	100.00	-	-	-	100.00

Note1: It is a limited company and has no shares.
Note2: Medela Limited was dissolved and liquidated by a resolution passed by its board of directors on June 9, 2025, and the dissolved and liquidated process was completed in January 29, 2026.

Three. Financing Status

I. Capital and Shares

(I) Source of share capital

1. The formation of share capital

March 31,2026; Unit: NTD thousands; thousand shares

Year/Month	Issuance price	Authorized share capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital contribution made with assets other than cash	Others
2025.08	15.1	80,000	800,000	55,854.7	558,547	Employee stock options converted into ordinary shares capital NTD31,920,000.	—	Jing-Shou-Shang-Zi No. 111430093710 dated 2025.8.5

2. Types of shares

March 31,2026; Unit: thousand shares

Types of shares	Authorized share capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common shares	55,854.7	24,145.3	80,000	Emerging stocks

3. Information related to the consolidated reporting system: Not applicable.

(II) List of major shareholders

March 31,2026; Unit: shares; %

Shares / Name of major shareholders	Number of shares held	Shareholding ratio
Gao Da Technology Co., Ltd.	9,782,217	17.51
Tung Da Fa Asset Management Co., Ltd.	3,372,817	6.04
Li Wong Investment Co., Ltd.	2,560,968	4.59
Tseng Hsin-Tien	2,211,453	3.96
Hsiao Ssu-Yin	2,172,499	3.89
Hsu Kuo-Chi	1,641,639	2.94
Da Pu Investment Co., Ltd.	1,486,366	2.66
E.Sun Venture Capital Co., Ltd.	1,413,000	2.53
Medifly Co., Ltd.	1,282,956	2.30
Cheng Chuan-Mei	950,132	1.70

(III) The Company’s dividend policy and implementation status

1. Dividend policy defined in the Company’s Articles of Incorporation

After the Company's annual final accounts, if there is any surplus, the Company shall first remit funds for tax payments and to cover accumulated losses, then allocate 10% to the legal reserve. However, this requirement does not apply when the legal reserve has accumulated to an amount equal to the Company's total paid-in capital. Next, in accordance with laws, regulations set by the competent authority, or based on business needs, a special reserve may be allocated or reversed. If any earnings remains, together with accumulated undistributed earnings, the Board of Directors shall prepare a proposal for profit distribution and submit it to the shareholders' meeting for resolution on the distribution of shareholders' dividends.

If the aforementioned surplus, statutory surplus reserve, and capital reserve are distributed in cash, the board of directors shall be authorized to make a resolution to handle the matter and report to the shareholders' meeting in accordance with Article 240, Paragraph 5 of the Company Law; if they are distributed by issuing new shares, the shareholders' meeting shall be requested to make a resolution to distribute them.

The Company shall allocate no less than 10% of its distributable earnings as dividends to shareholders, which may be in the form of cash or stock. Among these, the proportion of cash dividends shall not be less than 10%.

2. Implementation status

(1) At the beginning of 2024, the Company's retained earnings were NT$38,197,448, and the net

profit after tax for the period was NT$89,123,116. In accordance with the Company Act, NT$8,912,312 of the statutory surplus reserve was set aside at 10%, plus NT$3,724,555 of the special surplus reserve was reversed, resulting in a total distributable surplus of NT$122,132,807.

Following resolutions passed by the Board of Directors on September 20, 2024 and March 13, 2025, respectively, a cash dividend of NT$0.63 and NT$0.87 per share was distributed, totaling NT$78,994,050.

(2) At the beginning of 2025, the Company's retained earnings were NT$43,138,757, and the net profit after tax for the first half of the year was NT$27,863,665. After setting aside NT$2,786,367 of statutory surplus reserve and NT$68,216,055 of special surplus reserve in accordance with the Company Act, there were no distributable earnings.

Following resolutions by the Board of Directors on August 8, 2025, no cash dividends will be distributed in accordance with Article 232 of the Company Law.

(3) At the beginning of the second half of 2025, the Company had no undistributed earnings, with a beginning balance of NT$0. For the second half of the year, net income after tax amounted to NT$26,383,500. In accordance with the Company Act, 10% of the net income, totaling NT$2,638,350, was appropriated as legal reserve, and NT$29,164,993 was reversed from special reserve. As a result, total earnings available for distribution amounted to NT$52,910,143.

As approved by the Board of Directors on March 12, 2026, the Company proposes to distribute a cash dividend of NT$0.2 per share and a stock dividend of NT$0.3 per share, representing total cash dividends of NT$11,170,940 and stock dividends of NT$16,756,410. The issuance of stock dividends is subject to approval at the 2026 Annual General Meeting of shareholders, after which the Board of Directors will be authorized to determine the ex-dividend date and distribution date.

(4)Cash dividends distributed from earnings in 2024 and 2025：

Unit: NTD

2024 (Note)	Date of distribution of dividends	Cash dividend per share	dividend per share	Total cash dividend
First half of the year	2024.11.12	0.63	-	33,177,501
Second half of the year	2025.05.20	0.87	-	45,816,549
Total		1.50	-	78,994,050

Note: The Company’s 2024 profit distribution is based on a total of 52,662,700 issued shares.

Unit: NTD

2025 (Note1)	Date of distribution of dividends	Cash dividend per share	Stock dividend per share	Total cash dividend
First half of the year	-	-	-	-
Second half of the year	2026.05.29	0.2		11,170,940
Second half of the year	(Note2)		0.3	16,756,410
Total		0.2	0.3	27,927,350

Note1: The Company’s 2025 profit distribution is based on a total of 55,854,700 issued shares.

Note2: Waiting resolution passed at the 2026Annual General Meeting of Shareholders, the Board of Directors was authorized to formulate.

(5) Explanation of expected significant changes in the dividend policy: No such situation.

(IV) The impact of the proposal stock dividend distribution at this shareholders' meeting on the Company's operating performance and earnings per share: Not applicable.

(V) Remuneration to employee and directors

1. The percentage or scope of employee and director remuneration as specified in the Company’s Articles of Incorporation:

If the Company makes a profit in a given year (meaning pre-tax profit excluding employee compensation and directors’ compensation), it shall allocate 2% to 10% to employee compensation and no more than 5% to directors’ compensation.

Of the aforementioned employee compensation amount, no less than 20% should be allocated to frontline employees. However, if the company has accumulated losses, a reserve should be set aside in advance to cover them.

Employee compensation may be paid in stock or cash, and the recipients may include employees of subsidiary companies who meet certain conditions.

The distribution of employee and director remuneration should be decided by the board of

directors and reported to the shareholders' meeting.

2. The basis for estimating employee and director remuneration for this period, the basis for calculating the number of shares for stock-based employee remuneration, and the accounting treatment if there is a discrepancy between the estimated amount and the actual distribution amount:
   (1) The Company estimates employee and director remuneration based on the profit for the year (profit before tax excluding the distribution of employee and director remuneration).
   (2) If there are changes after the financial report release date of the following year, the changes will be treated according to accounting estimates, and the impact of such changes will be recognized in the profit or loss of the following year.
3. The Board of Directors' resolution on the distribution of remuneration:
   The amount of employee and director remuneration distributed in cash or stock. If there is a difference between the recognized expense amount and the estimated amount for the year, the difference, the reason, and the treatment should be disclosed:
   (1) The Company has already distributed as resolved by Board of Directors on March 12, 2026, The employee remuneration amounted to NTD 3,625,139 and director remuneration amounted to NTD 2,275,035, with no difference from the estimated expense amount for 2025.
   (2) The amount of employee remuneration distributed in stock and its proportion to the net profit after tax of the parent company only financial report for this period, as well as the total amount of employee remuneration: The Board of Directors has resolved to distribute employee remuneration in cash, therefore this does not apply.
4. The actual distribution of employee and director remuneration for the previous year (including the number of shares, amount, and stock price), and if there is any difference from the recognized employee and director remuneration, the difference, the reason, and the treatment should be disclosed:
   The Company distributed employee remuneration of NTD 5,504,444 and director remuneration of NTD 3,439,700 for 2024 on May 2, 2025. The above remuneration was approved by the Board of Directors on March 13, 2025, and reported at the annual general shareholders' meeting on April 23, 2025. There is no difference between the actual distribution amount and the recognized amount.

(VI) Repurchase of the Company's shares: No such situation.

II. Handling of corporate bonds (including overseas corporate bonds) : No such situation.

III. Handling of preferred shares: No such situation.

IV. Handling of overseas depository receipts: No such situation.

V. Handling of employee stock options:

(I) For employee stock options that have not yet matured, the situation as of the publication date of the annual report should be disclosed, along with the impact on shareholder equity. For employee stock options that are part of a private placement, they should be clearly indicated in a significant manner:

March 31, 2026

Types of employee stock options	Employee stock options of 2023
Effective date of reporting and total number of units	April 11, 2023
Date of issuance (handling)	April 17, 2023
Number of units available for issuance	3,192 units
Number of units still available for issuance	534 units
Percentage of shares issued for subscription to total issued shares (%)	5.71%
Duration period of subscription	From two years after the expiration until the end of the remaining term
Method of performance	Issuance of new shares
Restricted subscription period and ratio	100% can be exercised after two years.
Number of shares acquired in the execution	3,192,000 shares
Executed share subscription amount	NTD 31,920,000
Number of unexercised subscription shares	534,000 shares
The subscription price per share of the unexercised subscription shares	NTD 15.1

Percentage of the number of unexercised subscription shares to total number of shares issued (%)	0.96%
Impact on shareholders' equity	The issuance of employee stock options is aimed at retaining the talent needed for the Company's development and enhancing employees' sense of loyalty and belonging to the Company, thereby benefiting the Company and its shareholders. Furthermore, the option holders may only exercise their stock options after two years from the date of grant, in accordance with the regulations. The conversion of employee stock options into shares is limited and will not have a significant impact on shareholder equity.

(II) The names of the managers and the top ten employees who have acquired employee stock options up to the publication date of the annual report, along with the acquisition and subscription details:

Unit: thousand shares；NTD thousand；%

	Title	Name	Number of subscription shares acquired	Percentage of the number of subscription shares acquired to total number of shares issued	Exercised				Unexercised			
					Number of subscription shares	Subscription price	Subscription amount	Percentage of the number of subscription shares to total number of shares issued	Number of subscription shares	Subscription price	Subscription amount	ercentage o e number o ubscription hares to tota number of hares issue
Managers	CEO	Hsu Kuo-Chi	2,240	4.01	1,828	15.1	27,602.8	3.27	412	15.1	6,221.2	0.74
	General Manager	Chen Hung-Jen										
	Administration Department Vice General Manager and Sustainability Manager (Note1)	Hsu Shun-Chieh										
	CFO and Corporate Governance Manager (Note2)	Yeh Ya-Tung										
	Assistant Manager, Legal and Regulation Department and Quality Assurance Department	Chen Tung-Shun										
	Assistant Manager, Audit Office	Hsieh Yueh-Chu										
	Manager, R&D Department	Chen Yu-Lung										
Employee	Subsidiary General Director of Manufacturing Operations (Note3)	Lu Chih-Chien	688	1.23	585	15.1	8,833.5	1.05	103	15.1	1,555.3	0.18
	Manager	Hsu Yi-Hsiung										
	Manager	Chang Ming-Yi										
	Manager of subsidiary	Chen Tien-Liang										
	Manager of subsidiary (Note4)	Fu Chun-Ming										
	Manager of subsidiary	Wu Yi-Chun										
	Manager of subsidiary	Chen Ping-Yu										
	Deputy Assistant Manager	Huang Li-Chen										
	Deputy Assistant Manager	Lai Min-Sung										
	Deputy Assistant Manager	Yen Pei-Ting										

Note1: On March 13, 2025, the Board of Directors resolved to appoint Mr. Hsu Shun-Chieh as the head of Sustainability Manager.
Note2: On March 13, 2025, the Board of Directors resolved to appoint Ms. Yeh Ya-Tung as the head of Corporate Governance Manager.
Note3: Effective March 1, 2026, Mr. Lu Chih-Chien, formerly serving as Associate Vice President of the subsidiary, has been promoted to General Director of Manufacturing Operations of the subsidiary.
Note4: Mr. Fu Chun-Ming, Manager of the subsidiary, retired upon reaching the mandatory retirement age on March 10, 2026.

VI. Handling of new shares with restricted employee rights: No such situation.

VII. Handling of new share issuance for mergers or the acquisition of shares in other companies: No such situation.

VIII. Implementation status of capital utilization plan: No such situation.

Four. Operational Overview

I. Business Content

(I) Scope of business

1. The main activities of the business
   (1) CF01011 Medical Devices Manufacturing
   (2) F108031 Wholesale of Medical Devices
   (3) F208031 Retail Sale of Medical Apparatus
   (4) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
2. The Company's current main business products and their proportions

Unit: NTD thousand; %

Major products	2024		2025	
	Amount	Ratio	Amount	Ratio
Medical consumables	744,157	100.00	779,015	100.00
Total	744,157	100.00	779,015	100.00

3. The Company's current products and services

The Company is a manufacturer of medical consumables. The product line includes: injection syringes, hemodialysis circuits, infusion sets, blood transfusion sets, precision infusion sets, safety syringes, dialysis fistula needles, scalp needles, blood glucose injectors, blood collection devices, extension tubes, medical masks, and other medical consumables.

4. New products planned to be developed

The Company aims to develop medical devices with high economic value, focusing on the R&D of medical materials that meet clinical market demands. The main R&D team is based in Taiwan, complemented by the product verification team from the Company's subsidiary in Vietnam. Through continuous testing and feedback, both parties aim to achieve vertical integration and work together to reach the expected results. In addition, the Company collaborates with professional regulatory verification personnel for license and patent applications, ensuring that its products are enriched and complete to meet global trends, policy regulations, medical device laws, and international medical device standards. The Company's planned main development directions and products are as follows:

(1) Continuously improve existing products, including safety injection syringes, ester-based safety needle-free medication delivery systems, safety curved needles for cancer treatment, infusion sets, and hemodialysis circuits.
(2) Development of general medical consumables products, such as blood collection needles used in clinical laboratories; nasal cannula and oxygen masks for respiratory care; and epidemic prevention consumables including low-residue vaccine injection needles, medical masks, alcohol wipes, etc.
(3) Development of high-value medical consumables, such as low-residue needle-free connectors for cancer injections and high-pressure valve systems for contrast injection.
(4) Continuously evaluate the development benefits of advanced catheter products, such as extracorporeal circulation catheters and central venous catheters.

The development of the above new products aligns with the Company's core technology in mold forming, and will greatly contribute to the enrichment of the future product line.

(II) Industry overview

1. The current status and development of the industry, as well as various development trends and competitive conditions of the products

(1) The development trends of the global medical device market

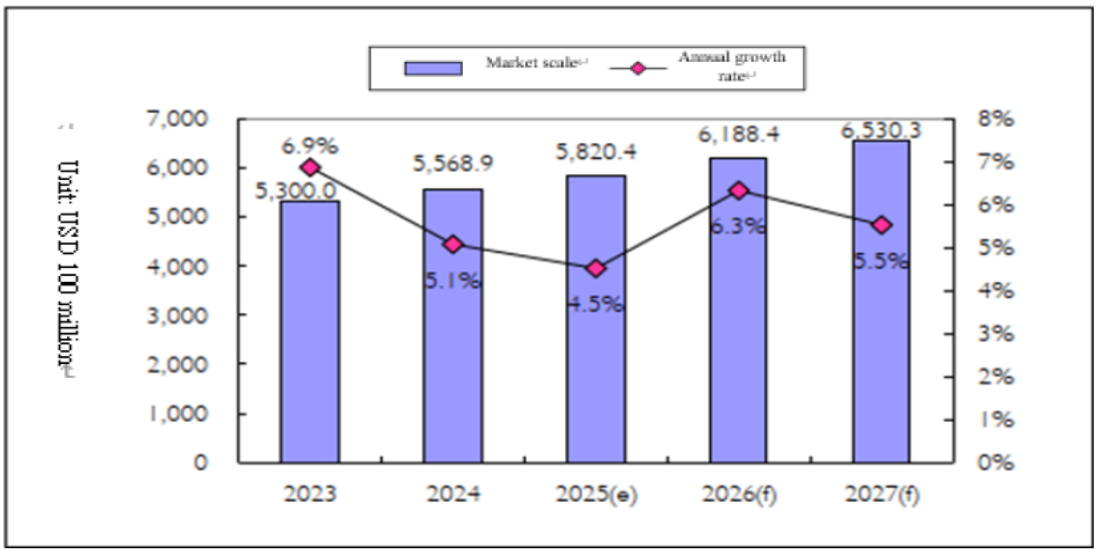
In May 2023, the World Health Organization (WHO) declared the official end of the three-year COVID-19 pandemic, signaling a return to normal healthcare operations. The global medical device industry has since resumed its pre-pandemic strategic deployment. The COVID-19 pandemic accelerated digital transformation in healthcare, with increasing applications of artificial intelligence (AI) and Internet of Things (IoT) technologies in medical devices, particularly in telemedicine, early disease screening, and personalized treatment. Digital transformation has driven the development of smart healthcare and remote services, while AI applications in diagnostics and treatment planning have fostered the rise of precision medicine. Meanwhile, smart wearable devices enable real-time health monitoring, promoting decentralized models of home- and community-based care.

Following the pandemic, demand for infection prevention products has stabilized, and market focus has shifted toward chronic disease management. In 2024, the global medical device market continued to accelerate toward digitalization, personalization, and intelligent solutions. Mergers, acquisitions, and technological investments have further driven industry innovation and overall market growth.

As the impact of COVID-19 continues to diminish, the global medical device market is gradually returning to a steady growth trajectory. The revenue rankings of the world’s top ten

medical device companies in 2024 have shown slight shifts amid structural adjustments and ongoing innovation. Overall, the industry is recovering to its pre-pandemic state, supported by aging population trends and the resumption of routine healthcare services, leading to stable growth in medical demand.

According to a report by BMI Research, the global medical device market reached US$556.89 billion in 2024, representing a year-on-year growth of 5.1% from 2023. The market is projected to grow to US$653.03 billion by 2027, with a compound annual growth rate (CAGR) of approximately 5.5% from 2024 to 2027.



Source: BMI Research (February 2025); Industrial Economics & Knowledge Center, ITRI Industry (June 2025)

Fig. 1. Global Medical Device Market Size Forecast for 2023 to 2027

In 2024, the global medical device market remained dominated by the Americas, accounting for 51.5% of the total market share. This was followed by Western Europe at 24.0%, the Asia-Pacific region at 17.9%, Eastern Europe at 3.8%, and the Middle East and Africa at 2.8%. As the COVID-19 pandemic came under control, countries around the world gradually lifted states of emergency, contributing to a steady recovery of the industry.

However, geopolitical factors—including the Russia–Ukraine War and the Red Sea crisis—have continued to impact global markets. In addition, following the inauguration of Donald Trump in 2024, a series of policies and reforms were introduced under the “America First” agenda. These measures emphasize national security and encourage domestic manufacturing of critical products to ensure U.S. self-sufficiency in essential goods. At the same time, increased tariffs imposed on multiple countries have prompted companies reliant on the U.S. market to adjust their supply chains, thereby directly and indirectly affecting the global supply of medical devices. As a result, market uncertainty has increased, and the responses of affected countries, as well as the broader impact on the global medical device market, remain to be seen.

Previously, the prolonged Russia–Ukraine War led to rising energy and food prices. In 2024, after the European Central Bank raised interest rates to combat inflation, price pressures eased and the eurozone economy experienced modest growth. Meanwhile, increased demand across European markets, rising household real incomes, and support from the European Union recovery fund have further supported economic expansion. In addition, the European Union has passed the AI Act, reshaping the regulatory framework for AI-based medical devices and establishing compliance pathways for high-risk applications, thereby fostering market growth.

Europe, which has one of the highest proportions of aging populations globally, continues to drive demand for healthcare services. In response, Germany has launched a €50 billion transformation fund to promote hospital digitalization and home-based care. In the United Kingdom, following the transition to a new Labour government, the economy has shown moderate recovery, accompanied by expanded healthcare budgets and regulatory reforms for AI-based medical devices, further supporting growth in the medical device market.

A. USA

In 2024, the United States remained the largest single medical device market globally, accounting for 46.2% of the total global market. The U.S. medical device market was valued at US$257.09 billion in 2024, representing an approximate year-on-year growth of 5.4% compared with 2023. The market is projected to reach US$300.69 billion by 2027, with a compound annual growth rate (CAGR) of 5.4% from 2024 to 2027.

The U.S. healthcare market continues to be driven by structural demographic and epidemiological

trends. The aging of the baby boomer generation, combined with persistently low birth rates, has led to a continuous increase in the proportion of the population aged 65 and above. This demographic shift is expected to result in individuals aged 65 and above accounting for more than 20% of the U.S. population by 2032. In addition, the rising prevalence of non-communicable and chronic diseases, including dementia, cardiovascular diseases, diabetes, and certain types of cancer, has contributed to sustained growth in overall healthcare expenditure. The United States continues to record the highest healthcare spending and healthcare expenditure-to-GDP ratio globally.

Against the backdrop of rising healthcare costs and fiscal pressures, the adoption of digital technologies and artificial intelligence in clinical applications continues to expand, while demand for personalized medicine is increasing. These factors are expected to collectively reshape the structure and dynamics of the U.S. healthcare market in the future.

In November 2024, Donald Trump was elected as the 47th President of the United States and assumed office in January 2025. The administration announced a US$500 billion initiative to develop U.S. artificial intelligence infrastructure, led by the "Stargate" project in collaboration with OpenAI, SoftBank, and Oracle. This initiative is expected to attract significant private investment into the U.S. technology sector and generate positive spillover effects for the medical technology (MedTech) industry.

At the same time, the Trump administration's policy direction emphasizes reducing reliance on foreign supply chains through tax incentives and tariff measures, including the imposition of baseline tariffs on imported goods. These policies are expected to create both opportunities and risks for the U.S. medical device market. While deregulation and corporate tax reductions may support research and development and accelerate new product approvals, potential reductions in federal healthcare spending, along with supply chain restructuring triggered by tariff policies, may also impact demand conditions and affordability in the medical device sector.

B. China

In 2024, the medical device market in Mainland China was valued at approximately US$35.94 billion, ranking as the second-largest market globally and accounting for approximately 6.5% of the global market. On a RMB basis, the total market size reached RMB 258.68 billion in 2024, representing a year-on-year growth rate of 8.5%, compared with 2023.

In 2024, the Chinese medical device market continued to recover toward baseline healthcare demand. As hospitals and healthcare institutions resumed normal operations, demand for general surgical procedures and medical furniture–related devices rebounded accordingly.

From a policy perspective, under the 14th Five-Year Plan of China, Mainland China continues to deepen healthcare system reforms. Looking ahead, under the forthcoming 15th Five-Year Plan of China, the government is expected to further advance the integrated development of healthcare services, health insurance, and the pharmaceutical industry. The policy framework also places increasing emphasis on productivity driven by emerging technologies, indicating stronger support for areas such as AI-enabled medical devices, robotic surgical systems, and advanced wearable devices.

Such support is expected to extend across the full product lifecycle—from research and development, through clinical validation, to market access—thereby integrating policy-backed pathways into clinical adoption. Accordingly, the draft of the Medical Device Administration Law, released in 2024, is expected to be formally implemented during the 15th Five-Year Plan period. The legislation will strengthen full lifecycle regulation of medical devices and promote high-quality development of the domestic medical device industry.

C. Germany

Germany is the largest medical device market in Western Europe and ranks third globally, after the United States and Mainland China. In 2024, the German medical device market was valued at approximately US$34.8 billion, accounting for 26% of the Western European medical device market and 6.2% of the global market.

As the economic leader of Europe, Germany has experienced near-stagnation in overall macroeconomic growth due to industrial slowdown and weak external demand. However, the medical device market has remained resilient. Its growth momentum is primarily driven by three structural factors.

First, Germany benefits from a highly advanced and automated manufacturing base, with globally leading companies such as B. Braun and Siemens Healthineers. Second, demographic aging continues to intensify, with more than 22% of the population aged 65 and above. Third, the government has established a €50 billion transformation fund to promote hospital digitalization and home-care services, which has also contributed to the broader growth of the Western European medical device industry.

D. Japan

Japan is the fourth-largest medical device market globally and the second-largest in Asia, after Mainland China. In 2024, the Japanese medical device market was valued at approximately ¥4.0 trillion (around US$26.24 billion). The market is projected to grow at a compound annual growth rate (CAGR) of 11.5% from 2024 to 2027, reaching approximately ¥4.5 trillion (around US$36.34 billion) by 2027.

Japan, the world's third-largest economy, is characterized by a stable democratic system and a diversified industrial structure. Its advanced high-tech manufacturing sector, highly skilled workforce, and low unemployment rate provide a solid foundation for the development of the medical device industry. In addition, Japan has the highest proportion of elderly population globally, driving sustained demand for medical-related products.

In recent years, Japan has faced structural challenges such as population decline, labor shortages, and weakening industrial competitiveness. In response, the government has introduced policies encouraging skilled foreign labor participation and promoting the re-entry of women into the workforce after childbirth, aiming to alleviate labor constraints.

At the same time, advancements in medical technology—particularly the application of artificial intelligence in healthcare—are creating new growth opportunities for the Japanese medical device industry.

E. Taiwan

Driven by global population aging, the rising prevalence of chronic diseases, and increased health awareness following the pandemic, the medical device market continues to expand. Key growth areas include imaging diagnostics, cardiovascular devices, and minimally invasive surgical technologies. In addition, as global demand for precision medicine increases, the industry is gradually shifting toward more highly personalized healthcare solutions. This includes the application of artificial intelligence to enhance diagnostic accuracy and treatment efficiency, as well as the development of wearable devices and remote monitoring systems to support home-based patient care.

In Taiwan, President Lai Ching-te has proposed the establishment of the "Healthy Taiwan Promotion Committee" following his inauguration, along with the implementation of the "Healthy Taiwan Deepening Plan." The initiative integrates National Health Insurance (NHI) big data with AI and 5G technologies, and advances 18 targets across four key domains to promote the sustainable development of the healthcare system.

These efforts aim to strengthen vertically integrated and tiered healthcare delivery, enhance the core value of healthcare professionals, and leverage smart technologies to optimize medical care processes and efficiency, thereby improving overall public health and well-being. In 2025, under the national development blueprint "National Project of Hope – Building a Healthy Taiwan," the "Healthy Taiwan Deepening Plan" was formally launched, focusing on four strategic pillars: improving healthcare working conditions, developing diversified talent training programs, integrating smart healthcare technologies, and advancing socially responsible and sustainable healthcare.

Through systematic reforms, the plan seeks to comprehensively enhance the healthcare system, strengthen life-course health management, and align Taiwan with global trends in healthcare sustainability. Ultimately, it aims to position Taiwan as one of the most advanced healthcare systems in the Asia-Pacific region.

(2) Industry development and future trends

A. Industry development

The "other medical devices" segment comprises a wide variety of product categories. With rising global demand for medical devices, Taiwanese manufacturers have increasingly pursued industrial transformation in response to market dynamics and intensifying competition. In recent years, companies have actively shifted toward the development of higher-value-added and higher-margin products with greater technological sophistication.

For example, Bioteque Corporation and Pacific Hospital Supply Co., Ltd. have focused on the development of advanced, high-margin catheters, expanding clinical applications and strengthening product competitiveness. Similarly, companies such as BenQ Materials Corporation, Oriental Yeast Co., Ltd. (Taiwan operations), Concare Biotech Co., Ltd., and Anscare Co., Ltd. have concentrated on upgrading wound care product technologies, with a focus on advanced moist wound dressings and antimicrobial dressings, thereby enhancing export momentum in this segment.

In addition, several manufacturers have expanded production capacity through new plant investments and improvements in manufacturing process management. Some companies have also relocated production of lower-margin products to countries with lower manufacturing costs. For instance, Wellgreen Medical Co., Ltd. invested in the expansion of its Changhua facility, while

Pacific Hospital Supply expanded its Tongluo plant. Bioteque Corporation has shifted production of hemodialysis-related products—including blood tubing sets, puncture needles, and other key components—to its lower-cost facility in the Philippines, while its Taiwan operations focus on higher-margin TPU catheters and medical fluid bags. Meanwhile, Pou Sheng Industrial Co., Ltd. has established production facilities in Vietnam, while retaining its Taiwan base for mold development and product design.

Through continuous strengthening of core technologies and cost management, Taiwanese manufacturers have mitigated competitive pressures from emerging markets and enhanced their global competitiveness. Export performance has demonstrated steady growth over the years, underscoring Taiwan's competitive advantage in the export of other medical devices.

B. Future trends

The World Health Organization estimates that by 2030, the global healthcare workforce will face a shortage of approximately 10 million professionals. The Organisation for Economic Co-operation and Development further indicates that an additional 3 million healthcare and long-term care workers will be required to sustain global healthcare systems.

At the same time, demographic aging is driving a continuous increase in the prevalence of chronic diseases worldwide. Taking diabetes as an example, while the global population is expected to grow by approximately 20% between 2021 and 2030, the number of diabetes patients is projected to increase by as much as 46%. Accordingly, global healthcare expenditure as a share of GDP is expected to continue rising, placing significant fiscal pressure on governments. In response, the WHO has actively advocated the concept of an "Enabling Society," encouraging developed countries to adopt innovative technologies that reduce unnecessary healthcare spending and improve the efficiency of healthcare delivery systems.

In addition, the United Nations Sustainable Development Goals (SDGs) have identified "ensuring healthy lives and promoting well-being for all ages" as a key objective. Governments worldwide are therefore increasingly investing in technological development across multiple sectors to improve population health outcomes.

Overall, the global health and well-being industry is evolving along three major trends: (1) the development of enabling technologies to reduce healthcare labor burdens; (2) the advancement of home-based healthcare solutions to support aging-in-place; and (3) the increasing emphasis on social participation, lifelong learning, and re-employment opportunities for elderly populations. A range of solutions addressing these trends has already emerged, accelerating the adoption of elderly care technologies.

In addition, in response to increasingly stringent carbon reduction requirements in European and U.S. markets, domestic manufacturers are actively investing in process optimization and automation, adopting low-carbon technologies to enhance operational efficiency and production capacity while complying with international green standards. In terms of technological transformation, companies are focusing on high-value medical devices, such as advanced catheter consumables and smart wound care dressings. Through material upgrades and expanded clinical applications, they aim to improve product margins and market differentiation, strengthening their position in an increasingly competitive global market.

As a result, the global economy is rapidly transitioning toward a net-zero emissions and smart healthcare era. Increasing international decarbonization pressures and digital transformation trends are driving manufacturers to adopt artificial intelligence and smart manufacturing technologies to enhance production flexibility and supply chain resilience in response to evolving geopolitical and policy environments.

Rising geopolitical risks and intensifying trade barriers have also increased Taiwan's reliance on imported raw materials in the medical device industry, particularly in areas related to cost control and access to critical technologies. To strengthen supply stability and reduce external dependence, domestic manufacturers are actively pursuing medical-grade certification of raw materials and promoting localized production, further integrating upstream and downstream resources to build a more autonomous and resilient local supply chain.

Overall, driven by both U.S. policy shifts and global industrial transformation, Taiwan's medical device industry is expected to adjust its operational strategies by combining technological innovation with strategic positioning to ensure sustained competitiveness and stable long-term development in the international market.

(3) Correlation among the upstream, midstream and downstream sectors in the industry

Upstream: The raw materials used by Perfect Medical meet medical-grade standards and are tested for compliance, with imports from Taiwan or countries such as Europe, the United States, and Japan. All other materials and components are also required to pass quality inspections, ensuring that delivery, production volume, and quality are well coordinated.

Midstream: This includes medical device research and manufacturers, safety standard testing, clinical medical testing, mold development/injection molding machines/extrusion machines, automated production machinery, and assembly lines, including those used by the Company. The products produced by each machine are rigorously tested and inspected, all in compliance with ISO standards.

Downstream: In collaboration with domestic and international distributors and agents, a strong distribution and service network is established, reaching various clinics and hospitals. Medical masks are sold through e-commerce platforms or pharmacies, covering a wide range of industries. The brand's recognition continues to grow.

(4) Various development trends and competitive conditions of the products

The analysis, development trend and competitive landscape for Perfect Medical product are shown in the table below:

Product category	Product analysis and future trends		Competitive conditions
	Analysis of the current status	Future development trends	
Safety syringe	The product has a more sophisticated structure, and there are few manufacturers that have introduced it into mass production.	The future trend is moving towards high safety and ease of operation.	Domestic manufacturers produce few of these products. The Company will respond by incorporating more automation equipment and developing new molds to reduce costs.
Precision pipes	This involves extrusion technology for tubular products, with a higher level of technical expertise and higher machine equipment costs. The number of competing manufacturers is relatively low.	Precision pipes are trending toward high quality and high precision.	Perfect Medical will enhance quality and technology to cope with competition from other manufacturers.
Drug pouches	Taiwan has only one manufacturer, and it belongs to a blue ocean market.	The demand for drug pouches is gradually growing each year.	The Company will develop high-quality drug filling soft pouches and introduce fully automated production equipment to capture the Taiwanese drug pouch market.
Masks	Due to the widespread prevalence of COVID-19, market demand has decreased.	Designs with multiple colors and styles will gradually become the mainstream choice for consumers.	Production will focus only on items with stable sales to maintain product quality.
Chemotherapy injection/infusion products	It is a high-tech product, with most products currently imported from abroad, and there are few competitors in Taiwan.	The demand for cancer treatment in Taiwan continues to increase, making it a key area actively expanded by hospitals.	Currently, this type of product is concentrated in two foreign companies, BD and ICU. The Company plans to launch various product series in the next two years to capture the Taiwanese market.
Blood collection and testing products	It is a high-tech product, with most products currently imported from abroad, and there are few competitors in Taiwan.	The future trend is moving towards high safety and ease of operation.	Currently, this type of product is concentrated in two foreign companies. The Company plans to launch various product series in the next two years to capture the Taiwanese market.
Respiratory products	These are mature products, with little difference in functionality and appearance among brands, resulting in competitive market pricing.	With the trend of rising labor costs in Taiwan, Taiwanese-made brands will face pressure on their costs.	Respiratory products are complex and difficult to automate, requiring significant manual assembly. However, the employees at the Company's Vietnam plant already have extensive assembly experience with circuits, giving it a significant advantage in labor costs for these products.

(III) Technology and R&D overview

1. The technical level of the Company's business operations

The Company's main products currently include plastic injection syringes, infusion sets, precision infusion sets, blood transfusion sets, blood circulation circuits, extension tubes, and other related consumables. The market share of these products ranks among the top three domestically. Its core precision manufacturing technologies—high-speed precision pipe extrusion, micro-component injection molding, ultrasonic welding, and precision multi-cavity mold production—have accumulated a wealth of experience and capabilities. These strengths make the Company highly competitive in terms of production capacity, quality, and product diversity. In the future, by leveraging the accumulated manufacturing capabilities and integrating them into automated production lines, the Company aims to further enhance quality and reduce costs. Additionally, the Company will seek to secure OEM/ODM partnerships or strategic alliances with international industry leaders, accelerating revenue growth. The following is an introduction to the distinctive features of the Company's process technology:

Technology	Features
High-speed precision pipe extrusion (HS-PPE)	The PVC medical pipe produced by the Company's production line has a tolerance that can be controlled within ±0.05mm, and it features high-speed production capabilities. The production speed is three times that of traditional medical extrusion production lines.
Micro injection molding (MIM)	It is primarily used for producing small, precision medical injection parts. Its key feature is the ability to precisely control the accuracy and smoothness of the molded parts, making it an essential technology for the production of precision infusion sets. The micro-needles produced using this process can precisely control the drip rate, meeting the exact infusion requirements.
Ultrasonic welding (UPW)	Ultrasonic welding of thermoplastics is a welding technique that uses ultrasonic vibrations to rapidly melt the contact surfaces of two plastic components. The welding strength is close to that of the original material, offering advantages in quality, strength, and cost compared to manual bonding.
Precision multi-cavity mold production	Perfect Medical has accumulated over 20 years of experience in precision medical multi-cavity mold manufacturing. For products with high annual production demand, the number of cavities is a key factor in investment return rate. Perfect Medical has the capability to design and manufacture precision injection molds with 64 cavities, capable of achieving an annual production volume of over 100 million injection parts.
Introduction of ester-resistant materials	Perfect Medical has successfully developed ester-resistant materials, which can be used in high-strength cancer drug injection products, such as three-way valves, drug infusion connectors, and safety needles. This technology is key to entering the chemotherapy injection product market in the future.

2. R&D status

With years of experience in the medical equipment industry, Perfect Medical Industry not only listens to customer feedback but also continues to research and develop to provide users with safer and more user-friendly medical products for their operations. In recent years, the Company has closely collaborated with academic research institutions and medical centers for technical discussions and strategic alliances. We continuously introduce key technologies from both domestic and international sources and participate in the government's SBIR innovation program to rapidly enhance our R&D capabilities. The various research and development initiatives are outlined as follows:

(1) Precision injection - Micro residue injection technology

This technology, developed by the Company specifically for precision injection needs, significantly enhances the injection accuracy of valuable medications and potent chemotherapy drugs. Its design is simple and reliable, allowing for mass production. Among these, the needle-free micro residue connector product has received CITD subsidy funds from the Ministry of Economic Affairs in 2023 and has been granted a new patent.

(2) Cancer injection - Telescopic safety needle

This safety needle, exclusively developed by the Company for cancer injections, is a result of a collaborative development project with a medical center and academic institutions. It has received the 2022 Central SBIR grant and an invention patent, and in 2023, it was honored with the Taiwan Excellence Award.

(3) Safety injection - Side cover safety bi-directional blood collection needle

This safety needle, exclusively developed by the Company for blood collection, addresses the current market gap where only one foreign manufacturer offers similar products. Perfect Medical has developed a rapid judgment visualized blood collection chamber. This design offers

unique features not available in current market products and was developed through market research to best meet the needs of healthcare professionals. The development project is a collaboration with medical centers and academic institutions, and it has received the 2024 CITD Ministry of Economic Affairs grant and a new patent.

(4) Long-term care silicon pipe products

With the development of long-term care, invasive tube products such as nasogastric tubes, urinary catheters, and suction catheters are gradually being made from silicone materials based on the concept of patient-friendly palliative care, allowing for long-term use and preventing the pain and infection caused by repeated insertions. The Company has already started evaluating the development of silicone-based products and will further research the application of antimicrobial coatings on the outer layer to prevent patient infections.

3. Research & development expenses

Unit: NTD thousand

Items \ Year	2025	As of March 31, 2026
R&D expenses	15,831	1,941
Net operating revenue	779,015	223,809
Percentage (%)	2.03	1.73

4. Successfully developed technologies or products

March 31, 2026

Year	Successfully developed technologies or products
2022	Obtained Taiwan Invention Patent - Safety Needle. Obtained Taiwan Invention Patent - Pull-Up Safety Needle. Obtained Taiwan Utility Model Patent - Replaceable Needle and Low-Residual Syringe Structure. Obtained Taiwan Utility Model Patent - Safety Needle. Obtained Taiwan Utility Model Patent - Medical Connector.
2024	Obtained Taiwan Utility Model Patent - Blood Collection Needle.

(IV) Long-term and short-term business development plans

1. Short-term business development plans
   (1) Maintain existing channels and actively promote safety products to increase the market share of related consumables.
   (2) Strengthen quality control to gain customer trust in the Company's products.
   (3) Control costs to respond to market prices.
   (4) Additionally, actively seek distribution opportunities for medical consumables required by other medical specialties, with the aim of developing a diversified product sales business.
2. Mid-term business development plans
   (1) Expand and increase the transaction volume in the ASEAN market, such as in the Philippines, Pakistan, Vietnam, Indonesia, etc. With a large population, rapid economic growth, and rising national income, the potential for the dialysis market in ASEAN countries is vast.
   (2) Expand the R&D of new products, such as needle-free sets and safety needle series products.
   (3) Supply OEM production for large manufacturers and enhance product quality to meet international standards.
   (4) Engage in ODM design and manufacturing of high-end products in collaboration with European and U.S. clients, thereby enhancing the value and technological barriers of future affordable product offerings.
   (5) Strengthen efforts to expand into the European, American, Indian, and South American markets, while securing sales channels.
3. Long-term business development plans
   (1) Integrate upstream and downstream medical resources externally, develop competitive new medical products, increase cross-industry strategic partners, and continuously expand medical channels. Expand from the domestic market to Asia, laying the foundation for long-term profitability. Internally, continue to streamline the organization, reduce various administrative and sales costs, and improve operational performance.
   (2) Global development to expand product sales regions.
   (3) Continuously strengthen brand marketing.

II Market and production and sales overview

(I) Market analysis

1. Sales regions of major products

Unit: NTD thousand; %

Sales region	2024		2025	
	Amount	Ratio	Amount	Ratio
Domestic sales	477,700	64.20	482,266	61.91
Export sales	266,457	35.80	296,749	38.09
Total	744,157	100.00	779,015	100.00

2. Market share

(1) Domestic sales market:

The Company's primary sales region is Taiwan, accounting for approximately 61.91% of the Group's consolidated revenue. Since there is no available sales data for each product category in the domestic market, based on the 2025 Medical Device Industry Yearbook, the import value of other medical devices in Taiwan for 2024 was approximately NTD 18.77 billion. With an average annual growth rate of 7.2% from 2020 to 2024, it is estimated that the import value of other medical devices in Taiwan for 2025 will be approximately NTD 20.12 billion. The Company's estimated domestic medical consumables revenue for 2025 is approximately NTD 480 million, yielding an estimated market share of about 2.4%.

(2) Export sales market:

The Company's export sales markets cover Europe, the Middle East, Southeast Asia, Northeast Asia, and other regions. In each of these markets, there are competing products, making it difficult to gather market share information for each country.

3. Future market supply and demand and growth potential

(1) According to a report by BMI Research, the global medical device market was valued at US$556.89 billion in 2024, representing a 5.1% increase compared with 2023. The market is projected to reach US$653.03 billion by 2027, with a compound annual growth rate (CAGR) of approximately 5.5% from 2024 to 2027, reflecting the ongoing global aging population trend.

(2) With the increase in the elderly population and the rising prevalence of chronic diseases such as obesity, diabetes, and hypertension, along with changes in dietary habits, Taiwan now has the highest rate of dialysis globally. The number of dialysis patients has increased by approximately 79,000 to 80,000 people annually in recent years. Furthermore, the improvement in medical standards has increased the survival rate of dialysis patients, with nearly half of the prevalent patients undergoing dialysis for 5 years or more. As a result, the demand for kidney disease treatment and dialysis consumables continues to grow.

In summary, with the aging population, rising global economic standards, and widespread access to healthcare, the industry is poised for growth. Therefore, it can be expected that the global medical industry will exhibit a steady growth trend.

4. Competitive Advantages

(1) The Company’s primary production base is located in Vietnam, benefiting from a cost advantage in labor. In addition, the Company’s Vietnam Phase II plant commenced production and sales of finished goods in the second half of 2025. Automated production processes have also been introduced to enhance operational efficiency and reduce labor costs.

(2) Actively engage in technical collaboration and OEM/ODM negotiations with international major manufacturers, introducing their management techniques and quality assurance standards to ensure that both quality and pricing remain competitive.

(3) The Company is a professional medical device manufacturer that has passed CE MARK, GMP, and FDA factory inspections. Not only can our products be sold domestically, but they can also be officially promoted abroad. Each year, the Company actively participates in major medical exhibitions in regions with significant market opportunities. Our products not only meet international quality standards but also help establish a high level of brand recognition.

5. Favorable and unfavorable factors for future development and countermeasures

(1) Favorable factors

① Complete patent layout

For the products that the Company has developed and plans to develop, a complete patent layout has been established. The status of patent applications and acquisitions can be referred to in the aforementioned list of "Successfully developed technologies or products".

② Cooperation with international medical corporations

The Company meets the high-quality standards of international medical corporations and has successfully entered the supply chain of major global medical manufacturers, with products

being sold to various countries through these international corporations.

③ Industry-academia collaboration for new product development

The Company has established industry-academia collaboration, fostering relevant talent and seeking support from academic research institutions to accelerate the R&D timeline.

(2) Adverse Factors and Mitigation Measures

For the advancement of the global medical device industry, the Company will face and need to overcome issues such as:

	Unfavorable factors	Countermeasures
1	Medical devices are directly related to human health and safety and are therefore subject to stringent regulatory requirements in all jurisdictions. Regulatory frameworks and standards vary across countries (such as U.S. FDA requirements, EU CE certification, and Taiwan's TFDA regulations) and are continuously updated. As a result, the Company faces significant compliance pressure and increased costs in pre-clinical testing, regulatory approvals, product registrations, and cross-border trade activities.	The Company strictly complies with relevant international standards and regulations, maintains rigorous control over its manufacturing processes, and implements comprehensive quality assurance measures to ensure consistent product quality. In addition, the Company has obtained certifications in accordance with applicable international standards to meet customer requirements and achieve customer satisfaction.
2	The lengthy product regulatory certification process and the difficulty in obtaining market authorization, along with countries protecting the development of their local medical device industries, make it challenging for foreign manufacturers to enter due to the complex medical laws and regulations.	Foreign customers accelerate the process of obtaining permits and sales certifications with the assistance of distributors and agents.
3	The lenient regulations and patent reviews in emerging markets make it easier for R&D technologies, as well as manufacturing processes, to be replicated.	By enhancing product technology, focusing on the development of new materials, and improving functionality and material quality, the Company ensures continuous product development that is difficult to replicate.

(II) Important uses and production processes of major products

1. Use of products

(1) Plastic syringe: Used for injecting medication into patients or drawing fluid from the body.

(2) **Infusion Sets and Blood Transfusion Sets:** These devices are used for the intravenous administration of medications, blood, or for replenishing fluids, nutrients, electrolytes, and other essential substances required by the patient. They function as transfusion systems that deliver liquid from a container into the venous system via a needle or catheter inserted into a vein, facilitating rapid infusion of blood or intravenous solutions into the body. These products are widely used across clinical departments, including emergency and operating rooms, for urgent blood transfusion and infusion applications. (3) Blood transfusion set: A transfusion device that inserts liquid from a container into the venous bloodstream through a needle or catheter, helping blood and fluids enter the body as quickly as possible. Suitable for emergency blood transfusion and fluid infusion in clinical departments such as the emergency department and operating rooms.

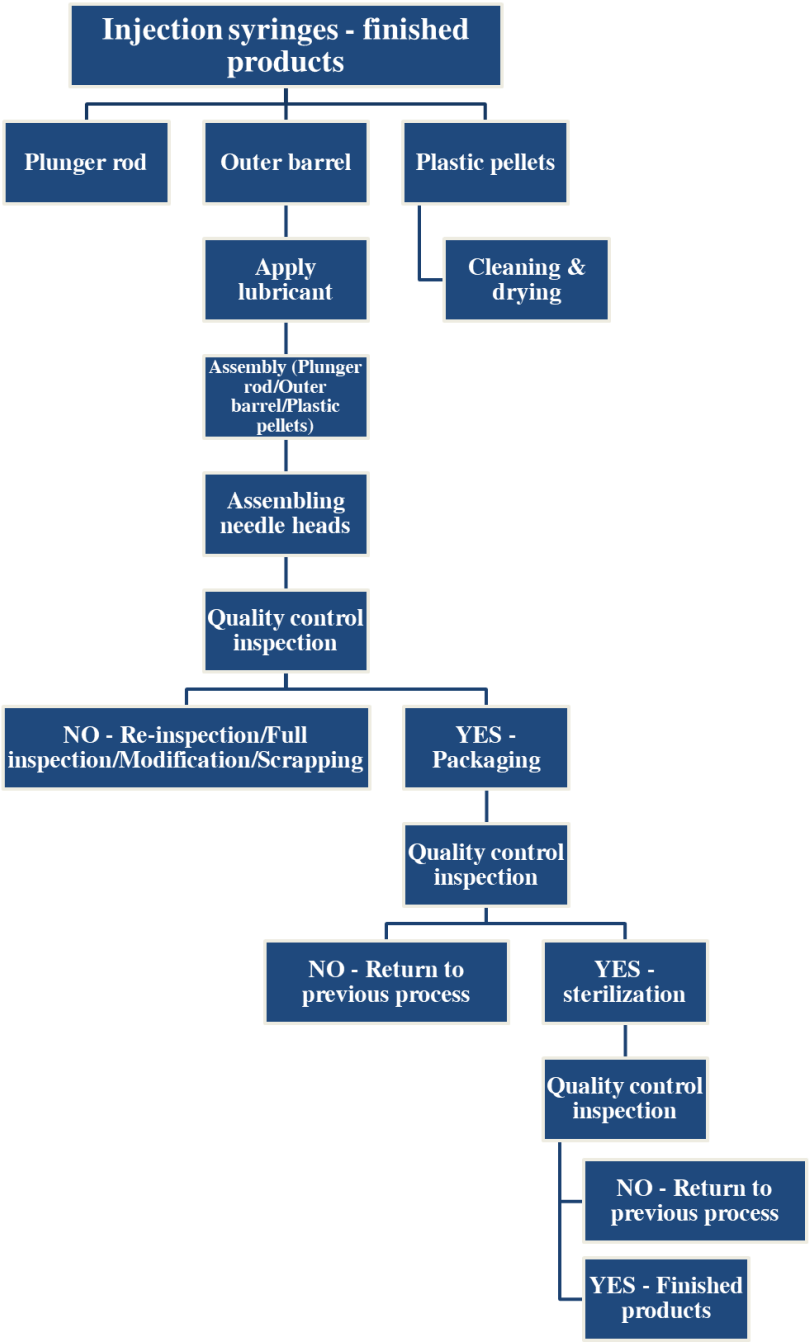
(3) Blood circuit: Provides a pathway to access the patient's blood for hemodialysis or other chronic treatments, used to treat kidney failure or kidney toxicity, primarily in conjunction with dialysis circuit catheters. Before dialysis, it functions as a lubricating catheter, removing air from the catheter and bacteria adhering to the inner walls of the tube. After dialysis, the flushing set is used to clean the catheter and return any remaining blood within the catheter back to the body.

(4)Extension pipe: A catheter used in conjunction with intravenous infusion devices to extend usage, serving as a component of the intravenous injection system or for easy addition of medication, enhancing the safety and convenience of intravenous injections.

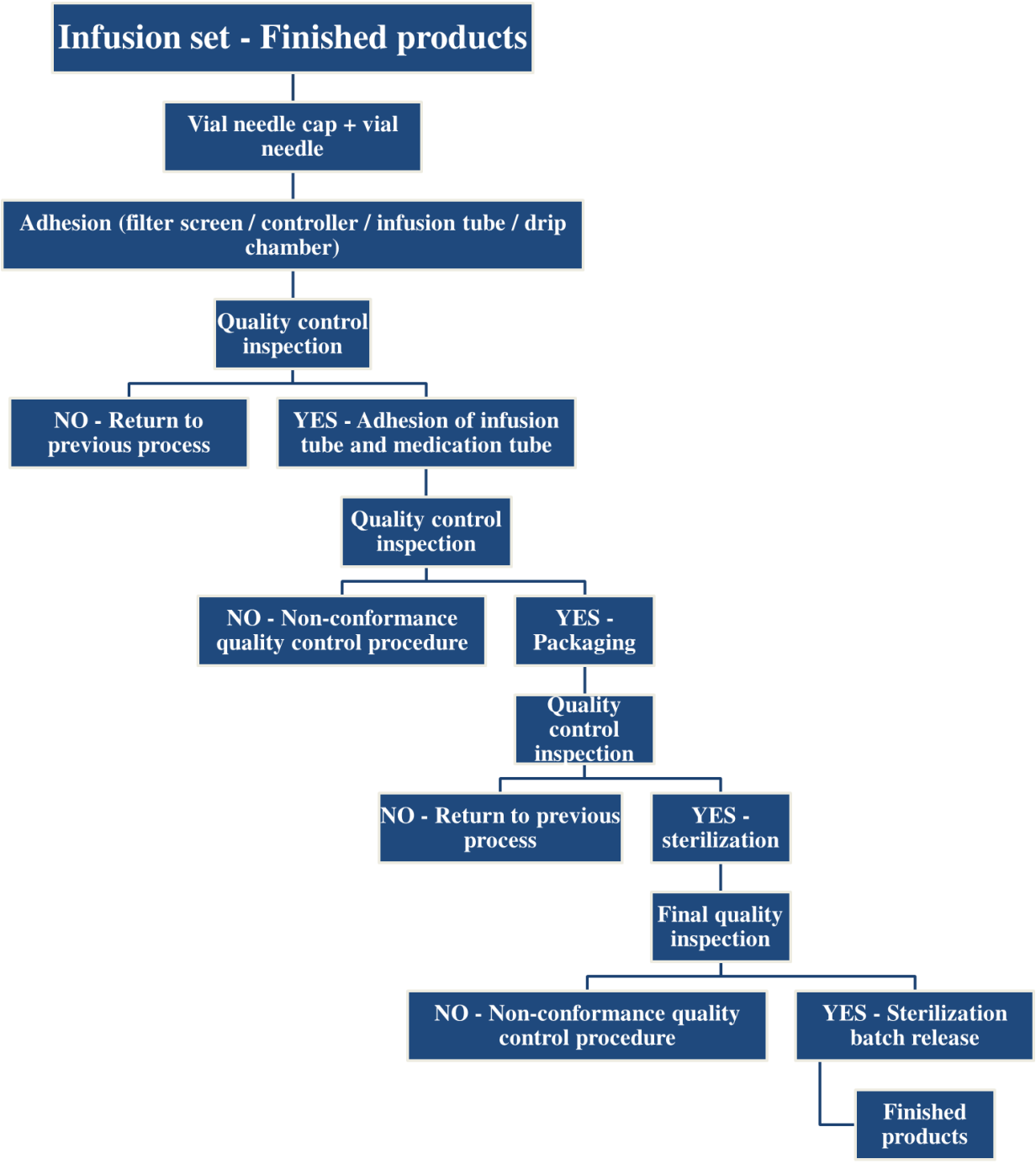
(5) Mask: Used to prevent the transmission of microorganisms and particulate matter between patients and healthcare personnel.

2. Production processes of major products:

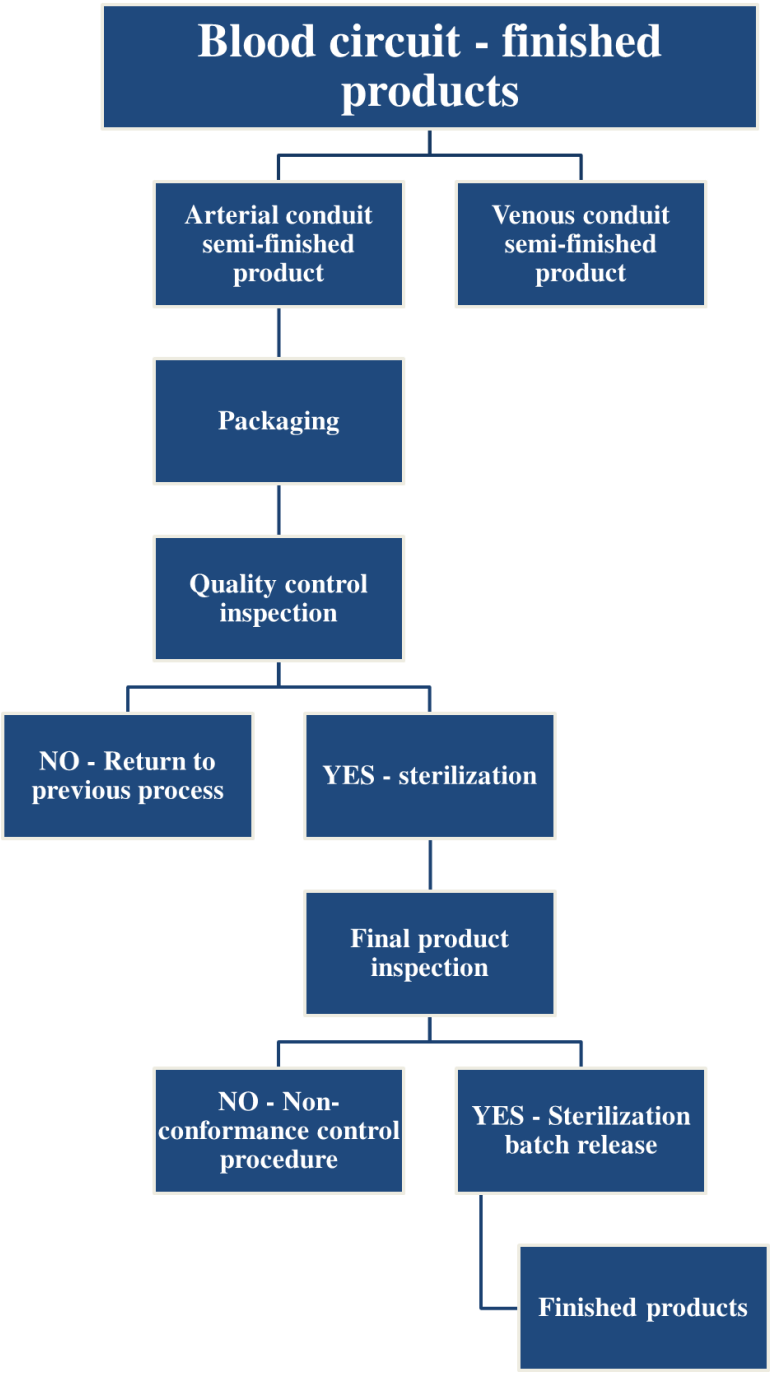
(1) Plastic syringe: Molding → Printing → Assembly → Packaging → Sterilization



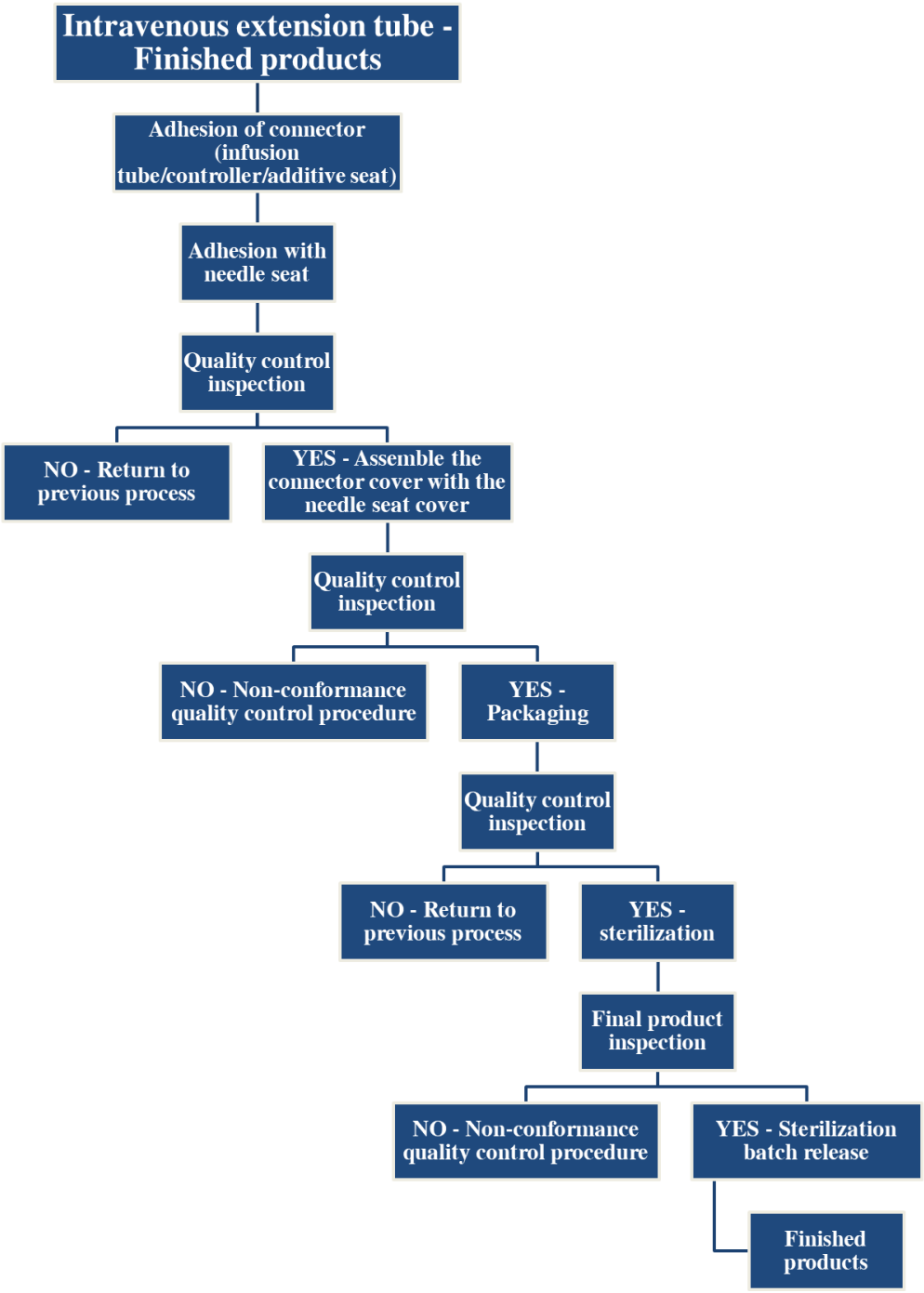
(2) Infusion set and blood transfusion set: Molding → Bonding → Packaging → Sterilization



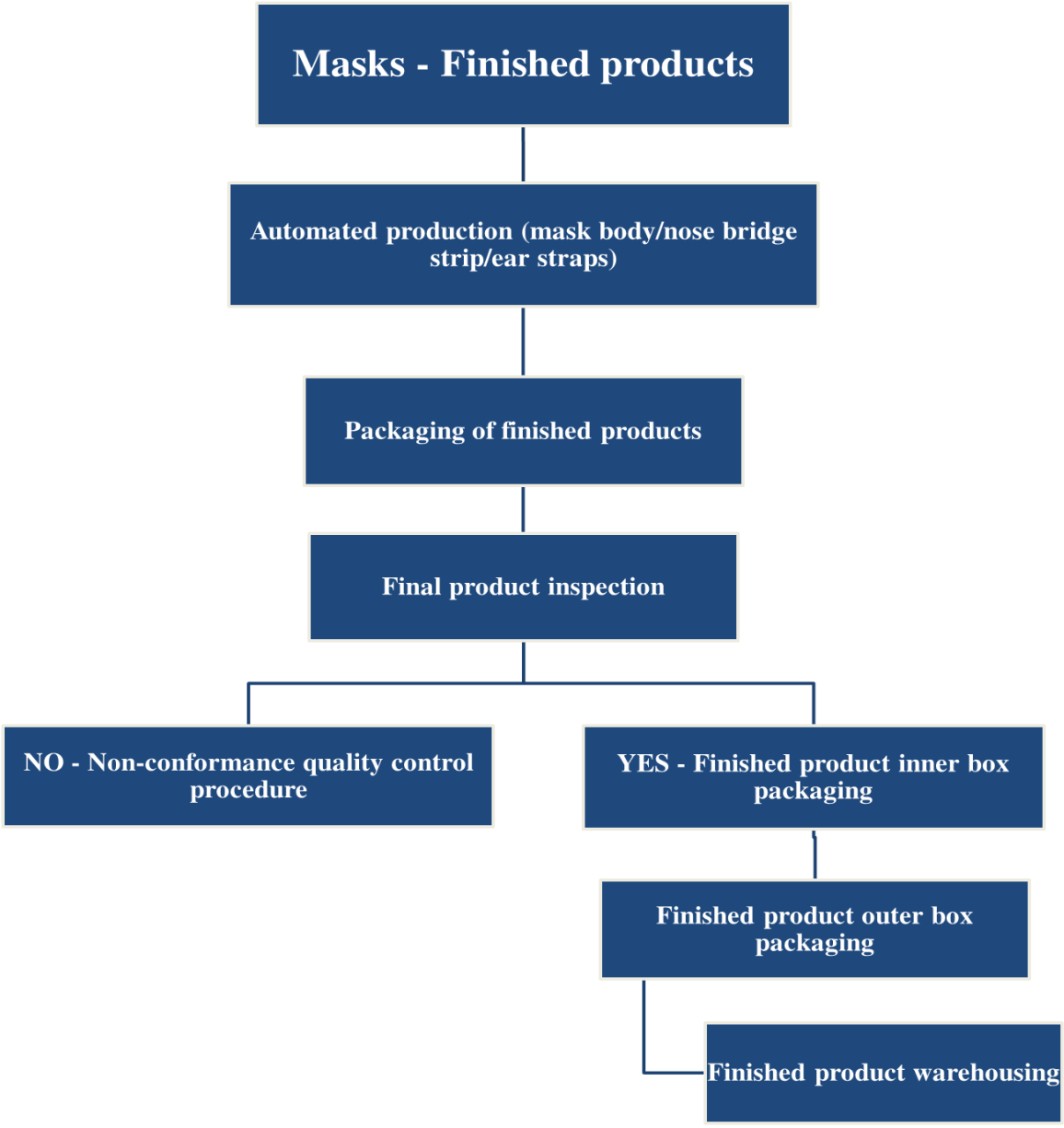
(3) Blood circuit: Molding → Bonding → Packaging → Sterilization



(4) Extension pipe: Molding → Bonding → Packaging → Sterilization



(5) Mask: Molding → Welding → Fixing → Packaging



(III) Supplying status of main raw materials: The main raw materials include plastic pellets, various plastic components, and packaging paper rolls, which are sourced from qualified domestic and international suppliers. The suppliers and sources of goods are abundant, ensuring a sufficient and stable supply.

(IV) List of major suppliers and customers

1. The name of any supplier who accounted for more than 10% of the total purchase amount in either of the past two years, along with the purchase amount and proportion, and an explanation of the reasons for any increase or decrease in the amounts:

Unit: NTD thousand; %

Items	2024				2025			
	Name	Amount	As a percentage of net purchase of the year	Relations with the issuer	Name	Amount	As a percentage of net purchase of the year	Relations with the issuer
1	Company J	45,332	16.40	None	Company J	49,663	17.56	None
2	Others	231,006	83.60	-	Others	233,218	82.44	-
	Net purchase	276,338	100.00	-	Net purchase	282,881	100.00	-

Note: The variation in procurement is mainly due to differences in plastic pellet demand, leading to slight fluctuations in purchase quantities.

2. The name of any customer who accounted for more than 10% of the total sales amount in either of the past two years, along with the sales amount and proportion, and an explanation of the reasons for any increase or decrease in the amounts:

Unit: NTD thousand; %

Items	2024				2025			
	Name	Amount	As a percentage of net sales of the year	Relations with the issuer	Name	Amount	As a percentage of net sales of the year	Relations with the issuer
1	Customer Jia	93,762	12.60	None	Customer Jia	65,202	8.37	None
2	Others	650,395	87.40	-	Others	713,813	91.63	-
	Net sales	744,157	100.00	-	Net sales	779,015	100.00	-

Note: The variation in sales is primarily due to increased customer demand for infusion sets and an adjustment in selling prices.

III. Employee data for the most recent two years and up to the publication date of the annual report

March 21, 2025

Year		2024	2025	As of March 31, 2026
Number of employees	Direct employees	743	772	708
	Indirect employees	221	283	220
	Total	964	1,055	928
Average age		36.57	37.87	36.78
Average years of service		8.09	7.91	8.23
Education background distribution ratio (%)	Ph.D.	-	-	-
	Master's degree	0.93	0.76	1.08
	Bachelor’s degree	14.63	14.50	16.16
	High School	32.57	35.45	31.68
	High school level or below	51.87	49.29	51.08

IV. Information on environmental protection expenditure

For the most recent year and up to the publication date of the annual report, please disclose any losses incurred due to environmental pollution (including compensation and violations of environmental regulations based on environmental protection inspections). This should include the disposition date, disposition number, violated regulation articles, details of the violated regulations, and the content of the disposition. Additionally, disclose any estimated amounts related to potential future incidents and the countermeasures to address them. If it is not reasonably possible to estimate, provide an explanation of the facts preventing a reasonable estimation: No such situation.

V. Labor-management Relations

(I) The Company's various employee welfare measures, continuing education, training, retirement system, and their implementation status, as well as agreements between labor and management and the maintenance of employee rights and benefits:

1. Company welfare-related measures

(1) Implementation of incentive system

Items	Items	Description
1	Outstanding Employee rewards	If the incident is verified as true or there is concrete evidence, recognition in the form of major merit, minor merit, or commendation along with bonuses is conferred based on the degree of excellence
2	Sales bonus	Sales bonuses are awarded for achieving sales targets.
3	Proposal bonus	Different rewards are given based on the proposal content and the achieved benefits
4	Year-end bonus	Year-end bonuses are distributed based on the Company's annual business performance
5	Performance bonus	Performance bonuses are awarded based on individual employee work performance
6	Salary adjustment	Employee salaries are adjusted based on individual work performance
7	Employee stock subscription	Employee stock options are granted according to the stock subscription plan
8	Employee remuneration	In accordance with the Company's Articles of Incorporation, based on earnings before tax each year, the Board of Directors shall propose to allocate employee remuneration at no less than 2% to 10%.

(2) Implementation of employee welfare measures:

Items	Company	Items	Employee Welfare Committee
1	Employee health checkup	1	Monetary gifts for weddings, funerals, and celebrations
2	Employer liability insurance	2	Birthday gift money, Labor Day gift money, Mid-Autumn Festival gift money
3	Employee purchase discounts	3	Year-end banquet lottery draw
4	Monetary gifts for weddings, funerals, celebrations, and childbirth	4	Employee travel
5	Birthday gift money, Labor Day gift money, Mid-Autumn Festival gift money	5	Employee banquets
6	Sponsorship funds for the year-end banquet lottery draw		
7	Employee travel subsidies		

2. Continuing education and training-related measures

To enhance work quality and efficiency, the Company provides new employee training and internal on-the-job training. Additionally, each department allocates an annual budget for external training.

3. Retirement system-related measures

The Company allocates 6% of the employee's monthly insured salary to the labor pension personal account to ensure the employee's livelihood after retirement.

4. Labor-management agreement

Adhering to the principle of caring for and supporting employees, the Company adopts a two-way communication approach for policy promotion, addressing employee concerns, and counseling. Regular labor-management meetings are held to achieve "mutual cooperation", "quality improvement", "enhancement of employee skills", "improvement of labor conditions", "protection of labor rights", "promotion of employee welfare", "care for employee well-being", and "assistance in the government's policy implementation".

5. Labor-management agreements and measures for the protection of employee rights and benefits

An Employee Welfare Committee is established in accordance with the law to oversee the management of employee welfare funds, including allocation, safekeeping, usage, and related matters as specified by relevant laws. After the implementation of the Labor Pension Act, the employer contributes 6% of the employee's monthly wage to the employee's personal pension account as per the regulations of the Labor Pension Act. Additionally, employees may voluntarily contribute within the 6% of their monthly wage.

Serving as a bridge for communication between labor and the Company, the maintenance of employee rights and the implementation of welfare systems are based on legal regulations.

(II) For the most recent year and up to the publication date of the annual report, the Company discloses any losses incurred due to labor disputes, along with estimated amounts and measures to address potential future occurrences. If a reasonable estimate cannot be made, the facts explaining the inability to estimate should be stated: No such situation.

VI. Cybersecurity Management:

(I) Description of the cybersecurity risk management framework, cybersecurity policies, specific management plans, and resources allocated to cybersecurity management:

1.Information security organization

The Company has designated personnel responsible for monitoring cybersecurity and closely follows developments in computer and network technology to effectively identify potential risks. Through regular reviews and assessments of the information management control cycle, the Company ensures its appropriateness and effectiveness. Additionally, legal network security software is purchased to enhance security and response capabilities.

2. Establish an information security organization

(1) Network security management: External networks are isolated by next-gen physical firewalls. Employees working externally must connect to the internal network through secure channels, and third-party penetration testing is periodically conducted to assess network security.

(2) System access control: Users accessing the ERP system or service hosts must adhere to password principles, including password complexity, and regularly update their passwords. Access to company network folders is controlled through permission settings. The email system is equipped with spam filtering (SPAM) and file size restrictions. External browser access to emails is not allowed, and third-party social engineering drills are occasionally conducted to enforce information security policies.

(3) Virus protection and management: All company servers and computers must have antivirus software installed and implement next-gen risk assessment along with next-gen endpoint detection and response (EDR) to detect, investigate, and respond to abnormal activities on endpoint devices.

Firewall firmware updates are performed quarterly or semi-annually according to the firmware versions released by the manufacturer.

(4) Ensuring system availability: Next-gen backup software is used to regularly back up important databases and application hosts. Remote access is conducted via VPN connections, with mandatory multi-factor authentication enabled, and employee information security awareness is reinforced.

(5) Computer equipment security management: A remote backup mechanism is used to reduce the disaster risks caused by natural or man-made events. Third-party disaster recovery drills are conducted regularly to ensure that IT systems supporting critical business functions can quickly resume normal operations after an interruption.

3. Specific management plan and resources for investment security management

(1) The Company's audit unit incorporates cybersecurity inspection controls into the annual audit plan and conducts audits at least once per year. Additionally, the dedicated unit performs an annual self-assessment of the internal control system.

(2) To enhance employees' cybersecurity awareness, the Company continuously conducts cybersecurity awareness training and phishing simulation exercises. These initiatives help strengthen employees' security awareness and reduce human-related cybersecurity risks.

(II) Specify the losses, potential impacts, and measures taken due to significant cybersecurity incidents for the most recent year and up to the publication date of the annual report. If a reasonable estimate cannot be made, the facts explaining the inability to estimate should be stated: No such situation.

VII. Major Contracts

List the parties, key contents, restrictive clauses, and contract start and end dates for active and valid supply and sales contracts, technical cooperation contracts, engineering contracts, long-term loan contracts, and other significant contracts that may affect shareholders' equity, including those that expired in the most recent year, up to the publication date of the annual report:

Contractual nature	The concerned party	Date of contract start and end	Main content	Restrictive clauses
Long-term loan contract	Taichung Commercial Bank	January 17, 2025 – January 17, 2029	Land secured loan	None
Long-term loan contract	Hua Nan Bank	January 12, 2024 – January 12, 2029	Post-pandemic revitalization project loan	None
Long-term loan contract	CTBC Bank Co., Ltd.	February 25, 2026 – February 25, 2028	Time deposit–secured loan	None
Long-term loan contract	Bank SinoPac Co., Ltd.	September 6, 2024 – September 6, 2029	Real estate mortgage loan	None
Sales contract	Customer B	March 17, 2017 – automatic renewal	Product contract	None
Sales contract	Customer T	August 1, 2024 – automatic renewal	Product contract	None
Sales contract	Customer M	June 11, 2024 – automatic renewal	Product contract	None
Sales contract	Customer E	April 22, 2025 – automatic renewal	Product contrac	None

Five. Review and Analysis of Financial Position and Performance, along with Risk Factors

I. Financial position

Unit: NTD thousand; %

Items \ Year	2025	2024	Amount of increase/decrease	Percentage of increase/decrease
Current assets	658,944	562,623	96,321	17.12
Property, plant and equipment	476,984	347,435	129,549	37.29
Intangible assets	5,054	2,765	2,289	82.78
Other assets	203,048	201,927	1,121	0.56
Total assets	1,344,030	1,114,750	229,280	20.57
Current liabilities	385,703	186,884	198,819	106.39
Long-term liabilities	132,629	123,438	9,191	7.45
Other liabilities	2,616	569	2,047	359.75
Total liabilities	520,948	310,891	210,057	67.57
Share capital	558,547	526,627	31,920	6.06
Capital reserve	140,225	122,301	17,924	14.66
Retained earnings	210,643	202,213	8,430	4.17
Other equity	(86,333)	(47,282)	(39,051)	82.59
Total equity	823,082	803,859	19,223	2.39

Significant changes (those with a change of more than 20% and a change amount of more than NTD 10 million) and their main causes and impact analysis are as follows:

1. Increase in real estate, plant and equipment, and total assets: This was mainly due to the purchase of production equipment.
2. Increase in current liabilities and total liabilities: This was mainly due to an increase in short-term borrowings.
3. Increase in other equity: This was mainly due to exchange differences arising from the translation of financial statements of overseas operating entities.

II. Financial performance

(I) Analysis of the changes in operating results over the past two years

Unit: NTD thousand; %

Items \ Year	2025	2024	Amount of increase/decrease	Percentage of increase/decrease
Net operating revenue	779,015	744,157	34,858	4.68
Operating cost	578,251	505,964	72,287	14.29
Operating gross profit	200,764	238,193	(37,429)	(15.71)
Operating expenses	149,348	146,952	2,396	1.63
Operating profit	51,416	91,241	(39,825)	(43.65)
Non-operating income and expenses	20,117	16,138	3,979	24.66
Net income before tax	71,533	107,379	(35,846)	(33.38)
Income tax expense	17,286	18,256	(970)	(5.31)
Net income of the current period	54,247	89,123	(34,876)	(39.13)

Significant changes (those with a change of more than 20% and a change amount of more than NTD 10 million) and their main causes and impact analysis are as follows:

1. Significant changes:

(1) Decrease in operating profit: This was mainly due to the increase in international raw material prices, leading to higher production costs and increased initial operating expenses at the Group's second factory in Vietnam.

(2) Decrease in net income before tax and net income of the current period: The main reason was the increase in international raw material prices, which has led to higher production costs.

2. Future response plan:

Our company continuously reviews production costs, optimizes production efficiency, strengthens procurement management, and enhances the cost advantage of our products.

(II) Expected sales volume and its basis, along with potential impacts on the Company's future financial and business performance and response plans:

As the Company has not prepared or announced financial forecasts, the expected sales volume and its basis are not applicable. Furthermore, the overall performance of the Company shows no major abnormalities, so there is no need to formulate a response plan. The sales volume for the upcoming year is based on the actual sales performance of previous years, considering market demand changes and the Company's operational goals, and is determined in reference to the scale set by the Company.

III. Cash flow

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

Unit: NTD thousand; %

Items \ Year	2025	2024	Amount of increase/decrease	Percentage of increase/decrease
Operating activities	107,624	143,542	(35,918)	(25.02)
Investment activities	(191,094)	(110,502)	(80,592)	72.93
Financing activities	163,167	13,474	149,693	(1110.98)

Analysis of the changes in the cash flow increase or decrease ratio:

1. Decrease in cash flow from operating activities: This was mainly due to an increase in prepayments and other current liabilities.
2. Increase in cash flow from investing activities: This was mainly due to the acquisition of more real estate, plant and equipment.
3. Increase in cash flow from financing activities: This was mainly due to an increase in borrowing.

(II) Plan for improving liquidity shortages: The Group has not experienced any cash shortages and there is no concern regarding liquidity insufficiency.

(III) Cash liquidity analysis for the upcoming year (2026)

Unit: NTD thousand

Cash balance in the beginning of the period	Expected annual cash flow from operating activities	Expected annual cash inflow (outflow) from other activities	Expected remaining cash balance (deficit) amount	Remedies for expected insufficient cash	
				Financing plan	Financial plan
265,388	(6,597)	(561,275)	(302,484)	359,451	120,000

1. Analysis of the cash flow changes for the upcoming year:
   (1) Operating activities cash flow: The Company expects its revenue to grow in 2026 compared to 2025. However, due to the impact of the Iraq War, the prices of oil, raw materials and shipping costs have increased, leading to higher material costs. The Company expects to bear more raw material costs throughout the year, with a net cash outflow of NT$(6,597) thousands from operating activities. The Company will continue to track accounts receivable collection and strengthen inventory management.
   (2) Expected cash inflows (outflows) The Company expects to have capital expenditures of NT$ (286,282) thousands in 2026, NT$(256,662) thousands to repay bank loans, NT$(11,171) thousands to pay cash dividends for the second half of 2025 in May 2025, and NT$(7,160) thousands to pay cash dividends for the first half of 2026 in 2025, totaling NT$(561,275) thousands.
2. Remedies for expected insufficient cash and liquidity analysis:
   (1) Financing plan: In 2026, the Company plans to repay bank borrowings of NT$(256,662) thousands and utilize bank borrowings of NT$359,451 thousands, resulting in an estimated net increase in bank borrowings of NT$102,789 thousands. The portion of the planned increase in bank borrowings for 2026 is currently being addressed through applications for medium-term borrowing facilities from banks, with the aim of utilizing medium-term funds.
   (2) Financial plan: The Company plans to issue 6,000 thousands new shares in 2026 as a cash capital increase, with a par value of NT$10 per share and a tentative issue price of NT$20 per share. The total amount of funds expected to be raised is NT$120,000 thousands.

IV. The impact of significant capital expenditures in the recent year on financial and business operations:

The Company's 100% owned subsidiary, Perfect TW Medical Industrial (VN) Co., Ltd., focused on the customer product validation process and gradually installed machinery and equipment in 2025, production and sales began in the second half of 2025. It is expected to bring benefits to the Group in 2026. The funding is provided by our own resources or long-term loans, which will have no significant impact on our financial operations.

V. Recent year's policy on equity investments, the main reasons for profits or losses, improvement plans, and investment plans for the coming year:

(I) Reinvestment policy

The Company has established the "Procedures for Acquisition or Disposal of Assets" in accordance with the provisions of the "Investment Management Measures" and the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", which serve as the basis for the Company's equity investment activities. In addition, the Company has established subsidiary management regulations within its internal control system, formulating relevant guidelines for the management of information disclosure, finances, operations, inventory, and financial matters. The Company also conducts regular auditing operations and establishes related operational risk

mechanisms to enhance the operational effectiveness of its equity investments.

(II) Recent year's policy on equity investments, the main reasons for profits or losses, and improvement plans:

Unit: NTD thousand; %

Reinvested company	Shareholding ratio	Recognition of (loss) profit for 2025	Main reasons for profit or loss	Improvement plan	Capital increase plan for the coming year
Perfect Medical Industrial (VN) Co., Ltd.	100.00	13,787	Increase in purchase orders and decrease in raw material cost	None	None
Perfect TW Medical Industrial (VN) Co., Ltd.	100.00	(13,942)	The company is currently in the factory construction and acceptance phase, and the first phase will gradually start production in the second half of the year.	The customer product validation process was carried out in 2025, with machinery and equipment being gradually installed. It is expected that 2026 will bring benefits to the Group.	None
Medela Limited	100.00	(63)	No order revenue.	The company has been dissolved and liquidated	None

Note: Medela Limited was dissolved and liquidated by a resolution passed by its board of directors on June 9, 2025, and the dissolved and liquidated process was completed in January 29 2026.

VI. Risk analysis and evaluation for the most recent year and up to the publication date of the annual report:

(I) The impact of interest rate, exchange rate fluctuations, and inflation on the Company's profit and loss, and future countermeasures:

1. Interest rate fluctuation:

Items	Interest expense	Operating revenue
2024	NTD 3,720 thousand	NTD 744,157 thousand
2025	NTD 6,833 thousand	NTD 779,015 thousand

(1) Impact on the Company's profit and loss:

The Group's interest expenses are primarily incurred from financing interest on loans taken from financial institutions to meet operational needs. In 2024 and 2025, the ratio of interest expenses to net operating revenue was 0.50% and 0.88%, respectively. The overall proportion is very low and has no significant impact on the Group's profit and loss.

(2) Future countermeasures:

Based on a prudent and conservative approach, the Group continues to strengthen its relationships with financial institutions to secure favorable loan interest rates. Additionally, appropriate capital allocation and interest rate assessments are conducted to reduce the impact of interest rate fluctuations on the Group's profit and loss.

2. Exchange rate fluctuation:

Items	Exchange gain (loss)	Operating revenue
2024	NTD 13,419 thousand	NTD 744,157 thousand
2025	NTD 13,115 thousand	NTD 779,015 thousand

(1) Impact on the Company's profit and loss:

The Group's foreign exchange gain or loss mainly arises from transactions involving the export and import of finished goods and raw materials by the Group's Vietnam subsidiary, which is priced in U.S. dollars. In 2024 and 2025, the ratio of foreign exchange gain or loss to net operating revenue was 1.80% and 1.68%, respectively. The overall proportion is very low and does not have a significant impact on the Group's profit and loss.

(2) Future countermeasures:

To effectively manage exchange rate fluctuations, the Company's fund management personnel closely monitor the trends and changes of major currencies in the international foreign exchange market. They seek professional advice from financial institutions and adjust foreign currency holdings as needed. When business units quote prices to customers, they also factor in price adjustments due to exchange rate fluctuations. Additionally, the Company maintains good relationships with banks to obtain broader foreign exchange information and secure more favorable transaction exchange rates.

3. Inflation

In addition to closely monitoring market price fluctuations and actively developing sources of raw material

supply to reduce production costs, the Company also maintains good relationships with customers and communicates production cost changes to them in a timely manner. As a result, the Company is able to effectively mitigate the impact of inflation on its profitability.

(II) Policies on engaging in high-risk, high-leverage investments, lending funds to others, providing endorsements/guarantees, and derivative transactions, the main reasons for profits or losses, and future countermeasures:

1. Engagement in high-risk, high-leverage investments: Since its establishment, the Company has focused on its core business operations and has not engaged in high-risk or high-leverage investments.
2. Policies on lending funds to others, providing endorsements/guarantees, and engaging in derivative transactions, the main reasons for profits or losses, and future countermeasures:
   (1) The Group has established the "Procedures for Lending Funds to Others", and all operations related to lending funds to others are conducted in accordance with relevant regulations. In the most recent year and up to the publication date of the prospectus, the Company's fund lending was primarily directed towards its 100%-owned subsidiary, Perfect Medical Industrial (VN) Co., Ltd., and was carried out in accordance with the relevant operating procedures.
   (2) The Group has established the "Procedures for Endorsements/Guarantees" as the basis for future execution to ensure the Company's maximum benefit. In the most recent year and up to the publication date of the prospectus, there have been no instances of providing endorsements/guarantees for others.
   (3) The Group has established the "Procedures for Acquisition or Disposal of Assets" as the basis for future execution to ensure the Company's maximum benefit. In the most recent year and up to the publication date of the prospectus, there have been no derivative financial instrument transactions.

(III) Future R&D plans and the estimated R&D expenses to be invested

1. Future R&D plans
   (1) The Company's short-, mid-, and long-term R&D plan product items are as follows:

Items	Short-term	Mid-term	Long-term
Development projects	Surgical drainage catheter 3D Medical Mask Disposable syringe collection box Three-way connector valve Bidirectional safety blood collection needle Alcohol wipes Sputum suction set Chemotherapy injection - Telescopic safety needle	Respiratory mask Nasal cannula High-pressure three-way connector valve Chemotherapy injection - Drug preparation system Chemotherapy injection - Low-residue needle-free connector	Silicone - Nasogastric tube Silicone - Sputum suction tube Silicone - Wound drainage tube Silicone - Catheter (2-way)

   (2) The priority order of new product development items, based on market competition considerations, is as follows:

   First priority: Epidemic prevention category - medical Korean-style masks/alcohol wipes, chemotherapy injection - telescopic safety needle, testing category - bidirectional safety blood collection needle.

   Second priority: Respiratory category - respiratory masks, nasal cannula, chemotherapy injection - drug preparation system, low-residue needle-free connector.

   Third priority: Long-term care category - silicone nasogastric tube, sputum suction tube, catheter (2-way).

   The above new product development items all align with the Group's core technologies in mold forming and tube pressing. Additionally, the introduction of new materials will enhance core technologies and manufacturing capabilities, greatly benefiting the future expansion of the product line.

2. Estimated R&D expenses to be invested

   The amount of R&D expenses is primarily allocated based on the research progress. As a general principle, most companies allocate 1% to 5% of their revenue. The Company plans to gradually increase this percentage annually based on future operational conditions, in order to support future R&D manpower and technology, as well as to develop new products that meet market and customer needs, thereby enhancing the Group's competitive advantage in the industry and market.

(IV) The impact of significant domestic and international policy and legal changes on the Company's financial and business operations, and countermeasures:

1. The impact of significant domestic and international policy and legal changes on the Company's financial and business operations:

   The Group's daily operations are carried out in accordance with relevant domestic and international laws and regulations. We continuously monitor the development trends of domestic and international policies and regulatory changes, collecting relevant information to provide management with decision-making references, in order to adjust the Group's operational strategies. In the most recent year and up to the publication date of the

prospectus, the Group has not been affected by significant domestic or international policy and legal changes that would impact the Company's financial and business operations.

2. Countermeasures

The Group has designated personnel to continuously monitor regulatory changes and relevant government information, providing timely updates to management and relevant personnel.

(V) The impact of technological changes (including cybersecurity risks) and industry changes on the Company's financial and business operations, and countermeasures:

As a manufacturer of medical consumables, the Group will focus on developing high-economic-value medical devices in the future, with an emphasis on R&D for devices that meet clinical market demand. In addition, the Group continuously monitors technological trends and industry changes, adjusting its business strategies accordingly. In the most recent year and up to the publication date of the prospectus, the Group has not experienced any significant impact on its financial operations due to technological changes or industry shifts.

The Company has designated personnel responsible for monitoring cybersecurity and closely follows developments in computer and network technology to effectively identify potential risks. Through regular reviews and assessments of the information management control cycle, the Company ensures its appropriateness and effectiveness. Additionally, legal network security software is purchased to enhance security and response capabilities. The specific measures are as follows:

1. Endpoint device protection and control:

Installing antivirus software, keeping operating systems updated, implementing DLP mechanisms, and adopting document encryption security solutions.

2. Centralized control over external parties:

Establishing next-gen firewalls, mail gateway servers, proxy gateways, and other security protection platforms.

3. Data protection:

Important data is stored through backup systems for off-site and multi-platform redundancy.

4. Others:

The Company regularly promotes information security to employees, implements regular password changes, strengthens information security awareness, enhances information security protection, sends important mail encrypted, and uses different channels to provide recipients with email passwords and other details.

In the most recent year and up to the publication date, the Company and its subsidiaries have not encountered any significant cyberattacks or incidents that have or may have a substantial adverse impact on the Company's business and operations, nor have they been involved in any related legal cases or regulatory investigations.

(VI) The impact of changes in corporate image on crisis management and countermeasures:

Since its establishment, the Company has focused on its core business operations and planned to enter the capital market to attract more outstanding talents to serve the Company. It has actively strengthened internal management, improved management quality and performance, while maintaining harmonious labor-management relations to enhance the strength of its management team. The Company has been committed to giving back to its shareholders and fulfilling its corporate social responsibility. To date, there have been no incidents that have damaged the Company's corporate image. In the future, the Company will continue to maximize shareholder value while fulfilling its corporate social responsibility.

(VII) The expected benefits, possible risks and countermeasures of the merger or acquisition:

In the most recent year and up to the publication date of the prospectus, the Group has not engaged in any mergers and acquisitions plans. In the future, if the Group evaluates or executes any such plans, it will do so in accordance with relevant laws and the Group's internal management guidelines.

(VIII) Expected benefits, potential risks, and countermeasures for plant expansion:

The subsidiary Perfect TW Medical Industrial (VN), which is 100% invested by the Company, is expected to obtain medical product sales qualifications in 2025. After obtaining the qualification, the production lines at the two plants in Vietnam will be adjusted to optimize the Group's production efficiency, reduce production costs, and increase market competitiveness, with the expectation of accelerating operational growth.

(IX) Risks and countermeasures related to concentrated purchases or sales:

1. Purchases: The Company's main raw material suppliers are long-term partners with good relationships, offering stable quality. Additionally, the raw materials are sourced from multiple suppliers, so there is no concentration of purchases.
2. Sales: The Company's customers include channel distributors, direct orders, and e-commerce platform sales, among others. The customer base is diversified, and there is no concentration of sales.

(X) The impact, risks, and countermeasures of a significant transfer or change in the ownership of shares held by directors, supervisors, or major shareholders holding more than 10% of the shares:

1. Significant transfer of shares held by directors, supervisors, or major shareholders holding more than 10% of the shares: None.
2. Replacement of directors, supervisors, or major shareholders holding more than 10% of the shares: None.

(XI) Impact, risks, and countermeasures of changes in management control: There has been no change in management control as of the most recent year and the publication date of the annual report.

(XII) Litigation or non-litigation events: The Company shall disclose any significant litigation, non-litigation, or administrative litigation cases involving the Company, its directors, supervisors, general manager, actual person in charge, major shareholders holding more than 10% of the shares, and its subsidiaries that have been finalized or are still pending, where the outcomes may have a significant impact on shareholders' interests or the securities price. The disclosure should include the disputed facts, the subject amount, the litigation commencement date, the main parties involved, and the handling status as of the publication date of the annual report: None.

(XIII) Other important risks and countermeasures: None.

VII. Other important matters: None.

Six. Special Matters to be Recorded

I. Information on affiliates:

(I) Consolidated business report of affiliates

Please refer to the MOPS public information observation station announcements. The search path is: (https://mopsov.twse.com.tw/mops/web/t57sb01_q10), Homepage > Single Company > Electronic Document Download > Related Companies' Three Documents Section.

(II) Consolidated financial statements of affiliates: Consistent with the consolidation of the financial statements of the main entity, no separate consolidated financial statements of affiliates will be prepared.

(III) Affiliation report: Not applicable.

II. The status of private placement of securities for the most recent year and up to the publication date of the annual report.: No such situation.

III. Other necessary supplementary explanatory matters: Where any discrepancy arises between the English translation and the original Chinese version, the Chinese version shall prevail.

Seven. For the most recent year and up to the publication date of the annual report, if any matters occur that have a significant impact on shareholders' equity or securities prices, as specified in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act: None.

Perfect Medical Industry Co., Ltd.

Chairman Hsu Kuo-Chi