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美吾華股份有限公司
Maywufa Company Limited



2024 Annual Report

Notice to readers

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

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Company website: <https://www.maywufa.com.tw>

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V. Overseas Trade Places for Listed Negotiable Securities and Method to Inquire for Such Overseas Negotiable Securities: None °

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1. Letter to Shareholders

Dear shareholders,

Over the past 49 years since its establishment, the *MAYWUHFA*® brand has maintained a leading position in Taiwan's white-to-black hair dye market. According to a 2024 report by the global market research authority Kantar, *Maywufa* also retained the No. 1 market share among Taiwanese shampoo brands. In addition to developing its own e-commerce channels, the Company has actively expanded its premium haircare brand *SAHOLEA*®, aiming to increase its market share among younger consumers and the Generation Swipe demographic. As one of Taiwan's Top 100 Brands, *MAYWUHFA*® not only retains a loyal customer base through high-quality products, but also proactively develops new products to meet market demand and provide consumers with more diverse options.

The Company has established comprehensive consumer and pharmaceutical distribution channels supported by a professional marketing team. At the same time, it is actively promoting the proprietary R&D products developed by Photohealth and Amcad, in line with the strategy of "R&D by PhytoHealth and Anco; Marketing by Maywufa."

We hereby provide a report on our business results in 2024, business plans in 2025, future development strategies, impact of the external competition environment, regulatory, and macroeconomic environment on our company as below.

I. Business Results for Fiscal Year 2024

(I) Results of the Implementation of the 2024 Annual Business Plan

1. Consumer Business Unit :

- (1) Hair dye products continues to maintain its leading position in covering gray hair and maintains steady growth through brand operation, the Maywufa Herbal Color Bubble Treatment product won the "American Beauty Innovation Award - Best Hair Color Product of the Year" in 2024; Color dyeing relies on new brands and popular new colors to maintain its leading position and sales momentum in Taiwan's dye market.
- (2) The fragrance series of body care products continues to be loved by consumers, and the brand continues to be well received and exposed; and has been launched INNEX®, Oriental Herb 、IngreLux ® 、AQILAH® The products developed based on market trends have not only won the favor of consumers, but also created high praise in online discussions.
- (3) SAHOLEA® It continues to be loved by consumers and occupies a place among the top hairdressing brands. In addition to developing offline business, it also

continuously optimizes its own official website and strengthens cooperation with online platforms; And through new media, diversified marketing operations and advertising exposure, combined with new product series, we expand the brand's reputation and maintain sales popularity.

- (4) 『Mustela®』 Through omnichannel promotion and doctor recommendations, we were voted No.1 in Mommy Baby Magazine in 2024. Our star product, VBC All-Purpose Skincare Ointment, is used by hundreds of obstetrics clinics and postpartum care centers and is highly recommended by healthcare professionals.

2. Pharmaceutical Business Unit

- (1) The launch of the new product Oraphine® soft capsule (hereinafter referred to as Oraphine®) has been strongly promoted. Through dedicated efforts in 2024, it has been successfully procured and used by several medical centers and primary medical institutions. In addition to continuously submitting new drug applications to multiple medical institutions, we are actively organizing academic lectures and physician experience-sharing sessions to enhance clinical market engagement and visibility. These efforts aim to further expand Oraphine® promotion to other departments requiring analgesics to control moderate to severe pain.
- (2) Continuously expand market share in hospital channel with PG2® Lyo. Injection (hereinafter referred to as PG2®), Cerebrolysin® injection (hereinafter referred to as Cerebrolysin®), and Bio-three® tablets (hereinafter referred to as Bio-three®). The PG2® has been successfully adopted by over 90% of large hospitals demonstrating strong growth momentum.. Cerebrolysin® has been successfully procured and used in over eighteen medical centers and is also continuously being developed and adopted in primary medical institutions. Bio-three® has been included in the drug lists of several large medical institutions. We continue to differentiate the product from competing probiotics to ensure a steady and broader clinical adoption.
- (3) Large-scale academic educational seminars, combined within-depth case-sharing discussions were conducted with increased frequency and number.. A total of nearly 40 large-scale seminars, over 300 product briefings, and 10 patient education activities were held throughout the year, covering more than 500 medical staffs with more than a total number of 12,500 participants. CME events have significantly boosted the interest and clinical discussion of PG2 among medical societies, driving the momentum for continuous growth.
- (4) The Cerebrolysin® has been procured and used in multiple medical centers, providing more comprehensive treatment and care for stroke and brain trauma patients. Collaborations have been established with domestic experts in neurology,

neurosurgery, and rehabilitation to conduct a systematic review of Cerebrolysin® related research. Through in-depth discussions in expert meetings, consensus has been reached, leading to publishing empirical evidence. Additionally, academic seminars and expert meetings have been organized in collaboration with medical associations to share the latest clinical research and usage experiences of Cerebrolysin®, allowing more physicians to understand the advantages of the product and its positive impact on patient outcomes. We continued our efforts to connect large hospitals and primary medical institutions in the stroke and brain trauma-related diseases treatment network, facilitating clinical experience of using Cerebrolysin® "Start earlier, last longer for success".

- (5) AmazPower® is positioned as a pharmaceutical-grade health supplement marketed through hospital channels and online, aiming to increase professional recommendations from medical staff and generate positive usage of satisfaction among patients. The product was perceived as an ideal oral supplement after usage of PG2 to enhance quality of life in hospitals and discharge during treatment course.

(II) Budget Execution Status

According to the "Regulations Governing the Publication of Financial Forecasts of Public Companies," financial forecast information for 2024 has not been disclosed, so this item is not applicable.

(III) Financial revenue and expenditure and profitability analysis:

Unit: NTD thousands

Year		2024	2023	Increase (Decrease)%
Tem				
Financial revenue and expenditure	Operating revenue	1,485,873	1,300,721	14.2
	Gross profit	961,755	854,372	12.6
	Operating income	207,238	194,668	6.5
	Non-operating income	10,817	15,580	-30.6
	Profit after tax	173,232	169,098	2.4
Profitability	Return on assets (%)	5.85%	6.31%	-7.3
	Return on shareholders' equity (%)	8.36%	8.38%	-0.2
	Net profit rate (%)	11.66%	13.00%	-10.3
	EPS (NTD)	1.30	1.27	2.4

(IV) Research and Development Status

Some of our products are developed and produced in-house, and the research and development status is as follows :

1. Research and Development Expenses

Unit: NTD thousands

Item	Year	2 0 2 4
Operating revenue	(A)	1,485,873
R&D expenses	(B)	19,951
Total number of employees	(C)	197
Total number of R&D personnel	(D)	9
R&D expense ratio	(B/A)	1.34%
Ratio of R&D personnel to total personnel	(D/C)	4.57%

2. Research and development achievements

We had a multitude of new items for both hair dyes and shampoos in 2024, all of the new products delivered strong momentum and results.

II. Overview of the 2024 Business Plan

(I) Business Strategy

1. Consumer Business Unit

- (1) Maywufa[®] continue to maintain its leadership position in hair dyes: Through the newly developed darkening hair dyes, consumers can solve the problem of gray hair more simply and conveniently, in line with modern people's demand for quick and easy use; the young color dye series launched a new brand Bubble Up, with salon-style packaging and popular hair colors in the market, which was loved by consumers as soon as it was launched.
- (2) Accelerating the growth of cleaning and care brands: Maywufa[®] continue to develop new functional cleansing and care products for more consumers, as well as environmentally friendly formulas that are in line with market trends. We also launch new types of products and skin and bath care products to provide consumers with a richer and more complete product selection, and continue to use multiple brands to meet the ever-changing needs of consumers.
- (3) The overall brand is exposed through multiple online and offline media to continue to consolidate customer loyalty, expand the brand series and market reputation, and maintain growth momentum. Maywufa[®] In addition to continuing to cooperate with existing physical customers, we also create successful results by building our own official website and cooperating with e-commerce platforms.
- (4) SAHOLEA[®] Continue to expand the cleaning and care series, stimulate the market through new products, and activate brand energy through multiple advertising media and marketing operations. At the same time, we continue to optimize our

own official website and strengthen cooperation with external e-commerce platforms, and expand the development of physical channels to continue to expand the brand's reputation and maintain sales popularity.

- (5) 『Mustela®』 Stand firm on the brand image of skin care for infants and pregnant mothers, and at the same time, in response to consumer trends, continue to introduce and promote natural and organic skin care products suitable for the whole family, and promote them through professional channels, consumer channels and e-commerce channels to continue to create overall performance growth.

2. Pharmaceutical Business Unit :

- (1) We continue to drive the procurement and adoption of Oraphine® in medical centers and primary medical institutions. At the same time, continuously expand market share in hospital channel with PG2®, Cerebrolysin® and Bio-three®. By deepening product adoption and broadening coverage, we are driving increased usage rates and market growth, demonstrating strong momentum.
- (2) PG2® continuously maximizing growth from self pay market with the word of mouth from insurance market. We proactively deliver “Start earlier, last longer for successful completion of treatment”. We not only promote the assessment and treatment of clinical cancer fatigue through "Real-World Evidence (RWE)" system research and government "Early Palliative Care for Cancer" policy, but also educate training on the updated “Cancer Fatigue Diagnosis, Treatment and Care Guidelines” to increase clinical medical staff's with clinical application experience of PG2®. These help cancer patients successfully complete their treatment course, further expand product visibility and drive the momentum for continuous growth.
- (3) Understand and promote "Cancer-Related Fatigue" treatment. Encourage patients and their families to actively discuss the treatment of "Cancer-Related Fatigue" with medical staff, thereby enhancing the recognition of the need and importance of treating cancer-related fatigue. Continuously increase the use of PG2® and AmazPower®, contribute to the strong growth momentum.
- (4) AmazPower® actively continues to expand marketed through both hospital channels and online. The product was perceived as an ideal oral supplement after usage of PG2 to enhance quality of life in hospitals and discharge during treatment course. Continue to enhance the recommendations from medical staff and increase the usage of new patients.
- (5) A retrospective evidence study in medical journals was published, integrating foreign clinical treatment guidelines and academic research to enhance the value

of Cerebrolysin®. By connecting a healthcare service network of hospital channel, ensuring continuity of treatment course for patients with stroke and head trauma during the acute phase and discharge to achieve complete care. This emphasizes the clinical benefits of "Start earlier, last longer for success," and extends the usage period of Cerebrolysin® and patient types in clinical market.

- (6) By collaborating with medical societies to hold academic seminars and clinical experience-sharing sessions, we have enhanced doctors and medical staff's knowledge and recognition of Cerebrolysin®. We continued our efforts on cultivating more neurologists, neurosurgeons, and rehabilitation specialists, identifying potential doctors. Through in-depth visits and better understanding of doctors' needs, we introduce the product's advantages and optimal usage time, helping doctors become more accustomed to prescribing Cerebrolysin® and increasing prescription volumes.

(II) Expected sales quantity and its basis

The Company's sales plan is estimated based on historical sales records and market changes, and we also develop competitive products to expand market share to maintain a stable growth in 2025.

(III) Important production and marketing policies

1. We strengthen new product development, focus on mid-to-high price tier segment, implement channel strategy and maximize digital marketing.
2. In the thriving Taiwan e-commerce market, we continuously optimize online operation. On the one hand, we deepen our direct B2C business and membership management. On the other hand, we increase our B2B2C collaborations with various online shopping channels. Therefore, we keep continued growth in the e-commerce field through the new retail trend of omni-channel integration.
3. As the distributor of Mustela brand in Taiwan, we promote through both medical professional and consumer channels. We establish CRM (Customer Relationship Management) under Brand.com, and leverage bloggers, influencers and social media to strengthen brand awareness and loyalty to boost business and profits.
4. Taiwan e-commerce market is continued growth, and consumer demand is becoming more and more diverse. We optimize our e-commerce operation to expand our competitive advantage.
5. Our pharmaceutical department team focuses to expand market access on key prescription drug products in hospital channel. All the promotion events are complied with industry standard aiming to support headquarter marketing strategy.

III. Future Development Strategy:

- (I) In addition to revenue growth, our company will place greater emphasis on improving profitability in the future.
- (II) With evolution and growth of our e-commerce for years, we achieved direct communication to members of our brands. In the future, we will move towards the

new retail direction to integrate omni-channels to achieve high-speed revenue and profit growth in our business.

- (III) Mustela deepens consumer market to establish as the first choice of pregnancy and baby skincare brand. We differentiate from competitors with a profession and efficacy image, and strengthen KA (Key Account) channel operations.
- (IV) It has been many years to be a distributor of Mustela brand in Taiwan with solid business results. We will continue to leverage social media to communicate with consumers directly to strengthen Mustela as an expert in pregnancy and baby skincare to increase brand awareness and customer loyalty.
- (V) Our pharmaceutical business Unit has been a long term trust worthy partner of global pharmaceutical companies and Phytohealth Corp. With profound marketing experience, we will ensure to further grow current products in three therapeutic area-cancer, pain and neurology. We will also look for license in opportunities to enrich product portfolio to maximize revenue.

IV. Influenced by the external competitive environment, regulatory environment, and overall operational environment

(I) Consumer Business Unit

1. External competition environment:

In the post-pandemic era, an increasing amount of shopping is done through orders placed on smartphones, making fingertip opportunities not only a new consumer trend but also a prominent aspect of the industry. E-commerce has become an unstoppable trend. In the Taiwanese market for personal care and hair dye products, besides domestic brands, there are also numerous imports from Japan, South Korea, Europe, and the United States. The market is flooded with various products, which exhibit high substitutability. Brands, in order to establish consumer brand loyalty and adapt to their shopping behaviors, must inevitably invest more resources and manpower into different types of social platforms, media advertisements, and marketing promotions. Our company, by thoroughly implementing OMO (Online merge Offline, the integration of virtual and real), has activated dual engines of online and offline, resulting in synchronized performance improvement. While seizing the leading position in online shampoo brands, we also cooperate with leading channels to embrace consumers comprehensively.

2. Regulatory environment:

In addition to strictly complying with government regulations, our company, in response to consumers' shifting demands for hair care products towards those with special functions and diversified fragrances, we investing over NT\$900 million to build a cosmetics GMP smart factory in the Yangmei Youth Industrial Park. The factory will obtain dual certifications for "International Cosmetics GMP Certification" and "Green Building Label" upon completion, and it will commence operations. The new factory is equipped with an automated smart warehouse system to enhance productivity and quality, aiding in addressing the company's robust business

development capabilities and the rapidly changing consumer market. Furthermore, to align with carbon reduction goals, the factory design incorporates strategies such as water conservation, energy-efficient building shells, air conditioning, and lighting, meeting daily energy-saving targets. Additionally, product packaging will gradually transition to eco-friendly materials, integrating environmental, social, and corporate sustainability (ESG) into investment decisions.

3. Overall Business Environment :

- (1) The Taiwan Institute Economic Research has released its latest forecast for domestic economic growth, predicting a growth rate of 3.42% in 2025, higher than the previous two years. On the domestic front, factors such as salary adjustments for military and civil servants, increases in the minimum wage, and a stable job market are expected to contribute to steady growth in private consumption. Our company, with the long-standing trust of consumers in the Meiwah Hair brand, has cultivated a loyal customer base. In addition to actively developing new products that meet market demand and consumer preferences, we have also expanded into organic and hair care-related products, as well as continuously expanding our online business, providing consumers with more diverse and multi-channel choices to maintain brand awareness and increase market share. Our top hair brand, SAHOLEA, actively leverages the emerging trends of e-commerce and new retail, developing high-quality and diversified products for online channels.
- (2) In recent years, consumers' demands for shampoo products have shifted from merely providing hair cleaning to specific scalp and hair needs, sensations or fragrances, and diversified functions. Many brands have also entered the hair dye, shampoo and pregnancy and baby skin care market, resulting in more fierce competition in the market. Natural, plant-derived, fragrant, and functional beauty products have gained support from specific consumer groups.
- (3) According to eMarketer's estimations, 2025 is expected to be a particularly dynamic year for marketers. With the rise of generative artificial intelligence (AI) and an increasing number of streaming options, coupled with continuously evolving customer preferences, surprises are expected along the way due to gradual changes in the economy, environment, and culture over the past few years. eMarketer forecasts that by 2025, global e-commerce sales will reach nearly \$7.4 trillion (approximately NT\$237 trillion). In Taiwan, according to the latest statistics from the Ministry of Economic Affairs, the total e-commerce sales in 2024 reached NT\$653.3 billion, representing a 2.7% year-on-year increase and accounting for 13.5% of total retail industry sales. More and more store-based retailers are expanding their online sales channels, becoming a key driver behind the continued growth of e-commerce sales.

(II) Pharmaceutical Business Unit

1. External competition environment:

The National Health Insurance Administration has strictly controlled the expenditure on pharmaceuticals product. Each year, drug reimbursement prices are slashed through pricing surveys. The review process for new drug applications and related reimbursement standards have increasingly stringent.

Currently, there are many organizations and companies engaged in research and development of new drugs, health supplements, and wellness products both

domestically and internationally. There are often many types of products with similar efficacy and functions, resulting in fierce market competition. To stand out as a leading brand, it requires considerable effort, coupled with the best marketing strategies and plans. As an agent, we need to have a keen observation and judgment to find the best and most suitable products for introduction into the domestic market.

2. Regulatory environment:

- (1) Since the establishment of regulations for botanical drugs by the US FDA in 2005, new versions of these regulations were also announced in 2015 and 2017, indicating that Western countries have begun to pay attention to new botanical drugs. This trend in the medical field is favorable for the promotion of PG2®.
- (2) The Ministry of Health and Welfare's National Health Insurance Administration has aligned with international standards and announced that starting from January 1, 2017, disease classification in all contracted medical institutions and clinics will be based on ICD-10-CM/PCS, which will enhance physicians' and patients' correct understanding of "cancer-related fatigue R53.0", benefiting the promotion of PG2®.

3. Overall Business Environment :

The global healthcare trend is gradually shifting from a focus on combatting diseases to providing holistic care and emphasizing quality of life. With the continuous increase in self-care awareness among the public in Taiwan, the market for supplementary treatment and self-care services for related diseases is becoming increasingly important.

The company has a clear development strategy to expand its business territory by sticking to its core business and continuously innovating to provide customers with faster and better services; it continues to improve the company's operating structure, while maintaining the company's excellent liquidity, solvency and sound financial structure. Maywufa® In terms of business units, Maywufa® The brand has a history of 49 years. It is the only one in the industry to be awarded the "Taiwan's Top 100 Brands" by the Ministry of Economic Affairs. Maywufa has strong R&D and production capabilities. It combines stability and professional capabilities with an innovative spirit. It continues to embrace consumers in all aspects with a multi-brand strategy. Looking ahead to year 2025, it is optimistic about achieving greater success. Through the thorough implementation of OMO (Online merge Offline, integration of virtual and real), the company launched its online and offline dual engines, and its performance improved simultaneously. While seizing the leading online shampoo brand position, the company also cooperated with leading channels. In order to continue to

enhance competitiveness, Maywufa 's hairdressing factory has been upgraded to a brand-new cosmetics factory with dual certifications of "Good Manufacturing Practices for Cosmetics (GMP)" and "Green Building Label". As for our pharmaceutical business unit, we leverage our advantages in channels and business marketing to actively increase the business of higher gross margin products, aiming to create better returns on investment for our shareholders. We hope that all of our shareholders will continue to support and encourage our management team.

In conclusion, we wish all of our shareholders good health and prosperity.

Chairman	<i>Lee Chen Chia</i>
General manager	<i>Lai Yu Ju</i>

2. Corporate Governance Report

2.1 Information on Directors, General Manager, Vice President and Assistant Vice President and Heads of Departments and Branches:

2.1.1 Information on Directors:

April 7, 2025

Job title	Nationality or place of registration	Name	Gender, age	Date of election / appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Directors with which the person has a relationship of spouse or relative within the second degree			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Job title	Name	Relation	
Chairman	R.O.C.	Cheng Yi Investment Company Ltd. Representative: Lee Chen-Chia	Male 71~80	5/26/2023 5/26/2023	3 years	2/16/1990	23,594,819	17.75%	23,594,819	17.75%	0	0.00%	0	0.00%	➤ Honorary PH.D , National Taipei University Of Technology ➤ EMBA, National Chengchi University ➤ BS, Kaohsiung Medical University, School Of Pharmacy ➤ Fonder/Chairman, Phytohealth Corp. ➤ Founder/Chairman, Amcad Biomed Corp. ➤ Chairman, Broadsound Corp. ➤ National Policy Consultants,Presidential Palace ➤ Director, Central Bank Of The Republic Of China (Taiwan) ➤ Representatives Of The National Assembly ➤ Director, Straits Exchange Foundation ➤ Chairman,Taiwan Federation Of Industry ➤ Chairman, Taiwan Province Industry Ssocation	➤ Chairman, Maywufa Company Ltd. ➤ Director, Phytohealth Corp. ➤ Director, Amcad Biomed Corp. ➤ Chairman, Taiwan Incubator SME ➤ Development Corporation	Vice Chairman	Lee Yi-Li	Father and daughter	None
																	Director	Lee I-Lin	Father and daughter	None
																	Director	Lai Yu-Ju	Weng son-in-law	None
																	Director	Lee Yu-Chia	Brother	None
																	Director	Lee Bi-Jen	Brother and sister	None
Vice Chairman	R.O.C.	Cheng Yi Investment Company Ltd. Representative: Lee Yi-Li	Female 41~50	5/26/2023 5/26/2023	3 years	2/16/1990	23,594,819	17.75%	23,594,819	17.75%	0	0.00%	0	0.00%	➤ MBA, Rutgers University ➤ BBA In Finance, National Taiwan University ➤ Director, Phytohealth Corp. ➤ Director, Amcad Biomed Corp. ➤ Supervisor, Taiwan Bio Industry Organization ➤ 2016 Top 10 Female Heads Of The Biomedical Industry ➤ Vice President, International Global	➤ Vice Chairman, Maywufa Company Ltd ➤ Chairman, Phytohealth Corp. ➤ Chairman /General Manager, Amcad Biomed Corp. ➤ Chairman, Broadsound Corp. ➤ Director, Maywufa Cosmetics (Shanghai) Co., Ltd. ➤ Director, Taiwan Incubator SME Development Corp.	Chairman	Lee Chen-Chia	Father and daughter	None
																	Director	Lee I-Lin	Sisters	None

Job title	Nationality or place of registration	Name	Gender, age	Date of election / appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Directors with which the person has a relationship of spouse or relative within the second degree			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Job title	Name	Relation	
Director	R.O.C.	Li Ling Investment Company Ltd. Representative: Lee I-Lin	Female 41~50	5/26/2023 5/26/2023	3 years	4/30/1999	14,946,556	11.25%	14,946,556	11.25%	0	0.00%	0	0.00%	➤ Corporate, Standard Chartered Bank ➤ Vice President, Credit Agricole Corporate And Investment Bank ➤ Manager, Corporate Banking Group, Citibank, N.A.	➤ Independent Director, Sinyi Realty Inc.	Director	Lai Yu-Ju	Couple	None
Director	R.O.C.	Cheng Yi Investment Company Ltd. Representative: Lai Yu-Ju	Male 51~60	5/26/2023	3 years	2/16/1990	23,594,819	17.75%	23,594,819	17.75%	0	0.00%	0	0.00%	➤ MBA, UCLA ➤ BBA, National Taiwan University ➤ Vice President, Citibank, Taiwan ➤ 2012 Ernst & Young Entrepreneur Of The Year Award	➤ Director /General Manager, Maywufa Company Ltd. ➤ Director, Phytohealth Corp. ➤ Chairman, Maywufa Cosmetics (Shanghai) Co.,Ltd. ➤ Director, Taiwan Incubator Sme evelopment Corp.	Chairman	Lee Chen-Chia	Weng Son-In-Law	None
				5/26/2023					205,000	0.15%	1,392,000	1.05%	0	0.00%			Vice Chairman	Lee Yi-Li	Couple	None
														Director			Lee I-Lin	In Law	None	
Director	R.O.C.	Hua Wei Ltd. Representative: Chen Wen-Hwa	Male 71~80	5/26/2023 5/26/2023	3 years	5/26/2023	78,000	0.06%	78,000	0.06%	0	0.00%	0	0.00%	➤ BS, Kaohsiung Medical University, School Of Pharmacy ➤ Certified Pharmacist ➤ Director /General Manager , Phytohealth Corp. ➤ Director, Amcad Biomed Corp. ➤ Sales Manager, Bristol-Myers Squibbs Company, Taiwan ➤ Director, Maywufa Cosmetics (Shanghai) Co., Ltd.	➤ Director, Maywufa Company Ltd.	None	None	None	None
Director	R.O.C.	Yi Xin International Company Ltd. Representative: Lee Yu-Chia	Male 71~80	5/26/2023 5/26/2023	3 years	6/18/2014	2,000,000	1.50%	1,380,000	1.04%	0	0.00%	0	0.00%	➤ EMBA, National Taiwan University Of Science And Technology ➤ Director, Commerce Development Research Institute ➤ Vice Chairman, Small And Medium Enterprise Foundation ,Taiwan ➤ Committee Member, Ministry Of Health And Welfare	➤ Director, Maywufa Company Ltd. ➤ Director, Taiwan Incubator SME Development Corp. ➤ Director, Mender International Co., Ltd. ➤ Chairman, Yi Xin International Company Ltd. ➤ Managing Director,	Chairman	Lee Chen-Chia	Brother	None

Job title	Nationality or place of registration	Name	Gender, age	Date of election / appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Directors with which the person has a relationship of spouse or relative within the second degree			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Job title	Name	Relation	
																<ul style="list-style-type: none"> National Association Of Small & Medium Enterprises ,R.O.C. ➤ Convenor, Cross-Strait Ceo Summit Sme Cooperation And Youth Entrepreneurship Promotion Team ➤ Director, Small And Medium Enterprise Credit Guarantee Fund Of Taiwan 	Director	Lee Bi-Jen	Brother And Sister	None
Director	R.O.C.	Li Ling Investment Company Ltd. Representative: Lee Bi-Jen	Female 71~80	5/26/2023	3 years	4/30/1999	14,946,556	11.25%	14,946,556	11.25%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> ➤ EMBA,Royal Roads University ➤ Supervisor, Maywufa Company Ltd. ➤ Supervisor, Triad International Corporation ➤ Founder, Caribbean Industrial Company ➤ President, Rotary Club of Taipei New Century ➤ President, Distinguished Ladies Club ➤ Supervisor, Phytohealth Corp. 	<ul style="list-style-type: none"> ➤ Director, Maywufa Company Ltd. ➤ Chairman, Triad International Corporation ➤ Chairman , Caribbean Industrial Company ➤ Chairman, Bi Yi International Ltd. ➤ Supervisor, Yi Xin International Company Ltd. 	Chairman	Lee Chen-Chia	Brother And Sister	None
				5/26/2023					248,000	0.19%	0	0.00%	0	0.00%			Director	Lee Yu-Chia	Brother And Sister	None
Director	R.O.C.	Hua Wei Ltd. Representative: Liu Wen-Cheng	Male 71~80	5/26/2023 5/26/2023	3 years	5/26/2023	78,000	0.06%	78,000 0	0.06% 0.00%	0 0	0.00% 0.00%	0 0	0.00% 0.00%	<ul style="list-style-type: none"> ➤ MBA, Northrop University ➤ Chairman, Taiwan Corporate Governance Association ➤ Vice Chairman, Taiwan Corporate Governance Association ➤ Independent Director, Global Unichip Corp. ➤ Independent Director, Vanguard International Semiconductor Corporation ➤ Chairman /General Manager, Bristol-Myers Squibb Company, Taiwan ➤ Deputy Managing / Chief Financial Officer, Bristol-Myers Squibb Company,Taiwan 	<ul style="list-style-type: none"> ➤ Director, Maywufa Company Ltd. ➤ Executive Director, Taiwan Corporate Governance Association ➤ Independent Director, Advantech Co., Ltd. ➤ Independent Director,Chenbro Micom Co., Ltd. 	None	None	None	None
Director	R.O.C.	Yi Xin International Company Ltd. Representative: Yu Chang-Min	Male 41~50	5/26/2023 5/26/2023	3 years	6/18/2014	2,000,000	1.50%	1,380,000 10,000	1.04% 0.01%	0 0	0.00% 0.00%	0 0	0.00% 0.00%	<ul style="list-style-type: none"> ➤ MBA, National Chengchi University ➤ Sales Assistant Manager, Procter & Gamble Taiwan Ltd. 	<ul style="list-style-type: none"> ➤ Director /Deputy General Manager Of Business Unit,Maywufa Company Ltd. 	None	None	None	None

Job title	Nationality or place of registration	Name	Gender, age	Date of election / appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Directors with which the person has a relationship of spouse or relative within the second degree			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Job title	Name	Relation	
Independent Director	R.O.C.	Chen Hui-Yiu	Male 51~60	5/26/2023	3 years	6/14/2017	0	0.00%	0	0.00%	0	0.00%	0	0.00%	➤ BS In AS, National Taiwan University ➤ Vice Chairman, Choice Development, Inc. ➤ Independent Director, Everlance Co., Ltd. ➤ Director, Microloops Co.,Ltd.	➤ Independent Director, Maywufa Company Ltd. ➤ Chairman, Choice Development, Inc. ➤ Independent Director, Senao Networks, Inc. ➤ Director,Transglobe life Insurance Inc. ➤ Director,LIA-ROC ➤ Independent Director, TCM Biotech International Corp. ➤ Independent Director,TECO Electric & Machinery Co., Ltd.	None	None	None	None
Independent Director	R.O.C.	Ou Shu-Fan	Female 61~70	5/26/2023	3 years	5/27/2020	0	0.00%	0	0.00%	0	0.00%	0	0.00%	➤ Dms, Guangzhou Jinan University ➤ Industry Consultant, National Taiwan University Innovation Incubation Center ➤ Review Physician, Taiwan Medical Association Of National Health Insurance Global Budget Payment System Executive Committee ➤ Ophthalmologist, Cardinal Tien Hospital ➤ Ophthalmologist, Taipei City Hospital Zhongxiao Branch ➤ Ophthalmologist, Cathay General Hospital	➤ Independent Director, Maywufa Company Ltd ➤ Chairman, Universal Vision Biotechnology Co., Ltd. ➤ Independent Director, Gudeng Precision Industrial Co., LTD ➤ Vice President, National Association Of Small & Medium Enterprises R.O.C. ➤ Director, Ten Outstanding Young Persons Foundation ➤ Honorary President , Global Federation Of Chinese Business Women Of Chinese Chairwomen Chapter ➤ Vice President,Taipei NeiHu Technology Park Development Association ➤ President, National Award Of Outstanding Smes Committee ➤ President, Distinguished Ladies Club ➤ Director, Taiwan Visual Optics And Refraction Associatio ➤ Director, Taiwan University Industry Development Association	None	None	None	None

Job title	Nationality or place of registration	Name	Gender, age	Date of election / appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Directors with which the person has a relationship of spouse or relative within the second degree			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Job title	Name	Relation	
Independent Director	R.O.C.	Chang Hong-Jen	Male 61~70	5/26/2023	3 years	5/26/2023	0	0.00%	0	0.00%	0	0.00%	0	0.00%	➤ M.S.,Harvard University ➤ M.S.,Taiwan University ➤ Medicinae Doctor,College Of Medicine,NYCU ➤ Deputy Director,Ministry Of Health And Welfaregeneral ➤ Manager,National Health Insurance Administration ➤ Director,Taiwan Centers For Disease Control ➤ Director,Medeon Biodesign,Inc ➤ Director, Taiwania Capital Management Corp ➤ Independent Director, TOT Biopharm Co.,Ltd. ➤ General Manager,Taiwan Global Biofund ➤ Director,Abprotix Inc. ➤ Director,Lifemax Healthcare International Corporation ➤ Director,Jiangsu Kerunqi Biotechnology Co., Ltd.(Kmq) ➤ Director,Sequential Medicine Limited ➤ Director, Acepodia Biotechnologies Ltd	➤ Independent Director, Maywufa Co.,Ltd. ➤ Chairman/CEO,Yfy Biotech Management Co.,Ltd. ➤ Chairman,Micareo Taiwan,Inc. ➤ Chairman,Micareo,Inc. ➤ Chairman, Eusol Biotech Co.,Ltd. ➤ Chairman, AZ+ Biotech Consulting Co.,Ltd. ➤ Vice Presidenttaiwan, Taiwan Research-based Biopharmaceutical Manufacturers Association(TRPMA) ➤ Director, aigen Medical R&D Co.,Ltd. ➤ Director, aigen Biotechnology Co.,Ltd. ➤ Director,Excelsior Biopharma Inc. ➤ Director,Universal Vision Biotechnology Co., Ltd. ➤ Director, Taiwania Capital Biotechnology Corp. ➤ Director,Formosa Pharmaceuticals,Inc. ➤ Adjunct Professor, Institute of Public Health, National Yang Ming Chiao Tung University ➤ Director, TCCD Angels Investment Co.,Ltd. ➤ Director, AmMax Bio Inc	None	None	None	None
Independent Director	R.O.C.	Lin Chi-Feng	Male 61~70	5/26/2023	3 years	5/26/2023	0	0.00%	0	0.00%	0	0.00%	0	0.00%	➤ Master of Science in Management, Baker UniversityAssistant Manager, Citibank, Taiwan. ➤ Assistant Manager, First Securities Investment Trust Co., Ltd. ➤ Deputy General Manager,Cigna & Cmb Life Insurance Company Ltd. ➤ Taiwan Branchgeneral Manager, Marketing Consulting Co.,Ltd. ➤ Chairman / General Manager, Momo.Com Inc.	➤ Independent Director, Maywufa Co.,Ltd. ➤ Senior Consultant,Momo.Com Inc. ➤ Enterprise Ltd. ➤ Director,ChainSea Information Integration Co., Ltd. ➤ Director,Deesse Vivante Biomedical Technology Co., Ltd. ➤ Vice Chairman,Taiwan Consulting Group	None	None	None	None

Note : When the chairman and the general manager (or the highest level executive) of the company are the same person, are spouses, or are first-degree relatives, the reason, rationality, necessity, and future improvement measures should be explained.

The chairman and the general manager of our company are first-degree relatives due to the second-generation succession plan of the group in recent years, and because the general manager, Lai Yu-Ju, has served as a director of our company for many years, and has a background in finance, accounting, and foreign banks, which has brought risk management thinking to the company and actively developed the e-commerce field, resulting in significant profits. In addition, the chairman and the general manager are also closely communicating with all directors to fully understand the company's operation and plan to implement corporate governance. The Company's 2023 General Meeting of Shareholders re-elected 4 independent directors to enhance the functions of the Board of Directors and strengthen the supervisory function. our company has the following specific measures:

- (1) The four current independent directors have expertise in the fields of financial accounting, business flow development and medical biotechnology, and are able to perform their supervisory functions and bring significant benefits to the company's operations.
- (2) Independent directors can fully discuss and provide suggestions in all functional committees for reference by the board of directors to implement corporate governance.
- (3) More than half of the board members do not hold concurrent positions as employees or executives, and are experts and scholars in various professional fields

1. Major Shareholders of Corporate Shareholders

April 7, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder
Cheng Yi Investment Company Ltd.	Lee Chen-Chia (33.42%), Lee Yi-Li (43.26%), Tsai Yu-Yun (14.28%), Lee I-Lin (9.04%)
Li Ling Investment Company Ltd.	Lee Chen-Chia (40.41%) , Tsai Yu-Yun (37.43%) , Lee I-Lin (21.82%) , Lee Yi-Li (0.34%)
Yi Xin International Company Ltd.	Lee Bi-Jen (50%) , Lee Yu-Chia (35%) , Lee Yong-Rui (7.5%) , Lee Yin-Rui (7.5%)
Hua Wei Ltd.	Guo Li-Rong (100%)

Note: The name of the main shareholder of the legal person shareholder (whose shareholding ratio accounts for the top ten) and the shareholding ratio.

2. Major shareholders of corporate shareholders with a institutions, its main shareholder: None.

3. Information on Directors and Supervisors:

(1) Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and Supervisors and the Independence of Independent Directors: :

Qualification Name	Professional qualifications and experience (Note 1)	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Chairman Lee Chen-Chia	1. Maywufa Company Limited Founder and Chairman. 2. Phytohealth Corp., Amcad Biomed Corp. Director, Founder, and Former Chairman. 3. National Policy Consultants, Presidential Palace. 4. Director, Central Bank Of The Republic Of China (Taiwan). 5. Director, Straits Exchange Foundation Managing Director. 6. Taiwan Federation Of Industry Managing Director, National Association of Small & Medium Enterprises, R.O.C. President. 7. The person has over 45 years of leadership experience in associations of listed and over-the-counter companies, related industries, government agencies, and the biotech and medical industry market.	There are no circumstances as specified in Article 30 of the Company Act.	0
Vice Chairman Lee Yi-Li	1. Phytohealth Corp. Chairman. 2. Amcad Biomed Corp. Chairman and General Manager. 3. Sinyi Realty Inc. Independent Director, Audit Committee Member, Remuneration Committee Member. 4. Director, International Global Corporate, Standard Chartered Bank. 5. Vice President, Credit Agricole Corporate And Investment 6. The person has over 20 years of experience in the biotech and medical industry market, finance and banking, and capital markets.		1

Qualification Name	Professional qualifications and experience (Note 1)	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Director Lee I-Lin	<ol style="list-style-type: none"> 1. Maywufa Company Limited Executive Director. 2. Phytohealth Corp. Vice Chairman and General Manager. 3. Amcad Biomed Corp. Vice Chairman. 4. Product Manager (Sales And Marketing), Janssen Armaceutical Factory Of Johnson & Johnson 5. Auditor/Risk Assessment Consultant, Deloitte Taiwan. 6. The person has over 15 years of experience in the biotech and medical industry market, risk management in accounting firms, and financial auditing. 	There are no circumstances as specified in Article 30 of the Company Act.	0
Director Lai Yu-Ju	<ol style="list-style-type: none"> 1. Maywufa Company Limited Director and General Manager. 2. Phytohealth Corp. Director. 3. Vice President, Citibank, Taiwan. 4. The person has over 25 years of experience in the e-commerce industry market, biotech and medical industry market, finance and banking, and capital markets. 		0
Director Chen Wen-Hwa	<ol style="list-style-type: none"> 1. Former Phytohealth Corp. General Manager and Director. Former Amcad Biomed Corp. Director. 2. Certified Pharmacist. 3. Sales Manager, Bristol-Myers Squibbs Company, Taiwan. 4. The person has over 45 years of experience in the biotech and medical industry market. 		0
Director Lee Yu-Chia	<ol style="list-style-type: none"> 1. Managing Director, National Association Of Small & Medium Enterprises R.O.C. 2. Convenor, Cross-Strait Ceo Summit Sme Cooperation And Youth Entrepreneurship Promotion Team. 3. Director, Small And Medium Enterprise Credit Guarantee Fund Of Taiwan. 4. Vice Chairman, Small And Medium Enterprise Foundation. 5. Committee Member, Ministry Of Health And Welfare. 6. The person has over 40 years of experience as a government health agency committee member, leader of a foundation for small and medium-sized enterprises, and in the biotech and medical industry market. 		0
Director Lee Bi-Jen	<ol style="list-style-type: none"> 1. Former Supervisor, Maywufa Company Limited and Phytohealth Corp. 2. Chairman, Triad International Corporation and Industrial Company. 3. President of the New Century Rotary Club of Taipei City. 4. President, Distinguished Ladies Club. 5. The person has over 35 years of experience in the biotech and medical, as well as textile industry market. 		0

Qualifi- cation Name	Professional qualifications and experience (Note 1)	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Director Liu Wen-Cheng	<ol style="list-style-type: none"> 1. Executive Director, Taiwan Corporate Governance Association. 2. Independent Director, Advantech Co. and Chenbro Micom Co. Ltd. 3. Former Chairman, Taiwan Corporate Governance Association, Independent Director, Vanguard International Semiconductor Corporation, Independent Director, Global Unichip Corp and Chairman & General Manager, Bristol-Myers Squibbs Company, Taiwan. 4. The person has over 45 years of experience as a leader in the Chinese Corporate Governance Association and foreign biotech companies' board of directors, as well as in the biotech and medical, and electronic industry market. 	There are no circumstances as specified in Article 30 of the Company Act.	2
Director Yu Chang-Min	<ol style="list-style-type: none"> 1. Maywufa Company Limited Vice General Manager of the Maywufa Division. 2. Sales Manager for the Hong Kong and Taiwan markets at Baoqiang Home Products. 3. The person has over 20 years of experience as in the e-commerce industry market and the biotechnology and medical industry market. 		0
Independent Director Chen Hui-Yiu	<ol style="list-style-type: none"> 1. Choice Development, Inc.. Chairman. 2. Independent Director of Senao Networks Inc. , TCM Biotech International Corp., and Tongyuan Electric Co., Ltd. 3. Director of Global Life Insurance Co., Ltd., and Chairman of the Life Insurance Business Association of the Republic of China. 4. The person has over 30 years of experience in the biotech and medical, Business Management, as well as electronic industry market. 		3
Independent Director Ou Shu-Fang	<ol style="list-style-type: none"> 1. University Optical Technology Co., Ltd. Chairman. 2. Independent Director of Jiadeng Precision Industry Co., Ltd. 3. National Association of Small & Medium Enterprises, R.O.C. and Ten Outstanding Young Persons Foundation Executive Director. 4. Honorary Chairman of the World Chinese Women Entrepreneurs Association. 5. Former Taiwan Dental Association - Physician Reviewer of the National Health Insurance Primary Capitation Payment System Implementation Committee. Cardinal Tien Hospital, Taipei City Hospital Zhongxiao Branch and Cathay General Hospital Ophthalmologist. 6. The person has over 30 years of experience as an ophthalmologist in large medical institutions, a university professor, Business Management and in the biotech and medical industry market. 		1

Qualification Name	Professional qualifications and experience (Note 1)	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Independent Director Chang Hung-jen	<ol style="list-style-type: none"> Chairman and General Manager of YFY Biotech Management Co., Ltd., and chairman of Shang Jun Microfluidics Co., Ltd. Chairman of Yaxiang Biomedical Technology, Shiang Yong Biotech Management Consultants Co., Ltd., and Micareo, Inc. Director of TaiGen Biopharmaceuticals Holdings, TaiGen Biotechnology, Kymab Biopharma, Yian Biotech Inc. and University Optical Technology Co., Ltd. Vice Chairman of the Taiwan Research-based Biopharmaceutical Manufacturers Association (TRPMA). Adjunct Professor at the Institute of Public Health, National Yang-Ming Chiao Tung University. Deputy Director of the Department of Health, Executive Yuan; Director-General of the Centers for Disease Control, Executive Yuan; General Manager of the National Health Insurance Administration, Executive Yuan. Over 40 years of experience in the management and operation of the biotechnology and medical industries. 		0
Independent Director Lin Chi-Feng	<ol style="list-style-type: none"> Senior Consultant of Fubon Media Technology Co., Ltd. and Former Chairman, General Manager of Fubon Media Technology Co., Ltd Vice Chairman of Taiwan Enterprise Reengineering Management Consulting Co., Ltd. Director of Chengxi Information Integration and Liton Biomedical Technology Co., Ltd. Former Assistant Manager at Citibank Taiwan Branch. and Taiwan First Securities Investment Co., Ltd and Deputy General Manager of the Taiwan Branch of MetLife, Inc. The person has over 40 years of experience as finance and banking, capital markets and business management. 		0

Note 1 : Professional qualifications and experience: Specify the professional qualifications and experience of each director and supervisor. If a member of the Audit Committee, specify their accounting or finance background and work experience. Additionally, specify whether any circumstance under any subparagraph of Article 30 of the Company Act exists with respect to a director or supervisor.

Note 2: Describe the status of independence of each independent director, including but not limited to the following: did they or their spouse or any relative within the second degree serve as a director, supervisor, or employee of the Company or any of its affiliates? ; specify the number and ratio of shares of the Company held by the independent director and their spouse and relatives within the second degree (or through nominees); do they serve as a director, supervisor, or employee of any company having a specified relationship with the Company (see Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies)?; specify the amount(s) of any pay received by the independent director for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.

Meets the Independence Criteria Name and Title	Includes but is not limited to whether oneself, spouse, or first-degree relatives serve as directors, supervisors, or employees of the company or its affiliated enterprises.	The number and proportion of shares held by oneself, spouse, and first-degree relatives (or held under others' names).	Whether serving as a director, supervisor, or employee of companies with specific relationships with the company (referring to provisions 5-8 of Article 3, Paragraph 1 of the Measures for the Appointment of Independent Directors of Publicly Traded Companies).	The amount of compensation received for providing business, legal, financial, accounting, or other services to the company or its affiliated enterprises in the past 2 years.
Chen Hui-Yiu Independent Director	No	0 stocks 0%	No	0 NTD
Ou Shu-Fang Independent Director	No	0 stocks 0%	No	0 NTD
Chang Hung-jen Independent Director	No	0 stocks 0%	No	0 NTD
Lin Chi-Feng Independent Director	No	0 stocks 0%	No	0 NTD

(2) Board diversity and independence :

A. Board diversity :

The company has established "Corporate Governance Best Practice Guidelines", which stipulate that the composition of the board of directors should consider diversity and formulate a diversity policy for basic criteria and professional knowledge and skills based on its own operations, operating style, and development needs. When appointing directors, the company not only considers their professional background, but also diversity as an important factor. According to Article 20, Paragraph 3 of the "Corporate Governance Best Practice Guidelines", board members should generally have the knowledge, skills, and qualities necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors as a whole should have the following abilities :

- (A) Business judgement.
- (B) Financial and accounting analysis ability.
- (C) Management skills.
- (D) Crisis management skills.
- (E) Industry knowledge.
- (F) International market perspective.
- (G) Leadership skills.
- (H) Decision-making skills.

The board of directors of our company consists of 13 members (including 4 independent directors), of whom 3 directors and 1 independent director are female. The members' professional backgrounds cover management, pharmacy, finance, accounting and medicine experts. The board of directors has diversified industry, academic, and knowledge backgrounds, and can provide professional opinions from different perspectives, which is of great help in enhancing the company's operational and management performance.

In addition, our company also attaches great importance to gender equality in the composition of the board of directors, and the current ratio of female directors (including independent directors) is 31%.

The number of female directors has not reached one-third. The reasons and planned measures to enhance gender diversity among directors:

1. Explanation of Reasons: Our company has thirteen board seats, and the current directors were elected at the shareholders' meeting on May 24, 2023. However, there are only four female directors, which, while compliant with the relevant regulations at that time, still does not meet the one-third requirement. This is due to the characteristics of the industry, making it difficult to find talent in a short period.

2. Measures to be Taken: Before the board is re-elected at the end of its term, we will seek recommendations for talent from various channels, such as the industry or academic institutions, to enhance the effectiveness of corporate governance and implement the policy of diversity among board members.

The implementation of the board of directors' diversification is shown in the following table :

Core elements of diversity Director Name	Nationality	Gender	Employed by the company.	Age					Length of tenure as an independent director			Industry experience			Professional expertise				
				41 to 50	51 to 60	61 to 70	71 to 80	81 to 90	Less than 3 years.	3 to 9 years	9 years or more	Biotechnology and Medical Industry	Finance and banking	Business management	Doctor	Pharmacist	Accountant	Financial Accounting	Risk Management
Lee Chen-Chia Chairman	Republic of China	M	✓				✓					✓		✓					✓
Lee Yi-Li Vice Chairman		F	✓	✓								✓	✓	✓				✓	✓
Lee I-Lin Director		F	✓	✓								✓	✓	✓				✓	✓
Lai Yu-Ju Director		M	✓		✓							✓	✓	✓				✓	✓
Chen Wen-Hwa Director		M					✓					✓		✓		✓			✓
Lee Yu-Chia Director(Note)		M	✓				✓					✓		✓					✓
Lee Bi-Jen Director		F					✓					✓		✓					✓
Liu Wen-Cheng Director		M					✓					✓	✓	✓				✓	✓
Yu Chang-Min Director		M	✓	✓								✓	✓	✓				✓	✓
Chen Hui-Yiu Independent Director		M			✓					✓		✓		✓					✓
Ou Shu-Fang Independent Director		F				✓				✓		✓		✓	✓				✓
Chang Hung-jen Independent Director		M				✓			✓			✓		✓					✓
Lin Chi-Feng Independent Director		M				✓			✓				✓	✓				✓	✓

Note: Director Lee Yu-Chia retired from the company in July 2024.

B. Independence of the Board of Directors :

- (A) Currently, there are 13 directors in the Company, including 4 independent directors, accounting for 30.77% of the total board members.
- (B) There are 6 directors who have relationships within the second degree of kinship in the Company. Lee Chen-chia, the Chairman, is the father of Lee Yi-Li, the Vice Chairman, and Lee I-Lin, a director. Lee Chen-chia is also the sibling of Lee Yu-Chia and Lee Bi-Jen, who are also directors. Lee Chen-chia and Lee I-Lin are related by marriage to Lai Yu-Ju, another director. Lee Yi-Li and Lee I-Lin are siblings. The percentage of directors with kinship relationships is only 46.15%, which is less than 50%, and therefore does not meet the provisions of Article 26-3, paragraphs 3 and 4, of the Securities and Exchange Act.

2.1.2 General Manager, Vice President and Assistant Vice President of Departments and Branches

March 31, 2024																
Job title	Nationality or place of registration	Name	Gender	Date of appointment to position	Shares held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions concurrently held in other companies at present	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
					Shares	%	Shares	%	Shares	%			Job title	Name	Relationship	
General Manager	R.O.C.	Lai Yu-Ju	Male	06/10/2005	205,000	0.15%	1,392,000	1.05%	0	0.00%	➤ MBA, UCLA ➤ BBA, National Taiwan University ➤ Vice President, Citibank, Taiwan ➤ 2012 Ernst & Young Entrepreneur Of The Year Award	➤ Director /General Manager, Maywufa Company Ltd. ➤ Director, Phytohealth Corp. ➤ Chairman, Maywufa Cosmetics (Shanghai) Co.,Ltd. ➤ Director, Taiwan Incubator Sme development Corp. ➤ Director, Lu Te Na Company Ltd.	Chairman	Lee Chen-Chia	Weng Son-In-Law	Note
Deputy General Manager Of Business Unit	R.O.C.	Yu Chang-Min	Male	01/01/2017	10,000	0.01%	0	0.00%	0	0.00%	➤ MBA, National Chengchi University ➤ Sales Assistant Manager, Procter & Gamble Taiwan Ltd.	➤ Director /Deputy General Manager Of Business Unit,Maywufa Company Ltd. ➤ Director,Lu Te Na Company Ltd	None	None	None	None
Factory Director	R.O.C.	Lin Ho-Chen	Male	12/14/2020	0	0.00%	0	0.00%	0	0.00%	➤ Bachelor Of Manufacturing Engineering And Management Technology, Yuan Ze University ➤ Assistant Manager Of Factory Affairs Office , Maywufa Company Ltd. ➤ Team Leader Of Production Management, FEDERAL CORPORATION ➤ Senior Manager Of Production Management, Rapidtek Co., Ltd.	None	None	None	None	None
Acting Financial Supervisor and Corporate Governance Manager	R.O.C.	Yu Ching-Hui	Female	01/17/2025	0	0.00%	0	0.00%	0	0.00%	➤ Bachelor Of Accounting, Soochow University ➤ MBA, National Taiwan University Of Science And Technology ➤ Assistant manager / Deloitte Taiwan Manager / An-Teckpas	None	None	None	None	None
Audit Supervisor	R.O.C.	Wei-Chi Chang	Female	11/08/2023	0	0.00%	0	0.00%	0	0.00%	➤ B.ACC.,Tamkang University ➤ Auditor Assistant Manager/Medical Imaging Corporation ➤ Auditor /CMC ➤ Auditor/KPMG Taiwan ➤ CIA Exam Passed	None	None	None	None	None

Note: When the general manager or an equivalent level position is the same person as the chairman of the board, or when they are spouses or first-degree relatives, the relevant information such as the reasons, rationality, necessity, and future improvement measures should be explained: The current general manager and chairman of the board of the company are first-degree relatives. This is due to the group's recent launch of second-generation succession, and because Ms. Lai Yu-Ju, the general manager, has served as a director of the company for many years and has a background in finance, accounting, and foreign banks, which brings risk management thinking to the company and has actively developed the e-commerce field, achieving substantial gains and creating high profits. In addition, the chairman and the general manager regularly communicate with the directors to fully understand the company's operating status and plan, and to implement corporate governance. The Company's 2023 General Meeting of Shareholders re-elected 4 independent directors to enhance the functions of the Board of Directors and strengthen the supervisory function. our company has the following specific measures:

1. The four current independent directors have expertise in the fields of financial accounting, business flow development and medical biotechnology, and are able to perform their supervisory functions and bring significant benefits to the company's operations.
2. Independent directors can fully discuss and provide suggestions for the board of directors in each functional committee to implement corporate governance.

3. More than half of the board members do not concurrently hold positions as employees or managers, and are experts and scholars in various professional fields

2.2 Remuneration to Directors, Supervisors, General Manager, and Vice Presidents

2.2.1 Remuneration to Ordinary Directors and Independent Directors

1. Summary Table of Remuneration:

Dec. 31, 2023; Unit: NTD thousands

Job title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income		Remuneration from Invested Businesses Other than Subsidiaries or Parent Company
		Remunerations (A)		Retirement pension (B)		Directors Compensation (C)		Allowances (D)				Salary, rewards, and special disbursements (E)		Retirement pay and pension (F) (Note 1)		Employee profit-sharing compensation (G)						
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
Chairman	Cheng Yi Investment Company Ltd. Representative: Lee Chen-Chia (Note6)	0	0	0	0	3,446	3,446	2,565	2,565	6,011	6011	30,790	30,790	4,886	4,886	2,280	0	2,280	0	43,967	43,967	19,581
Vice Chairman	Cheng Yi Investment Company Ltd. Representative: Lee Yi-Li																					
Director	Cheng Yi Investment Company Ltd. Representative: Lee I-Lin																					
Director	Li Ling Investment Company Ltd. Representative: Lai Yu-Ju																					
Director	Li Ling Investment Company Ltd. Representative: Lai Ginn-Shyang (Note2)																					
Director	Chen Wen-Hwa																					
Director	Yi Xin International Company Ltd. Representative: Lee Yu-Chia																					
Director	Yi Xin International Company Ltd. Representative: Lee Chan-Fwu(Note2)																					
Director	Hua Wei Ltd. Representative: Liu Wen-Cheng																					
Director	Hua Wei Ltd. Representative Lee Bi-Jen.																					

Job title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income		Remuneration from Invested Businesses Other than Subsidiaries or Parent Company
		Remunerations (A)		Retirement pension (B)		Directors Compensation (C)		Allowances (D)				Salary, rewards, and special disbursements (E)		Retirement pay and pension (F) (Note 1)		Employee profit-sharing compensation (G)						
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
																Cash	Stock	Cash	Stock			
Director	Yi Xin International Company Ltd. Representative: Yu Chang-Min ^(Note4)																					
Independent Director	Tsai Wen-Yu ^(Note3)	0	0	0	0	1,149	1,149	1,180	1,180	2,329	2,329	0	0	0	0	0	0	0	0	2,329	2,329	0
Independent Director	Chen Hui-Yiu																					
Independent Director	Ou Shu-Fang																					
Independent Director	Chang Homg-Jen																					
Independent Director	Lin Chi-Feng ^(Note5)																					
<div>1. The policy, system, standards, and structure for remunerating independent directors are disclosed with a clear explanation of the correlation between their remuneration and factors such as their responsibilities, risks, and time commitment. The remuneration of directors, including independent directors, is determined by the board of directors based on their involvement in the company's operations and contribution value, while taking into account both domestic and international industry standards. Our "Director Remuneration Payment Regulations" were approved on February 23, 2022, with the remuneration of independent directors executed in accordance with these regulations.</div> <div>2. In addition to the above disclosure, the directors of the company received a total remuneration of NTD 1,680,000 for providing services to the company, such as serving as non-employee consultants, in the latest fiscal year as disclosed in the financial report.</div>																						

Note 1 : The actual amount of retirement benefits paid in the 2024 fiscal year was NTD 4,454,000, with NTD 461,000 recorded as an expense for retirement benefits.

2. Remuneration Range Table

Remuneration Range for Each of the Company's Director	Name of Directors			
	Total remuneration (A+B+C+D)		Total remuneration (A+B+C+D+E+F+G)	
	The Company	All consolidated entities (H)	The Company	All consolidated entities (I)
Under NTD 1,000,000	Lee Yi-Li, Lee I-Lin, Lai Yu-Ju, Chen Wen-Hwa, Lee Yu-Chia, Liu Wen-Cheng, Lai Ginn-Shyang, Lee Chan-Fwu, Lee Bi-Jen, Yu Chang-Min, Tsai Wen-Yu, Chen Hui-Yiu, Ou Shu-Fang, Chang Homg-Jen, Lin Chi-Feng	Lee Yi-Li, Lee I-Lin, Lai Yu-Ju, Chen Wen-Hwa, Lee Yu-Chia, Liu Wen-Cheng, Lai Ginn-Shyang, Lee Chan-Fwu, Lee Bi-Jen, Yu Chang-Min, Tsai Wen-Yu, Chen Hui-Yiu, Ou Shu-Fang, Chang Homg-Jen, Lin Chi-Feng	Chen Wen-Hwa, Liu Wen-Cheng, Lai Ginn-Shyang, Lee Chan-Fwu, Lee Bi-Jen, Tsai Wen-Yu, Chen Hui-Yiu, Ou Shu-Fang, Chang Homg-Jen, Lin Chi-Feng	Liu Wen-Cheng, Lai Ginn-Shyang, Lee Chan-Fwu, Lee Bi-Jen, Tsai Wen-Yu, Chen Hui-Yiu, Ou Shu-Fang, Chang Homg-Jen, Lin Chi-Feng
NTD 1,000,000 (inclusive) ~ NTD 2,000,000 (exclusive)	Lee Chen-chia	Lee Chen-chia	0	0
NTD 2,000,000 (inclusive) ~ NTD 3,500,000 (exclusive)	0	0	0	0
NTD 3,500,000 (inclusive) ~ NTD 5,000,000 (exclusive)	0	0	Yu Chang-Min	Yu Chang-Min
NTD 5,000,000 (inclusive) ~ NTD 10,000,000 (exclusive)	0	0	Lee Yi-Li, Lee I-Lin Lai Yu-Ju, Lee Yu-Chia	Lai Yu-Ju, Lee Yu-Chia
NTD 10,000,000 (inclusive) ~ NTD 15,000,000 (exclusive)	0	0	Lee Chen-chia	Lee Yi-Li, Lee I-Lin
NTD 15,000,000 (inclusive) ~ NTD 30,000,000 (exclusive)	0	0	0	Lee Chen-chia
NTD 30,000,000 (inclusive) ~ NTD 50,000,000 (exclusive)	0	0	0	0
NTD 50,000,000 (inclusive) ~ NTD 100,000,000 (exclusive)	0	0	0	0
Over NTD 100,000,000	0	0	0	0
Total	13	13	13	13

2.2.2 Remuneration of General Manager and Vice Presidents:

1. Summary Table of Remuneration:

Dec. 31, 2023; Unit: NTD thousands

Dec. 31, 2023, Unit: RMB thousands

Job title	Name	salary (A)		Retirement pay and pension (B) (Note 1)		Rewards and special disbursements. (C)		Employee profit-sharing compensation (D)				Sum of A+B+C+D and ratio to net income (%)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
								cash	stock	cash	stock			
General manager	Lai Yu-Ju	6,414	6,414	216	216	4,333	4,333	630	0	630	0	11,593 6.69%	11,593 6.69%	432
Deputy General Manager of Business Unit	Yu Chang-Min													

Note 1: The actual amount of retirement benefits paid in the 2024 fiscal year was NTD 0, with NTD 216,000 recorded as an expense for retirement benefits.

2. Remuneration Range Table

Ranges of remuneration paid to each of the Company's general manager(s) and assistant general manager(s)	Names of General Manager(s) and Assistant General Manager(s)	
	The Company	All consolidated entities (E)
Under NTD 1,000,000	0	0
NTD 1,000,000 (inclusive) ~ NTD 2,000,000 (exclusive)	0	0
NTD 2,000,000 (inclusive) ~ NTD 3,500,000 (exclusive)	0	0
NTD 3,500,000 (inclusive) ~ NTD 5,000,000 (exclusive)	Yu Chang-Min	Yu Chang-Min
NTD 5,000,000 (inclusive) ~ NTD 10,000,000 (exclusive)	Lai Yu-Ju	Lai Yu-Ju
NTD 10,000,000 (inclusive) ~ NTD 15,000,000 (exclusive)	0	0
NTD 15,000,000 (inclusive) ~ NTD 30,000,000 (exclusive)	0	0
NTD 30,000,000 (inclusive) ~ NTD 50,000,000 (exclusive)	0	0
NTD 50,000,000 (inclusive) ~ NTD 100,000,000 (exclusive)	0	0
Over NTD 100,000,000	0	0
Total	2	2

2.2.3 Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers:

Dec. 31, 2023; Unit: NTD thousands

Job title		Name	Stock	Cash	Total	Ratio of Total Amount to Net Income (%)
Managerial officers	Chairman	Lee Chen-Chia	0	2,391	2,391	1.38%
	Vice Chairman	Lee Yi-Li				
	Director And General Manager	Lai Yu-Ju				
	Director	Lee I-Lin				
	Director	Lee Yu-Chia				
	Deputy General Manager Of Business Unit	Yu Chang-Min				
	Financial Supervisor	Chang Jin-Ten				
	Factory Director	Lin Ho-Chen				

2.2.4 Compare and describe separately the analysis of ratios of total remunerations paid to directors, supervisors, general managers, and vice general managers of the Company for the past two years by the Company and all companies in the Consolidated Report in after-tax earnings indicated in the entity or individual financial reports. In addition, describe correlation among the remuneration payment policy, standards and combination, remuneration establishing procedures, and management efficacy and risks in the future:

1. An analysis of the total amount of remuneration paid to the directors, general manager, and deputy general managers of the Company and its consolidated subsidiaries in the past two fiscal years as a percentage of the net profit after tax is provided as follows:

Year Job Title	Ratio of total remuneration paid to directors, supervisors, general manager and vice presidents to net income (%)				Increase (decrease) %	
	2024		2023		The Company	Companies in the consolidated financial statements
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements		
Director	25.38%	25.38%	26.94%	26.94%	(1.56%)	(1.56%)
Supervisor						
General Manager / Vice presidents						

2. The policy, standard and combination of payment of remuneration, the procedure of setting remuneration, and the correlation with business performance and future risks:

To establish a sound compensation system for our company's directors and managers, the Board of Directors has established a "Compensation Committee" in accordance with the "Regulations for Establishing and Exercising the Authority of the Compensation Committee for Stock Listing or Trading at Securities Business Places". The committee objectively considers factors such as industry standards, individual time and responsibility, achievement of goals, and compensation given to other employees in similar positions in recent years, as well as the company's short- and long-term business goals, financial condition, and future risks. The goal is to avoid directing directors and managers to engage in behavior that exceeds the company's risk tolerance in pursuit of compensation. The committee develops the compensation policies and systems for our directors and managers. Managers are evaluated based on the "Manager Compensation Payment Regulations" of our company, which includes criteria such as the salary level for the position in the industry, the range of responsibilities within the company, and the contribution to the company's operating goals. The evaluation also includes financial indicators (such as the company's revenue and pre- and after-tax net profit achievement rates) and non-financial indicators (such as the

completion of planning and execution of various projects, and the significant deficiencies in compliance with laws and operational risks of the departments under their jurisdiction).

The annual remuneration of directors and managers is determined in accordance with Article 28 of our company's articles of association. If our company makes a profit during the year (profit is defined as pre-tax profit minus employee and director remuneration), after reserving for the accumulated loss, if any, 3% to 6% of the remaining profit is allocated for employee compensation and up to 4% for director compensation. The compensation for directors and managers mentioned above must be approved by the Compensation Committee and submitted to the Board of Directors for resolution.

2.3 The corporate governance report

2.3.1 Operation of the Board of Directors:

Recently, the annual board of directors held 4 meetings (A), and the attendance of the directors is as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) 【B/ A】	Remarks
Chairman	Representative Of Cheng Yi Investment Company Ltd. Lee Chen-Chia	4	0	100%	
Vice Chairman	Representative Of Cheng Yi Investment Company Ltd. Lee Yi-Li	3	1	75%	
Director	Representative Of Li Ling Investment Company Ltd. Lee I-Lin	4	0	100%	
Director	Representative Of Cheng Yi Investment Company Ltd. Lai Yu-Ju	4	0	100%	
Director	Representative Of Hua Wei Ltd. Chen Wen-Hwa	3	1	75%	
Director	Representative Of Hua Wei Ltd. Liu Wen-Cheng	3	1	75%	
Director	Representative Of Li Ling Investment Company Ltd. Lee Bi-Jen	4	0	100%	
Director	Representative Of Yi Xin International Company Ltd. Lee Yu-Chia	4	0	100%	
Director	Representative Of Yi Xin International Company Ltd. Yu Chang-Min	4	0	100%	
Independent Director	Chen Hui-Yiu	4	0	100%	
Independent Director	Ou Shu-Fang	4	0	100%	
Independent Director	Chang Hung-jen	4	0	100%	
Independent Director	Lin Chi-Feng	4	0	100%	

Other information required to be disclosed :

I. If any of the following circumstances exists, specify the board meeting date, meeting session number, content of the motion(s), the opinions of all the independent directors, and the measures taken by the Company based on the opinions of the independent directors :

(I) Any matter under Article 14-3 of the Securities and Exchange Act(All independent directors had no objections to the resolutions of the board meetings of the Company for the year 2024 and the first quarter of 2025, and therefore, the Company did not need to address any opinions from independent directors.) :

Board of Directors Date/Term	Agenda items and follow-up actions
2024.02.27 17th 4th	1. To discuss the amendment of the "Board Meeting Rules."
	2. To discuss the amendment of the company's articles of association.
	3. To discuss the removal of restrictions on directors' non-compete clauses.
	The above resolutions: Upon the Chairman's inquiry, all attending directors had no objections and the proposals were approved accordingly.
2024.08.14 17th 6th	To discuss the 2023 Sustainability Report.
	The above resolutions: Upon the Chairman's inquiry, all attending directors had no objections and the proposals were approved accordingly.
2024.11.06 17th 7th	1. To discuss the establishment of a Sustainable Development Committee and the formulation of its organizational regulations.
	2. Appointment of Members for the First Sustainable Development Committee.
	The above resolutions: Upon the Chairman's inquiry, all attending directors had no objections and the proposals were approved accordingly.
2025.02.27 17th 8th	To discuss the amendment of the company's articles of association.
	The above resolutions: Upon the Chairman's inquiry, all attending directors had no objections and the proposals were approved accordingly.

(II) In addition to the matters referred to above, any dissenting or qualified opinion of an independent director that is on record or stated in writing with respect to any board resolution : None.

II. The status of implementation of recusals of directors with respect to any motions with which they may have a conflict of interest: specify the director's name, the content of the motion, the cause for recusal, and whether and how the director voted : There were no such incidents in 2023.

III. Implementation of Evaluations of the Board of Directors :

Assessment cycle	The evaluation period	Evaluation Scope	Assessment methods	Evaluation Content
Once a year	January 1, 2024 to December 31, 2024	Board of Directors, individual directors, audit committee, remuneration committee and functional committees	Overall board of directors, individual board members, and functional committees performance evaluation.	Note

Note : The evaluation content shall include at least the following based on the scope of the evaluation:

(1)Evaluation of the performance of the board should include at least the following: degree of the board's participation in the operation of the company; the quality of the board's decision

making; composition and structure of the board; election and continuing education of the directors; internal control.

(2) Evaluation of the performance of individual directors should include at least the following: familiarity with the goals and missions of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationships and communication; the director's professionalism and continuing education; internal control.

(3) Evaluation of the performance of the audit committee and remuneration committee: degree of participation in the operation of the company; awareness of the duties of the functional committee; quality of decisions made by the functional committee; makeup of the functional committee and election of its members; internal control.

IV. Give an evaluation of the targets that were adopted for strengthening of the functions of the board during the current and immediately preceding fiscal years (e.g., establishing an audit committee, increasing information transparency, etc.) and the measures taken toward achievement thereof :

- (I) The operation of the Board of Directors of the Company is carried out in accordance with laws, the company's articles of incorporation, and shareholder resolutions to exercise their powers. All directors, in addition to possessing the necessary professional knowledge, skills, and qualities for performing their duties, abide by the principles of honesty, integrity, and the duty of care to create maximum benefits for all shareholders.
- (II) The shareholders' meeting in 2023 elected four independent directors. In order to establish a sound corporate governance system for the board of directors, strengthened the monitoring function, and enhanced management capabilities. The Company has also formulated the Board Meeting Rules in accordance with the regulations of the securities regulator, which includes the main content of the agenda, operation procedures, matters to be recorded in the minutes, announcements, and other matters to be followed.
- (III) The Company has established a performance evaluation system for the Board of Directors and has approved the Board of Directors' Performance Evaluation Method. Each year, the Board conducts a self-evaluation and peer evaluation questionnaire to summarize and review. At least every three years, an external professional independent institution or team of experts and scholars is appointed to conduct an evaluation, which serves to motivate Board members and enhance the sound operation of the Board.
- (IV) In addition to conducting regular self-checks of the Board of Directors' operation and strengthening the Board's functions, internal audit personnel also prepare an audit report on the Board's operation, and monthly audit reports are provided to each independent director for review before the end of the following month, in compliance with the regulations of the securities regulator.
- (V) In accordance with the regulations of the securities regulator, the Company established the Compensation Committee on December 15, 2011, and held three meetings in 2024 to review the compensation policies and remuneration distribution of directors, managers, and employees to fulfill the corporate governance requirements.
- (VI) In compliance with the regulations of the securities regulator, the Company replaced the role of supervisor with the Audit Committee after the shareholder meeting on May 27, 2020. The Audit Committee held four meetings in 2024 and submitted resolutions to the Board of Directors to fulfill the corporate governance requirements.

V. Attendance of independent directors at each board meeting in the current and recent fiscal year :

(◎ : Personally attended ★ : Proxy Attendance ◆ : Absent)

2024	1st	2nd	3rd	4th
Chen Hui-Yiu	◎	◎	◎	◎
Ou Shu-Fang	◎	◎	◎	◎
Chang Hung-jen	◎	◎	◎	◎
Lin Chi-Feng	◎	◎	◎	◎
2025	1st			
Chen Hui-Yiu	◎			

Ou Shu-Fang	◎	
Chang Hung-jen	◎	
Lin Chi-Feng	◎	

2.3.2 Operation of the Audit Committee :

The company appointed four independent directors at its 2023 shareholders' meeting, and these four independent directors formed the Audit Committee. The Audit Committee meets at least once every quarter and is responsible for assisting the Board of Directors in overseeing the quality and integrity of the company's accounting, auditing, financial reporting processes, and financial controls.

The matters reviewed by the Audit Committee mainly include :

1. First quarter, second quarter, third quarter, and annual financial reports.
2. Audit of financial statements and accounting policies and procedures.
3. Internal control system and related policies and procedures.
4. Assessment of the effectiveness of the internal control system.
5. Significant asset or derivative transactions.
6. Significant loans, endorsements, or guarantees.
7. The issuance or offering of securities.
8. Appointment, removal, or compensation of the certifying accountant.
9. Appointment or removal of financial, accounting, or internal audit executives.
10. Self-evaluation questionnaire of the Audit Committee's performance assessment.

The recently annual audit committee held 4 meetings (A), and the attendance of independent directors is as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) 【B/A】	Remarks
Independent Director	Chen Hui-Yiu	4	0	100%	
Independent Director	Ou Shu-Fang	4	0	100%	
Independent Director	Chang Hung-jen	4	0	100%	
Independent Director	Lin Chi-Feng	4	0	100%	

Other information required to be disclosed :

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

(I) Any matter under Article 14-5 of the Securities and Exchange Act :

Board of Directors Date/Term	Audit Committee Date/Term	Agenda items and follow-up actions
2024.02.27 17th 4th	2024.02.27 2nd 3rd	1. Approve the individual financial statements, consolidated financial statements, and business report for the year 2023.
		2. Approve the recognition of capital expenditure for equipment acquisition.
		3. Approve the assessment of the effectiveness of the internal control system and the declaration of the internal control system for the year

		2023.
		4.To discuss the amendment of the "Internal Control System" and "The internal control self-assessment procedure".
		5.To discuss the revision of the "Audit Committee Organization Regulations".
		6.Approval of the replacement of the company's auditor, auditor remuneration, and assessment of their independence.
		7.To discuss the process and general policies for reconfirming the pre-approval of non-assurance services with Deloitte & Touche and its related entities.
		Audit Committee Resolution : Upon consultation with all attending members of the audit committee and receiving no objections, the proposal has been passed and will be brought up for discussion at the board of directors meeting.
		Handling of the audit committee's opinions by the company : All attending directors agreed to approve.
2024.05.08 17th 5th	2024.05.08 2nd 4 th	1.Approved the consolidated financial statements for the first quarter of 2024.
		2. Approved the appointment of the financial and accounting supervisor and the corporate governance supervisor.
		Audit Committee Resolution : Upon consultation with all attending members of the audit committee and receiving no objections, the proposal has been passed and will be brought up for discussion at the board of directors meeting.
		Handling of the audit committee's opinions by the company : All attending directors agreed to approve.
2024.08.14 17th 6 th	2024.08.14 2nd 5 th	1.Approved the consolidated financial statements for the second quarter of 2024.
		2.To discuss the establishment of the "Procedures for the Preparation and Verification of Sustainability Reports."
		Audit Committee Resolution : Upon consultation with all attending members of the audit committee and receiving no objections, the proposal has been passed and will be brought up for discussion at the board of directors meeting.
		Handling of the audit committee's opinions by the company : All attending directors agreed to approve.
2024.11.06 17th 7th	2024.11.06 2nd 6 th	1.Approved the consolidated financial statements for the third quarter of 2024.
		2.To discuss the establishment of an internal control system for "Sustainable Information Management Operations."
		3.To discuss the internal audit plan for the year 2025.
		Audit Committee Resolution : Upon consultation with all attending members of the audit committee and receiving no objections, the proposal has been passed and will be brought up for discussion at the board of directors meeting.
		Handling of the audit committee's opinions by the company : All attending directors agreed to approve.
2025.02.27 17th 8th	2025.02.27 2nd 7th	1. Appointment of the Company Governance Officer and Acting Financial Accounting Officer.
		2. Approve the individual financial statements, consolidated financial statements, and business report for the year 2024.
		3.Approve the assessment of the effectiveness of the internal control system and the declaration of the internal control system for the year 2024.
		4.To discuss the amendment of the "Internal Control System".
		5. Approval of the auditor remuneration, and assessment of their independence.

		6. To discuss the process and general policies for reconfirming the pre-approval of non-assurance services with Deloitte & Touche and its related entities.
		Audit Committee Resolution : Upon consultation with all attending members of the audit committee and receiving no objections, the proposal has been passed and will be brought up for discussion at the board of directors meeting.
		Handling of the audit committee's opinions by the company : All attending directors agreed to approve.

(II) In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the board of directors : None.

II. Implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest: specify the independent director's name, the content of the motion, the cause for recusal, and whether and how the independent director voted : None.

III. Communication between the independent directors and the chief internal audit officer and the CPAs that serve as external auditor (including any significant matters communicated about with respect to the state of the company's finances and business and the method(s) and outcomes of the communication.) :

(I) The head of internal audit of the company regularly communicates the audit report results and their follow-up execution with the independent directors every month, and the execution status and effectiveness of the audit business have been fully communicated.

(II) The head of internal audit of the company regularly communicates the audit report results and their follow-up execution with the independent directors at the audit committee meetings held every quarter, and the execution status and effectiveness of the audit business have been fully communicated.

(III) Before the audit committee meeting on February 27, 2025, the auditing accountant reported and communicated with the independent directors on the audit results of the financial statements and other related legal requirements.

(IV) The communication channels between the head of internal audit, the accountant, and the independent directors are open, and they can contact each other directly as needed.

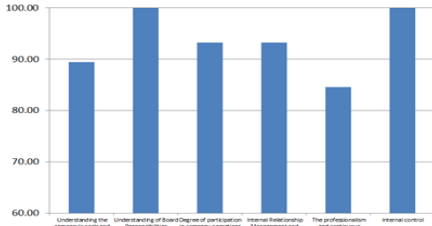
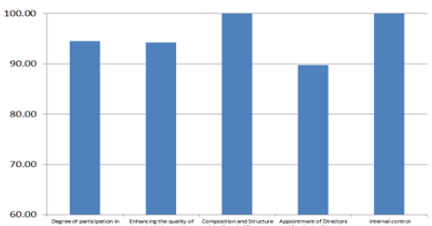
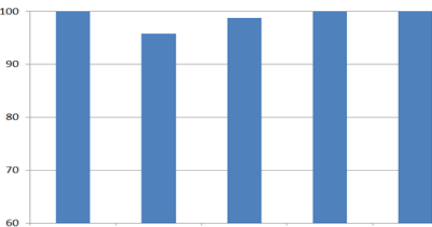
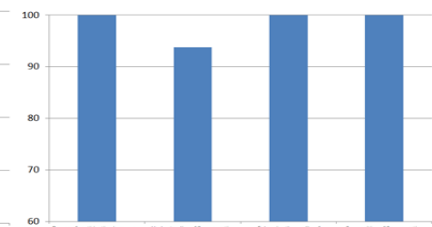
2.3.3 Corporate Governance – Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons :

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
1. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	✓		(1) The company established the "Corporate Governance Practice Guidelines" on December 23, 2009, which was approved by the board of directors. The guidelines have been revised and approved by the board of directors on February 25, 2015, August 14, 2019, August 12, 2020, and February 24, 2023, in accordance with the revisions made by the competent authority and to align with the company's actual operations. The revisions were reported at the respective annual shareholders' meetings. (2) The company has disclosed the Corporate Governance Practice Guidelines on its website.	No difference.
2. Shareholding Structure and Shareholders' Rights (1) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	✓		The company has established a spokesperson and a proxy spokesperson system in accordance with regulations, and has published their contact telephone numbers and email addresses on the official website for shareholders to contact. The spokesperson and proxy spokesperson use the telephone to understand and assist shareholders in resolving issues.	No difference.
(2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	✓		The company has entrusted the shareholder services agency "Grand Fortune Securities Co., Ltd. Shareholder Services Department" to regularly update the shareholder register and the major shareholder register, fully grasping the list of ultimate controllers of the company's equity, and requiring internal personnel to report any changes in their shareholdings to the company on a monthly basis in accordance with legal requirements. This effectively ensures that the list of major shareholders is accurately maintained.	No difference.
(3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	✓		The company has established relevant systems in accordance with legal requirements in the internal control system, such as the "Subsidiary Supervision and Management Measures" and the "Procedures for Financial Transactions among Related Parties."	No difference.

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	✓		The company has established relevant systems in accordance with legal requirements in the internal control system, such as the "Management of Insider Trading Prevention."	No difference.
3. Composition and responsibilities of the board of directors (1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	✓		<p>The company has established the "Corporate Governance Practice Guidelines," which require the composition of the board of directors to consider diversity, and to formulate a diversity policy for the basic conditions and professional knowledge and skills based on its own operation, business model, and development needs. When appointing directors, the company not only considers their professional background, but also the importance of diversity. According to Article 20, Paragraph 3 of the Corporate Governance Practice Guidelines, board members should generally possess the knowledge, skills, and qualities necessary to perform their duties. In order to achieve the ideal goal of corporate governance, the following abilities should be possessed by the entire board:</p> <ul style="list-style-type: none"> ① Operational judgment ability. ② Accounting and financial analysis ability. ③ Management ability. ④ Crisis handling ability. ⑤ Industry knowledge. ⑥ International market outlook. ⑦ Leadership ability. ⑧ Decision-making ability. <p>The company has 13 directors (including 4 independent directors), of which 3 directors and 1 independent director are female. The members' professional backgrounds cover management, pharmacy, finance, accounting, doctor and pharmacist experts. The board members have diverse backgrounds in industry, academics, and knowledge, and can provide professional opinions from different perspectives, which is of great help in improving the company's business and management performance. In addition, the company also emphasizes gender equality in the composition of the board of directors, and the current female director (including independent directors) ratio is around 31%. For the implementation status of the company's board of directors diversity, please refer</p>	No difference.

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			to pages 21-22 of this year's annual report.	
(2)Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee		✓	The Company has established the Audit Committee and the Remuneration Committee in accordance with applicable regulations. In addition, the Board of Directors approved the establishment of the Sustainable Development Committee on November 6, 2024.	Other functional committees may be established in the future depending on actual needs.
(3)Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?	✓		<p>The company has adopted the Board of Directors Performance Evaluation Method and its evaluation methods on February 26, 2016, and revised the evaluation procedures for functional committees at each board meeting on August 14, 2019 and August 12, 2020. The annual performance evaluation is conducted at the end of each fiscal year, and at least once every three years, an external professional independent organization or a team of external expert scholars is commissioned to conduct evaluations as needed. The scope of evaluation includes overall Board of Directors, individual directors, and functional committee performance evaluations. The five major aspects of the evaluation criteria for the Board of Directors performance are as follows :</p> <ol style="list-style-type: none"> ① Participation in company operations. ② Improvement of the quality of board decisions. ③ Composition and structure of the board. ④ Selection and continuous education of directors. ⑤ Internal control. <p>The performance evaluation of individual directors should include at least the following six dimensions:</p> <ol style="list-style-type: none"> ① Grasp of the company's goals and mission. ② Awareness of the director's responsibilities. ③ Participation in the company's operations. ④ Internal relationship management and communication. ⑤ Professional expertise and ongoing education of the directors. ⑥ Internal control. 	No difference.

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>The performance evaluation of functional committees should include at least the following five dimensions:</p> <ul style="list-style-type: none"> ① Participation in the company's operations. ② Awareness of the committee's responsibilities. ③ Enhancement of the quality of the committee's decisions. ④ Composition and selection of the committee members. ⑤ Internal control. <p>Scoring method: 1 point is given for full compliance, 0.75 points for mostly compliance, 0.5 points for partial compliance, 0.25 points for minor compliance, and 0 points for non-compliance. The final score is obtained by summing up the points and dividing by the total number of items * 100. The secretariat of the Board of Directors reports the evaluation results during the Board meeting and provides recommendations on areas that need improvement.</p> <p>According to the above-mentioned method, the evaluation report of the board of directors for the year 2024 was submitted to the board of directors on February 27, 2025, as follows:</p>	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>Results of the Board of Directors and Board Member Performance Evaluation</p> <ul style="list-style-type: none"> The results of the performance self-evaluation, after weighted calculation, show that the average score of valid questionnaires ranges from 84.62 to 100 points. Analysis indicates that the scores for "understanding of company goals and tasks" and "continuing education for directors" are relatively low. The areas that need further enhancement are primarily "courses that can strengthen knowledge and skills through continuing education" and "understanding of the company's strategic goals." The company will comply with regulations in the future by providing relevant training courses for directors and will timely provide information related to the company, industry, and risks for directors to understand. <p>Board members</p>  <p>Board of Directors</p>  <p>Performance evaluation results of the functional committee</p> <ul style="list-style-type: none"> The results of the performance self-evaluation, after weighted calculation, show that the average score of valid questionnaires ranges from 93.75 to 100 points. After analysis, the committee found that the score for the aspect of "awareness of responsibilities" was relatively low. The area that needs to be strengthened is primarily "the ability to provide timely and professionally objective suggestions for discussion by the board of directors, to serve as a reference for the board's decision-making." In the future, the company will further strengthen interaction and communication with the committee members. <p>Audit Committee</p>  <p>Compensation Committee</p> 	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(4) Does the Company regularly evaluate its external auditors' independence?	✓		<p>On February 27, 2025, our company approved the remuneration for the certified public accountants and assessed their independence through the Audit Committee and the Board of Directors. The currently appointed certified public accountants are Huang Hai-yue and Yu Cheng Quan, who have been signing off since the first quarter of 2024 and the first quarter of 2020, respectively. They have not yet reached the seven-year limit that requires a change.</p> <p>According to the Code of Professional Ethics of the National Federation of Certified Public Accountants of the Republic of China, the audit team members have declared that they have complied with its regulations on integrity, fairness, objectivity, and independence.</p> <p>Our company has obtained the AQI information and independence declaration of the signing accountant. The information did not reveal any reason for the KPMG accounting firm to have an influence on its independence from our company.</p> <p>Furthermore, our company has internally evaluated that the signing accountant hired has not served as our company's director, shareholder, or received any salary from our company, nor has a relevant interest relationship with our company, which should comply with the relevant regulations on independence.</p>	No difference.
4. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	✓		<p>Our company currently has a finance and accounting executive serving as a part-time corporate governance officer. This officer has more than three years of experience in managing financial, equity, and board affairs for publicly traded companies and is responsible for planning corporate governance-related matters, protecting shareholder rights, and strengthening board functions. The officer's main responsibilities include providing directors and independent directors with the information necessary to carry out their duties, keeping them up-to-date on the latest regulatory developments related to company operations, and helping them comply with legal requirements.</p> <p>The business performance for the year 2024 is as follows and was reported to the Board of Directors on February 27, 2025 :</p> <p>(1) The company promptly informs board members after releasing significant information, ensuring that board members are timely informed of important company updates.</p> <p>(2) Provide timely notifications to board members regarding the latest legislative</p>	No difference.

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>and regulatory amendments related to corporate governance, as well as the direction of development, during board meetings.</p> <p>(3) Timely formulation of updates to corporate governance-related systems and organizational structures is essential to ensure the independence of the board of directors, demonstrate the company's transparency and compliance with laws, and reflect the actual operation of internal audits and controls.</p> <p>(4) Regarding the continuing education of board members, periodic training materials are provided intermittently to remind board members of their training status and hours.</p> <p>(5) An annual report is provided on the "Director and Officer Liability Insurance" purchased for the Board of Directors members.</p> <p>(6) Meetings are held periodically with the company's accountant, finance manager, audit manager, and independent directors for communication.</p> <p>(7) Before the Board of Directors meeting, each director's opinions are solicited to plan and prepare the agenda. At least 7 days before the meeting, all directors are notified and provided with sufficient meeting materials to understand the relevant issues. If there are issues related to interested parties, the related persons are given prior notice.</p> <p>(8) The company registers the shareholder meeting date every year in accordance with legal deadlines, prepares and submits the meeting notice, annual report, agenda booklet, and minutes before the deadline, and makes changes to the registration after amending the articles of incorporation or electing directors.</p> <p>(9) In addition to conducting self-evaluations of the Board of Directors, individual directors, the audit committee, and the remuneration committee every year, an internal performance evaluation of the overall operation is conducted. At least once every three years, an external professional independent organization or expert scholar is appointed to conduct a performance evaluation if necessary.</p> <p>(10) On September 13, 2024, invited by Taishin Securities, a joint institutional briefing will be held. The management team explained the company's latest research and development and business expansion status to legal entities and investors.</p> <p>The MAYWUFA[®] Division: MAYWUFA[®] has been selected as one of Taiwan's Top</p>	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>100 Brands. According to the "2021 Consumer Index Study" published by the global authoritative market research company KANTAR, MAYWUFA[®] hair care products rank first in market share among Taiwan brands. We operate a range of products including hair dye, shampoo, conditioner, and body wash, establishing a complete value chain from research and development to brand marketing. We have successfully integrated e-commerce and physical channels.</p> <p>The Pharmaceutical Division: We have been focusing on the domestic medical institution market, marketing new drugs developed by Phytohealth Corp. and representing pharmaceuticals from international pharmaceutical giants.</p>	
5.Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	✓		<p>Our company has established a communication channel for stakeholders in the stakeholder section of our official website, and designated personnel are responsible for appropriately responding to important corporate social responsibility issues raised by stakeholders.</p> <p>We maintain smooth communication channels with stakeholders and respect and safeguard their legitimate rights and interests.</p> <p>Our company regularly reports on communication with stakeholders to the board of directors in the first quarter of each year. We have reported our communication with stakeholders for the year 2024 to the board of directors on February 27, 2025. For more details, please refer to our company website.</p>	No difference.
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	✓		Our company has appointed the "Stock Affairs Agency Department" of Grand Fortune Securities Co., Ltd. as the stock affairs agent to handle matters related to shareholders and the annual general meeting.	No difference.
<p>7. Information Disclosure</p> <p>(1)Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?</p>	✓		Our company has established a website at www.maywufa.com.tw , and in compliance with relevant regulations, regularly discloses or updates financial, business, and corporate governance information on the Taiwan Stock Exchange and Taipei Exchange Public Information Observation System (Public Information Platform). The company website also provides links to the Public Information Platform for further information.	No difference.

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	✓		Our company has established an English version of the official website, and designated the head of the accounting unit to be responsible for collecting company information. We have been following the relevant regulations on information disclosure of the competent authorities and disclosing the information that should be made public. We have also implemented a spokesperson and proxy spokesperson system, and uploaded the process of the investor conference on the company website.	No difference.
(3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	✓		Our company's individual and consolidated financial reports for the year 2024 have been announced and filed on February 27, 2025. The consolidated financial reports for the first, second, and third quarters of 2023 were announced and filed on May 9, August 14, and November 7, 2024, respectively. The consolidated financial reports in English for the first, second, and third quarters of 2024 were announced and filed on July 12, October 11, and January 7, 2025, respectively. All of the above financial reports and monthly operating results were announced and filed before the required deadline.	No difference.
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	✓		<p>(1) Employee Rights: Our company values the rights of our employees and adheres to legal regulations. We hold regular labor-management meetings to promote harmony between management and employees, and the Employee Welfare Committee organizes regular activities to fulfill our social responsibility. We have established various systems and measures, such as an employee retirement system, purchasing group insurance for employees, and providing education and training. Our company has a team consisting of the General Manager and department heads that plans an annual "Manager Inspiration Seminar" to cultivate managerial skills. The team also has a leisure activity committee that plans various recreational activities, gifts for festivals, and a care committee that is concerned with colleagues and their families. We have established an employee complaint email to facilitate communication and feedback from employees.</p> <p>(2) Employee Care: Our company respects the human rights of all employees and provides equal opportunities for job seekers and employees. We do not discriminate against employees or job seekers based on non-work factors such as race, beliefs, religion, party affiliation, gender, marital status, disability, or other government-protected status. This principle applies to recruitment, employment, training, promotion, salary, welfare, relocation, and more. Our company has</p>	No difference.

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>disclosed a "Workplace Sexual Harassment Prevention and Punishment Measures" policy, and has set up a lactation room in compliance with the law to ensure a friendly workplace and establish a safe and healthy working environment for women.</p> <p>(3) Investor Relations: In order to enable investors to understand our company's operating status, we have established an "Investor Relations" section on our website, regularly updating various stock and financial information.</p> <p>(4) Supplier Relations: Our company has established a "Supplier Management Regulations," and the contracts signed with suppliers include a "Honest Business Declaration." We strictly require our employees and cooperative manufacturers to not directly or indirectly provide, promise, request or accept bribes, commissions, entertainment, kickbacks, or other improper benefits during business activities. In order to establish a good cooperative relationship, we also ask our cooperative manufacturers not to engage in any direct or indirect form of bribery, commission, kickback, gift, entertainment, or other improper benefits to any of our company's employees. We pay our suppliers on time and maintain a good relationship with them.</p> <p>(5) Rights of Stakeholders: We have reported our communication with stakeholders for the year 2024 to the board of directors on February 27, 2025 and established a Stakeholder Relations section on our official website, and we also keep our promises to stakeholders, including suppliers, customers, shareholders, and employees. We place great emphasis on quality and service to maintain the rights of our stakeholders.</p> <p>(6) MAYWUFA[®] has been selected as a "Top 100 Taiwanese Brands" by the Ministry of Economic Affairs, and it is the only hair care product to have received this award. We have also received the "Taiwan Excellence Award" and the "SNQ National Quality Mark" (the only brand in the industry to receive this honor), as well as the Bronze Medal in the National Biotech Medical Quality Awards. We have won the "Healthy Brand" award for hair dye in a health magazine for four consecutive years, and the "Reputation Brand Platinum Award" from Reader's Digest. Our pharmaceutical products have also won the "Excellent Sales Practice for Pharmaceuticals" award as an outstanding manufacturer. Our products represent quality and safety, which have passed strict inspections.</p>	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>(7) Director Continuing Education Status :</p> <p>Please refer to the detailed explanation on pages 80-81 of this year's annual report for relevant information regarding further education or training.</p> <p>(8) Risk Management Policy and Implementation of Risk Measurement Standards : The Board of Directors of Our company approved the "Risk Management Policy and Procedures" on November 8, 2022. The organizational structure of risk management includes the Board of Directors, senior management, audit unit, business units, factory units, and management units. The risk management procedures include risk identification, risk measurement, risk monitoring, risk reporting and disclosure, and risk response procedures. The company controls the scope of operational risks and takes appropriate measures to ensure the management of related operational risks. The company also reported the implementation of risk management in 2024 to the Board of Directors on February 27, 2025. For more details, please refer to the company's website.</p> <p>(9) Execution of Customer Policy : The company has established regulations related to customer information, customer credit, and customer order management. All products sold are obtained government permits in accordance with regulations. The company has set up a customer service hotline (02-27136621) and customer service email on the website to protect consumers.</p> <p>(10) Purchase of Liability Insurance for Directors by the Company : The company's articles of incorporation explicitly provide for the purchase of liability insurance for directors and managers. The company reported the implementation of this policy to the Board of Directors on August 14, 2024, and has effectively implemented it.</p>	
<p>9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement.</p> <p>The following is an explanation of the improvement made by our company regarding the results of the 11th Corporate Governance Evaluation, as well as the</p>				

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
prioritized items and measures to be strengthened for those that have not yet been improved :				
In response to the areas for improvement identified in the corporate governance evaluation for the year 2024, the following measures will be implemented:				
(1) In 2025, the company will actively invite more than half of the directors and the convener of the Audit Committee to personally attend the annual shareholders' meeting.				
(2) In 2025, the company will either be invited to or independently hold at least two institutional investor conferences and disclose complete video recordings of at least two meetings.				

2.3.4 If the company has a remuneration committee or nomination committee in place, the composition and operation of such committee shall be disclosed :

The remuneration committee is responsible for assisting the board of directors in implementing and evaluating the company's overall compensation and benefits policies, as well as the remuneration of executives.

1. The company established the Compensation Committee on December 28, 2011, and the members of the fifth term of the Compensation Committee were approved at the board of directors meeting on May 26, 2023 and August 2, 2023. Mr. Chen Hui-Yiu serves as the convener of this term's committee, which consists of four members: Mr. Chen Hui-Yiu, Ms. Ou Shu-Fang, Mr. Chang Hung-jen, and Mr. Lin Chi-Feng, all of whom meet the qualifications stipulated by the Securities and Exchange Act and the Regulations Governing the Establishment and Exercise of Powers of Remuneration Committees of Public Companies Whose Stock is Listed on the Stock Exchange or Traded Over the Counter at Securities Firms.
2. Please refer to our company website for the organization regulations of the Compensation Committee.

(1) Information on Remuneration Committee Members

Capacity	Qualifications Name	Professional qualifications and experience	Independence analysis	Number of other public companies at which the person concurrently serves as remuneration committee member
Convener (Independent Director)	Chen Hui-Yiu	Please refer to pages 17-22 of this annual report for information disclosure regarding the professional qualifications of directors and the independence of independent directors.		3
Committee member (Independent Director)	Ou Shu-Fang			1
Committee member (Independent Director)	Chang Homg-Jen			0
Committee member (Independent Director)	Lin Chi-Feng			0

(2) Operation of the Remuneration Committee

- ① The Company's remuneration committee has a total of 4 members.
- ② The term of the current members is from May 26th, 2023 to May 25th, 2026. Recently, the annual remuneration committee held 3 meetings (A), and the attendance by the members is as follows :

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) (B / A2)	Remarks
Convener	Chen Hui-Yiu	3	0	100.00%	May 26, 2023 Re-elected
Committee member	Ou Shu-Fang	3	0	100.00%	May 26, 2023 Re-elected
Committee member	Chang Hung-jen	3	0	100.00%	May 26, 2023 Newly appointed
Committee member	Lin Chi-Feng	3	0	100.00%	August 2nd, 2023 Newly appointed

Other information required to be disclosed:

- 1.If the board of directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the board of directors, and the measures taken by the Company with respect to the opinions given by of the remuneration committee (e.g., if the salary/compensation approved by the board is higher than the recommendation of the remuneration committee, specify the difference(s) and the reasons). : None.
- 2.With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion. : None.
- 3.The operation of the Remuneration Committee should be disclosed, including the date and term of the Board meeting, the agenda, the resolution of the Remuneration Committee, and the company's handling of the opinions of the Remuneration Committee regarding remuneration and compensation :

Board of Directors Date/Term	Compensation Committee Date/Term	Agenda items and follow-up actions
2024.02.27 17th 4th	2024.02.27 5th 3rd	Discussion on the distribution of director and employee remuneration for the year 2023.
		Resolution of the Compensation Committee: After the chairman consulted with all members of the Audit Committee and there were no objections, the proposals were approved and submitted to the Board of Directors for further discussion.
		Handling of the Company's opinions on the Compensation Committee: The proposal was approved by all attending directors.
2024.05.08 17th 5th	2024.05.08 5th 4th	Discussion on approval of the Compensation Package for the Newly Appointed Finance and Accounting Executive.
		Resolution of the Compensation Committee: After the chairman consulted with all members of the Audit Committee and there were no objections, the proposals were approved and submitted to the Board of Directors for further discussion.
		Handling of the Company's opinions on the Compensation Committee: The proposal was approved by all attending directors.
2024.11.06 17th 7th	2024.11.06 5th 5th	Discussion on the allocation of year-end and performance bonuses for the fiscal year 2024 is proposed.
		Resolution of the Compensation Committee: After the chairman consulted with all members of the Audit Committee and there were no objections, the proposals were approved and submitted to the Board of Directors for further discussion.
		Handling of the Company's opinions on the Compensation Committee: The proposal was approved by all attending directors.

Other resolution items not approved by the Compensation Committee but have been approved by over two-thirds of the entire board of directors: None.

4. The implementation of recusal by the Compensation Committee for matters involving conflicts of interest should include the names of the committee members, the content of the resolution, the reasons for recusal, and their participation in the vote: No such cases exist.
5. Communication between the Compensation Committee and the internal personnel manager and the board meeting unit should include :
 - (1) The personnel manager and the board meeting unit of the Company communicate with the Compensation Committee irregularly.
 - (2) The personnel manager and the board meeting unit of the Company communicate the content of the current agenda to the Compensation Committee before each scheduled meeting. The execution situation and results of personnel affairs have been fully communicated.

- (3) For the agenda of the three Compensation Committee meeting in 2024, the personnel manager and the board meeting unit have reported and fully communicated with the Compensation Committee in advance.
- (4) The communication channels between the personnel manager and the board meeting unit and the Compensation Committee are smooth and they can contact each other directly as needed.

2.3.5 Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons :

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1.Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	✓		<p>To strengthen the management of sustainable development, the Company's Board of Directors approved the revision of the "Corporate Social Responsibility Best Practice Principles" to the "Sustainable Development Best Practice Principles" on February 23, 2022. In accordance with the content of the "Sustainability Roadmap for TWSE/TPEX Listed Companies" outlined in the Financial Supervisory Commission's letter No. 1110381030 dated March 9, 2022, the Company established a Sustainable Development Committee and a Sustainability Task Force.</p> <p>The Company identifies key sustainability issues relevant to its operations and stakeholders, formulates corresponding strategies and operational guidelines, allocates sustainability-related budgets within each organizational unit, and plans and implements annual initiatives. The implementation outcomes are also tracked to ensure that sustainability strategies are effectively embedded in the Company's daily operations. The Board of Directors regularly receives reports from the management team. The management is responsible for proposing corporate strategies to the Board, which must evaluate the likelihood of their success, review the progress periodically, and, when necessary, urge the management team to make timely adjustments.</p> <ol style="list-style-type: none"> 1. In November 2024, the Company formally established the "Sustainable Development Committee" under the Board of Directors. According to the "Organizational Regulations for the Sustainable Development Committee," the Committee shall meet at least once a year to report to the Board on the implementation results of the current year and the execution plan for the following year. 2. The Committee is composed of three members, all of whom are Directors. Its main responsibilities include: <ol style="list-style-type: none"> (1) Formulating, promoting, and strengthening the Company's sustainability policies, annual plans, and strategies. (2) Reviewing, tracking, and revising the implementation and effectiveness of sustainability initiatives. 	No difference.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons												
	Yes	No	Summary description													
			(3) Supervising the disclosure of sustainability-related information and reviewing the sustainability report.													
			(4) Overseeing the implementation of the Company's sustainable development principles and other sustainability-related initiatives as resolved by the Board.													
			3. The current term of the Committee is from November 6, 2024, to May 25, 2026. The professional qualifications and experience of the Committee members are as follows:													
			<table><tr><th>Title</th><th>Name</th><th>Sustainability Expertise and Competencies</th></tr><tr><td>Chairperson and Convener (Vice Chairman)</td><td>Lee Yi-Li</td><td>Sustainable development strategy</td></tr><tr><td>Committee Member (Executive Director and General Manager of the Pharmaceutical Division)</td><td>Lee I-Lin</td><td>Participation in social welfare activities; organization of medical society academic conferences, clinical education programs, and expert symposiums</td></tr><tr><td>Committee Member (Director and President)</td><td>Lai Yu-Ju</td><td>Energy management, supply chain management, and product packaging</td></tr></table>		Title	Name	Sustainability Expertise and Competencies	Chairperson and Convener (Vice Chairman)	Lee Yi-Li	Sustainable development strategy	Committee Member (Executive Director and General Manager of the Pharmaceutical Division)	Lee I-Lin	Participation in social welfare activities; organization of medical society academic conferences, clinical education programs, and expert symposiums	Committee Member (Director and President)	Lai Yu-Ju	Energy management, supply chain management, and product packaging
			Title		Name	Sustainability Expertise and Competencies										
			Chairperson and Convener (Vice Chairman)		Lee Yi-Li	Sustainable development strategy										
			Committee Member (Executive Director and General Manager of the Pharmaceutical Division)		Lee I-Lin	Participation in social welfare activities; organization of medical society academic conferences, clinical education programs, and expert symposiums										
			Committee Member (Director and President)		Lai Yu-Ju	Energy management, supply chain management, and product packaging										
			We reported the 2024-year execution status to the board of directors on February 27, 2025, as follows :													
			<table><tr><th>Item</th><th>Execution status</th></tr><tr><td>1</td><td>Our company has established a sustainable development section on our official website to disclose our continuous efforts and actual progress in promoting various important sustainable development issues.</td></tr><tr><td>2</td><td>We have established a set of sustainable development practices, which are posted on our official website and accessible to all colleagues through our internal network-attached storage (NAS) system. We have also strengthened relevant prevention measures and provided educational promotion.</td></tr><tr><td>3</td><td>Our company has established an employee complaint section on our</td></tr></table>		Item	Execution status	1	Our company has established a sustainable development section on our official website to disclose our continuous efforts and actual progress in promoting various important sustainable development issues.	2	We have established a set of sustainable development practices, which are posted on our official website and accessible to all colleagues through our internal network-attached storage (NAS) system. We have also strengthened relevant prevention measures and provided educational promotion.	3	Our company has established an employee complaint section on our				
Item	Execution status															
1	Our company has established a sustainable development section on our official website to disclose our continuous efforts and actual progress in promoting various important sustainable development issues.															
2	We have established a set of sustainable development practices, which are posted on our official website and accessible to all colleagues through our internal network-attached storage (NAS) system. We have also strengthened relevant prevention measures and provided educational promotion.															
3	Our company has established an employee complaint section on our															

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
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				website, providing a channel for employees to access information and express opinions regarding the company's management activities and decisions.
			4	Our company has established a customer complaint section on our official website, providing a transparent and effective procedure for consumers to file complaints about our products and services, and ensuring that such complaints are handled promptly and fairly.
			5	Our company practices waste sorting on a regular basis, and at the end of each year, we conduct paper and pulp recycling with paper mills to reuse resources.
			6	Our Yangmei factory has qualified certified wastewater treatment facilities that can prevent the pollution of water resources.
			7	Our company has signed labor contracts with all employees, and the contract terms comply with relevant laws and regulations on human rights, gender equality, work rights, and benefits.
			8	Our company has obtained ISO, cGMP, and GDP certifications and follows the relevant regulations on drug production set forth by the Ministry of Health and Welfare in our country.
			9	Our company has developed a Personal Data Protection Management Policy, and we comply with relevant laws and regulations such as the Personal Data Protection Act. We respect the privacy rights of consumers and protect the personal data provided by them.
			10	In January and July of 2024, we sponsored the Chinese National Association of Industry and Commerce to assist businesses in facing new market competition with innovative thinking, effectively seizing future investment and operational opportunities.
			11	In January and November of 2024, three events were held to support the Taiwan Society of Neurotrauma and Critical Care, aimed at enhancing the clinical medical quality of new specialist physicians regarding brain

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
				injuries.
			12	In March 2024, we sponsored the annual meeting of the Taiwan Oncology Nursing Society and provided 200 copies of the new edition of the "Guidelines for Diagnosis and Care of Cancer-Related Fatigue," aiming to enhance the awareness and importance of cancer-related fatigue among healthcare professionals and the public.
			13	In March and May of 2024, we sponsored the Taiwan Society of Clinical Oncology to enhance the quality of medical care provided by healthcare professionals in the clinical management of cancer.
			14	In April 2024, sponsored the annual meeting of the Taiwan Pain Medicine Association to enhance the quality of pain management among healthcare professionals.
			15	In April and October of 2024, we sponsored the Taiwan Women Directors Association to help cultivate and connect more new-era female leaders, injecting more diverse and comprehensive thinking into enterprises and exerting sustainable influence.
			16	In May 2024, we sponsored the Taiwan Joint Academic Conference on Cancer (TJCC) to enhance the quality of medical treatment for cancer-related fatigue.
			17	In May 2024, we sponsored the Asia-Pacific Psycho-Oncology Exchange Foundation, which focuses on the emotional care of cancer patients and addresses the psychological needs of patients at different stages of treatment.
			18	In May and November of 2024, we sponsored the Dermatological Medical Association to enhance and improve the professional knowledge of physicians, safeguarding the skin health of the people.
			19	In May, July, and August of 2024, we sponsored three early palliative care seminars organized by the Taiwan Society of Hospice and Palliative Medicine to enhance and improve the quality of medical treatment for cancer-related fatigue.

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	Yes	No	Summary description	
			20 In June 2024, we sponsored the Taiwan Minimally Invasive Spine Surgery Association's summer conference to enhance and improve physicians' knowledge in their professional fields.	
			21 In June 2024, we sponsored the Taichung International Breast Cancer Medical Conference (2024 TIBCS) to enhance the quality of breast cancer treatment for healthcare professionals.	
			22 In June 2024, we sponsored the Republic of China Deng Jia Baby Social Welfare Association to improve the quality of life for children in orphanages and raise public awareness and support for disadvantaged children.	
			23 In June 2024, we sponsored the Garden of Hope Foundation to support women, children, and disadvantaged groups, promoting awareness and implementation of gender equality in society.	
			24 In June 2024, we sponsored the Chinese Business Managers' Association to promote experience exchange and knowledge sharing among enterprises, helping businesses improve operations and contribute to economic development.	
			25 In August 2024, we sponsored the National Taiwan University Hospital's research on dental caries prevention to safeguard the oral health of the population.	
			26 In August 2024, we sponsored the Breast Cancer Education and Prevention Society of the Republic of China seminar to enhance awareness among medical professionals and the public about breast cancer prevention, protecting women's health.	
			27 In September and November 2024, we sponsored two hospital briefing sessions organized by the Taiwan Oncology Nursing Society on clinical care guidelines for cancer patients, aiming to enhance the quality of cancer care among medical professionals.	

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	Yes	No	Summary description	
			<div>28</div> <div>In October 2024, we sponsored the ASSMN Asia Surgical Metabolism and Nutrition Congress, where we presented a research paper introducing a new treatment tool for metastatic colorectal cancer, contributing to the advancement of clinical care for oncology specialists.</div> <div>29</div> <div>In October 2024, we sponsored the Taiwan Breast Medicine Society's TIBCS Taipei Breast Cancer International Symposium, where real-world data from the National Health Insurance system was presented to enhance awareness of cancer-related fatigue.</div> <div>30</div> <div>In October 2024, we sponsored the Formosa Health Education Society to promote early detection and treatment of breast cancer, providing comprehensive support and care for patients and their families.</div> <div>31</div> <div>In November 2024, we sponsored the Taiwan Academy of Hospice Palliative Medicine Annual Meeting to enhance the quality of medical care for cancer-related fatigue treatment among healthcare professionals.</div> <div>32</div> <div>In November 2024, we sponsored the Taiwan Cancer Foundation's "2024 Unyielding Knights Cycling Tour Around Taiwan" project, providing the health supplement drink Liquid Herbal Energy® to support cancer patients and raise awareness of cancer prognosis.</div> <div>33</div> <div>In December 2024, we sponsored the General Association of Chinese Culture to strengthen Taiwan's cultural connections, promote cultural exchange, and enhance Taiwan's international cultural visibility.</div> <div>34</div> <div>In December 2024, we sponsored the Taiwan Minimally Invasive Spine Surgery Society Annual Meeting to support the advancement of professional knowledge among physicians.</div> <p>In 2024, our company actively participated in relevant social welfare activities and collaborated with major medical associations and healthcare institutions to enhance the quality of healthcare professionals and promote patient well-being. We organized over 700 medical promotion events, including academic annual meetings of medical associations, clinical education courses, and expert seminars. More than 20,000 healthcare education training sessions were conducted, and over 60,000 patient education promotions were carried out.</p> <p>The Board of Directors provided guidance and recommendations on the</p>	

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	Yes	No	Summary description	
			sustainability report for 2024 in the board meeting on February 27, 2025.	
2.Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	✓		<p>1. This disclosure covers the sustainable development performance of the company's major locations from January to December 2024. The risk assessment boundary is mainly focused on the company, including existing locations in Taiwan and Mainland China. Maywufa Cosmetics (Shanghai) Co., Ltd. is also included in the scope due to its relevance to the company's operations and impact on major themes.</p> <p>2. The company has set up a "Risk Management Policy and Procedures" for the entire company, which was approved by the Board of Directors on November 8, 2022. Additionally, the amendment was passed by the Board of Directors on November 8th, 2023. The risk management organizational structure includes the board of directors, audit Committee, senior management, audit unit, business units, factory units, and management units. The risk management procedures include risk identification, risk measurement, risk monitoring, risk reporting and disclosure, and risk response to identify the scope of operational risks and take appropriate measures to ensure the management of relevant operational risks. The execution status of risk management in 2024 was reported to the Board of Directors on February 27, 2025. For detailed information, please refer to the company's website.</p> <p>3. The company has established the "Organizational-wide Risk Management Procedure" that the factory unit should follow based on ISO 22716 (Cosmetic GMP) as the highest guiding principle for factory unit risk management. By reviewing the internal and external environment and stakeholder concerns of the factory unit, the company understands the current environmental conditions of the factory unit and formulates business policies and corresponding measures to ensure the effective operation of management systems (quality, environmental safety and health, corporate social responsibility, etc.) and meet the needs of stakeholders, thereby improving operational performance, building reputation, and achieving sustainable development objectives. Each unit of the factory submits the "Environmental Background Identification and Risk Control Table" to the quality management unit in the fourth quarter of each year. The quality management unit compiles and submits it to the responsible supervisor for confirmation of major risks. The company's various risks in the factory are</p>	No difference.

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	Yes	No	Summary description	
			<p>controlled within an acceptable range based on the risks generated by various activities. Risk management includes the management of "quality," "environment," "safety or health," "operational risks," "legal risks," and "sustainable development."</p> <p>4. Based on the evaluated risks, the following risk management policies or strategies have been established :</p> <p>(1) Environmental protection</p> <p>Our company ensures the safety of our products by complying with the regulations of the health authority. We are committed to improving overall quality and have established an ISO22716 plant to increase resource utilization and reduce environmental impact. Our Yangmei plant has established an environmental management system, and we have installed pre-treatment equipment to comply with industrial park wastewater treatment regulations.</p> <p>(2) Product liability</p> <p>Our MAYWUFA hair dye products have been awarded the SNQ national quality mark, guaranteeing quality and safety. Our beauty plant is the first in the country to pass ISO22716 and all our products comply with Ministry of Health and Welfare requirements. We also aim to develop new quality products in response to market trends and consumer demand. We develop green materials to protect the earth and meet our responsibilities as corporate citizens. We also comply with environmental protection agency regulations and report the purchase and disposal of containers every two months, depending on the material used in production.</p> <p>(3) Labor relations</p> <p>Employees are our company's most important asset, and we are committed to creating a friendly and equal workplace that values talent and respect. We aim to foster mutual trust and respect between employees and the company, allowing each employee to maximize their potential.</p> <p>(4) Anti-corruption</p> <p>Our human resources unit is responsible for revising, implementing, interpreting, and recording the contents of this policy and supervising its</p>	

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			<p>execution. We have established a code of conduct, ethical behavior guidelines, and anti-corruption measures, and provide an internal audit system, internal control self-assessment, and whistleblowing hotline to implement anti-corruption measures. We require suppliers to sign a code of conduct and prohibit employees and all partners from directly or indirectly providing, promising, demanding, or accepting bribes, commissions, entertainment, kickbacks, or other improper benefits. We terminate contracts with suppliers who violate our corporate social responsibility policy and fail to improve when violating legal regulations.</p> <p>(5) Intellectual property rights</p> <p>We have established a "intellectual property management method" and "patent infringement event processing procedure", and strictly comply with commercial confidentiality by not collecting or gathering internal business secrets, trademarks, patents, copyrights, and other intellectual property rights unrelated to our work. We sign non-disclosure agreements with suppliers and customers, and use the "network use and confidential document management method" and "BI business intelligence use management method" to protect commercial secrets.</p> <p>(6) Compliance with social and economic regulations</p> <p>We comply with domestic and foreign laws and regulations and international standards. Our products meet international safety standards, environmental standards, and import and export regulations, and we comply with relevant regulations, observe ethical practices, and hold training courses from time to time to promote legal awareness.</p>	
<p>3.Environmental Issues</p> <p>(1)Has the Company set an environmental management system designed to industry characteristics?</p>	✓		<p>Our company's factory has established and obtained certification for ISO22716 Good Manufacturing Practices for cosmetics. By optimizing the manufacturing process, we have improved the efficiency of resource utilization. We have also established an environmental management system based on the characteristics of our products. The pollution level during our production process is minimal, and we have installed pre-treatment equipment and comply with the sewage treatment regulations of the industrial zone where the factory is located, with approved</p>	No difference.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			discharge permits.	
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	✓		<p>Our company's factory has completed the construction and obtained the certification of ISO22716 Good Manufacturing Practices for cosmetics. Through process optimization, we actively promote energy-saving measures, select equipment with high energy efficiency and energy-saving design to reduce energy consumption, and expand the use of renewable energy to optimize energy use efficiency.</p> <p>In terms of green manufacturing, we reduce unnecessary resource waste, seek waste reduction and reuse technology development, jointly work on the recycling of packaging materials in the upstream and downstream of the value chain. Additionally, we strive to test the use of low environmental impact recycled materials in our products to maximize the benefits of the circular economy.</p> <p>Furthermore, the cosmetics GMP factory built in Yangmei is planned to be established in accordance with the green factory standards set by the Ministry of Economic Affairs' Industrial Development Bureau. The new construction project of the Yangmei factory has already obtained the "Candidate Green Building Certificate" approved by the Ministry of the Interior on February 24, 2023. The investment amount of the "Green Building" is about NT\$6.18 million, and the equipment items include roof insulation, rainwater filtration system, and irrigation piping engineering. The green building assessment results indicate compliance with the 2019 version of the qualified standard for factory-type green buildings, with a total score of 39.89 points across 9 indicators (daily energy saving of 7.2, air conditioning system energy saving of 6.84, lighting system energy saving of 3.2, green transportation index of 1.5, carbon dioxide reduction of 2.00, water resource index of 5.00, indoor air quality management of 1.50, sound environment index of 2.00, light environment index of 3.4, ventilation and ventilation environment index of 5.00, and indoor building material index of 2.25). It meets the standards for qualified factory-type green buildings and is currently in the certification application process, fulfilling the responsibility of being a global citizen for the Earth.</p>	No difference.
(3) Has the Company evaluated the potential risks and opportunities posed	✓		Regarding the potential risks and opportunities of climate change and greenhouse gas emissions :	No difference.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
by climate change for its business now and in the future and adopted relevant measures to address them?			<p>① Risks to companies from regulations related to climate change As regulations and agreements related to climate change become increasingly strict in response to the risks posed by global climate change, our company's operations are not significantly affected by the effects of global climate change and greenhouse gases. However, as corporate citizens, we will continue to work with all employees in our office and factories to reduce the environmental impact of our business development. We will continue to pay attention to relevant regulations at home and abroad and also continuously demand ourselves to meet future industry trends and improve our corporate social responsibility.</p> <p>② Substantial risks to companies from climate change In response to the drastic changes in the climate caused by greenhouse gases, directly or indirectly increasing operating costs, the substantial risks to our company include :</p> <p>A. Unstable water resources caused by typhoons, resulting in reduced or suspended production on our company's production lines.</p> <p>B. Instant heavy rain causing road collapses or flooding, making it difficult for our products to reach customers.</p> <p>C. Strong winds causing power outages, making it impossible for our company to operate its production comprehensively.</p> <p>③ Opportunities for companies provided by climate change To respond to climate change, the demand for energy-saving or green energy products in companies will become more evident. It also provides an opportunity for companies to actively invest in the use and development of energy-saving or green energy products to contribute to sustainable environmental practices and improve industry competitiveness.</p> <p>To mitigate the above risks, our company is also simultaneously identifying feasible opportunities and developing corresponding measures. In terms of climate change mitigation, we are developing projects related to green operations, energy management, carbon information disclosure, and green building. In terms of climate change adaptation, our company has implemented measures such as strengthening basic infrastructure, building sustainable operating capabilities, and fully utilizing green buildings.</p>	

Item	Implementation status				Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons				
	Yes	No	Summary description						
(4)Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	✓		Strategies, methods, and goals for managing greenhouse gas emissions, water usage, and total waste weight are as follows :			No difference.			
			① According to the "Sustainable Development Roadmap for Listed and OTC Companies" issued by the Financial Supervisory Commission, the Company (covering the Taipei Headquarters, Taichung and Kaohsiung Service Centers, and the Yangmei Factory and Logistics Center). The greenhouse gas emissions for the years 2023 are as follows:						
			Category/ Item	Direct greenhouse gas emissions (Category 1)	Energy-related indirect greenhouse gas emissions (Category 2)		Transportation Indirect Emission Sources (Category 3)	Raw Material/Service Indirect Emission Sources (Category 4)	TTL
			Emission Equivalents	211.7358	824.4593		87.3239	201.6729	1,325.192
			Percentage	15.98%	62.21%		6.59%	15.22%	100.00%
			Note: Category 1(Scope 1), Category 2 (Scope 2), Category 3, and Category 4 (Scope 3).						
			The greenhouse gas emissions for the years 2024 are as follows:						
			Category/ Item	Direct greenhouse gas emissions (Category 1)	Energy-related indirect greenhouse gas emissions (Category 2)		Transportation Indirect Emission Sources (Category 3)	Raw Material/Service Indirect Emission Sources (Category 4)	TTL
			Emission Equivalents	224.0347	1197.4930		96.7361	270.0534	1788.317
			Percentage	12.53%	66.96%		5.41%	15.10%	100.00%
The water usage and waste audit findings for the years 2023 and 2024 are as follows:									
Year	Water consumption (in metric tons)	Waste (in metric tons)							
		hazardous	Non-hazardous	TTL					
2023	61,800.38	0	87.470	87.470					

Item	Implementation status					Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons		
	Yes	No	Summary description					
			2024	47,622.00	0	46.200	46.200	
			<p>② As for the strategies to address climate change and greenhouse gas management :</p> <p>In response to the global trend of carbon reduction and to fulfill our corporate social responsibility, our company will be committed to the following actions:</p> <p>A. Ensure effective monitoring of greenhouse gas emissions.</p> <p>B. Develop greenhouse gas reduction plans.</p> <p>C. Implement measures to reduce greenhouse gas emissions.</p> <p>D. Increase the proportion of green energy usage.</p> <p>③ Reduction targets and progress for greenhouse gas emissions, water usage, and waste :</p> <p>In 2024, the Company’s greenhouse gas (GHG) emissions increased by approximately 463.125 metric tons, reflecting a 34.95% increase, which did not meet the targeted annual reduction of around 3%. This increase was primarily due to the completion and commissioning of the green and smart factory in the second half of the year, which led to increased electricity consumption.</p> <p>Water consumption decreased by 14,178.38 metric tons, a 22.94% reduction, mainly attributable to a reallocation of water usage to tenants of the leased factory and office spaces.</p> <p>Total waste generation decreased by 41.27 metric tons, a 47.18% reduction, mainly due to the completion of the smart factory, resulting in the end of construction-related waste.</p> <p>The Company is actively working to reduce future GHG emissions annually through enhanced management and control measures and by applying for the Green Factory Label.</p> <p>④ Budget and plan for reducing greenhouse gas emissions :</p> <p>The Company's environmental expenditure accounts for approximately 1% of its total output value. As the Company's output value continues to grow year by year, a green and smart factory compliant with cosmetics GMP standards has been completed. In addition, the Company will continue to invest in various environmental protection initiatives and energy-saving measures, aiming to</p>					

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons								
	Yes	No	Summary description									
			achieve an annual reduction of over 3% in greenhouse gas emissions, water consumption, and waste generation.									
4.Social Issues (1)Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		<p>Our company complies with relevant labor laws and regulations, and provides all employees with labor insurance, national health insurance, and individual account labor retirement pension. Additionally, we also provide accident insurance for employees to ensure their safety outside of work. Our company's work time, rest, leave, overtime, and retirement regulations fully comply with labor laws and regulations, and we have work rules approved by the competent authorities. We have also established a welfare committee for employees to regularly organize activities and strive for maximum welfare benefits for our employees. Our retirement system, whether under the old or new system, is fully compliant with labor laws and regulations to ensure the protection of employee rights. During the financial crisis, we considered our employees' families and did not adopt measures such as layoffs or unpaid leave, which is also a concrete practice of corporate social responsibility.</p> <p>On the issue of human rights, we refer to internationally recognized human rights standards such as the Universal Declaration of Human Rights, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the International Labor Organization of the UN, and aim to become an international corporate citizen that defends human rights.</p> <p>In terms of workplace diversity policies, our company provides a safe and healthy working environment and respects and implements diversity. When selecting, employing, training, and promoting employees, we do not discriminate based on race, class, language, religion, political affiliation, birthplace, gender, sexual orientation, age, marital status, appearance, facial features, physical or mental disabilities, or past membership in a labor union. We also comply with applicable laws and regulations to protect employees from discrimination, harassment, or unequal treatment.</p> <table><tr><th>Indicator</th><th>%</th></tr><tr><td>Percentage of female employees among total employees</td><td>73.6%</td></tr></table> <table><tr><th>Gender pay equity indicator</th><th>Gap</th></tr><tr><td>Gender pay gap in average salary</td><td>1.61</td></tr></table>	Indicator	%	Percentage of female employees among total employees	73.6%	Gender pay equity indicator	Gap	Gender pay gap in average salary	1.61	No difference.
Indicator	%											
Percentage of female employees among total employees	73.6%											
Gender pay equity indicator	Gap											
Gender pay gap in average salary	1.61											

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	Yes	No	Summary description												
			<table><tr><td>Percentage of female supervisors among all supervisors</td><td>56%</td></tr><tr><td>Percentage of female top executives among all top executives</td><td>40%</td></tr></table>	Percentage of female supervisors among all supervisors	56%	Percentage of female top executives among all top executives	40%	<table><tr><td>Gender pay gap in median salary</td><td>1.4</td></tr><tr><td>Gender gap in average variable bonus</td><td>1.51</td></tr><tr><td>Gender gap in median variable bonus</td><td>1.04</td></tr></table>	Gender pay gap in median salary	1.4	Gender gap in average variable bonus	1.51	Gender gap in median variable bonus	1.04	
Percentage of female supervisors among all supervisors	56%														
Percentage of female top executives among all top executives	40%														
Gender pay gap in median salary	1.4														
Gender gap in average variable bonus	1.51														
Gender gap in median variable bonus	1.04														
			<p>Although our company does not have a labor union, we still hold regular labor-management meetings to communicate and negotiate in accordance with government labor laws. In addition, we hold regular labor-management meetings as required by Article 83 of the Labor Standards Act, and can hold ad-hoc meetings when necessary, to discuss issues related to promoting labor-management cooperation, coordinating labor relations, improving working conditions, and planning labor welfare. Furthermore, we require our suppliers to comply with the same human rights policies, and are committed to creating the best human rights practices in the biopharmaceutical industry. Our human rights policy and specific management plan for safeguarding human rights in 2024 are summarized as follows :</p> <p>①No operating locations or suppliers that violate or seriously jeopardize freedom of association and collective bargaining.</p> <p>②No operating locations or suppliers with a serious risk of using child labor.</p> <p>③No operating locations or suppliers with a serious risk of forced or compulsory labor.</p> <p>④No human rights complaints filed through formal complaint mechanisms that have not been resolved.</p> <p>⑤No incidents involving infringement of indigenous rights by our company or suppliers.</p> <p>⑥No human rights complaints.</p> <p>⑦No discrimination incidents.</p> <p>⑧No violations of regulations related to social categories, and no fines.</p> <p>⑨No significant actual or potential negative impact on human rights by our supply</p>												

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			<p>chain.</p> <p>In addition, we have established the "Prevention and Punishment Measures for Workplace Sexual Harassment Complaints" and published it on our company's website. In 2024, there were three human rights-related training sessions for new hires, totaling 6 hours and attended by 38 people. We will continue to pay attention to human rights protection issues, promote related education and training, and raise awareness of human rights protection to reduce the possibility of related risks.</p>	
(2)Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	✓		<p>① The company has established a Employee Welfare Committee in accordance with government regulations to allocate welfare funds, which are supervised and managed jointly by both labor and management in compliance with the Labor Standards Act and other related laws. The company sets various salary standards, attendance and leave policies, and welfare measures to provide competitive benefits to motivate employees. In addition, regular assessments are conducted to distribute performance bonuses and share profits with employees.</p> <p>② In addition to the compensation provided in accordance with the company's regulations, the company determines salary adjustments and bonuses based on the annual profit situation and employee performance to enhance employee engagement and loyalty to the company.</p>	No difference.
(3)Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	✓		<p>① Security and access control system :</p> <p>All entrances and exits of the workplace are equipped with access control systems, and access is controlled by security personnel. Surveillance systems are also installed, and 24-hour security personnel are stationed to conduct regular safety patrols to ensure the safety and protection of the plant.</p> <p>② Fire Safety Management :</p> <p>No fire incidents occurred in our company in 2024. To enhance fire safety management, our company conducts regular fire safety inspections every year, establishes a fire prevention management team, and holds fire safety training sessions with practical fire extinguisher drills every six months. All equipment, such as emergency lighting, evacuation signs, and fire extinguishers, undergo regular inspections.</p>	No difference.

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	Yes	No	Summary description	
			<p>③ Occupational safety and health :</p> <p>Before new employees start working, they are required to submit a physical examination report to identify their work suitability and evaluate whether they are suitable for the job to avoid health threats or injuries caused by work. Regular on-the-job health check-ups are also implemented for employees. Outdoor smoking areas are provided in compliance with government regulations, and breastfeeding rooms are set up for postpartum female employees. Monthly overtime hours for employees do not exceed 46 hours.</p> <p>④ Establishment of occupational safety and health management unit :</p> <p>In accordance with the Occupational Safety and Health Management Regulations, an occupational safety and health supervisor is appointed to implement the relevant provisions of the Occupational Safety and Health Act and its implementing regulations, prevent occupational accidents, ensure the safety and health of employees, maintain the common rights and interests of labor and management, and promote the healthy development of the company.</p> <p>⑤ Verification Status of the Company :</p> <p>As of the printing date of the 2024 annual report, the company has not obtained relevant labor safety verifications.</p> <p>⑥ Occupational Accident Situation :</p> <p>The company places a strong emphasis on disaster prevention and mitigation. We utilize appropriate management tools and resources to integrate occupational safety and health issues, propose effective measures, and continuously enhance the promotion of a culture of occupational safety. We also strengthen the management of personnel protection to create a zero-accident environment. For the year 2024, there were no occupational accidents involving employees in our company. The number of occupational accidents was zero, and the number of employees affected was also zero.</p>	
(4)Has the Company established effective career development training programs for employees?	✓		Our company places a strong emphasis on long-term talent development. We design and implement various internal and external training programs based on the needs of the organization, departments, and individual employees. For instance, we hold motivational seminars every month, inviting renowned speakers to share new information with our employees and enhance their knowledge and	No difference.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			skills. These efforts aim to help our employees establish effective career capabilities. For more details, please refer to page117 of our annual report.	
(5)Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	✓		<p>Our company has established the "Personal Information Protection Policy" and "Internet Usage and Confidential Document Management Regulations" to protect consumer rights and establish complaint procedures. We have also set up a stakeholder zone on our official website to provide a channel for customers (consumers) to file complaints. We continuously monitor product safety information and establish sound personal data management mechanisms to fulfill our commitment to managing and protecting customers' (consumers') privacy. We conduct internal audits, crisis prevention, and education and training to ensure the safety of customers' (consumers') personal information.</p> <p>Our company strictly complies with relevant government regulations and has established the "Marketing and Advertising Management Regulations" for employees to follow. All marketing-related information must undergo review before being released externally.</p> <p>Product labeling is key to protecting consumer rights and health. We have established the "Cosmetic Label and Package Marking Change Management Regulations," which state that all product labeling and advertising must comply with relevant laws and regulations, including but not limited to the Consumer Protection Law, Fair Trade Act, and regulations established by the Ministry of the Interior and the Food and Drug Administration of the Ministry of Health and Welfare.</p> <p>Our company provides a toll-free hotline on product packaging for consumers and a "Contact Us" section on our website for communication between consumers and our company.</p>	No difference.
(6)Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	✓		Our company has established a "Supplier Management Policy" that requires all suppliers to comply with relevant regulations related to environmental protection, occupational health and safety, and labor rights. We evaluate the implementation of suppliers annually and may terminate or dissolve the contract if there is a significant negative impact on the environment or society due to violation of the company's corporate social responsibility policy. If a supplier violates legal regulations and cannot make timely improvements, our company may terminate	No difference.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			the contract. For more details, please refer to our company website.	
5.Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	✓		<p>The company has referred to internationally recognized reporting standards and adopted the GRI framework for disclosure. In accordance with GRI standards, it identifies the impact of its operations on the economy, environment, and people (including human rights) and determines the material topics for disclosure based on the significance of these impacts. The 2024 Sustainability Report discloses the company's non-financial information, with detailed data available on the company's website.</p> <p>Currently, in accordance with regulations, the Sustainability Report is not required to obtain assurance from a third-party verification body and is therefore not applicable.</p>	No difference.
<p>6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations :</p> <p>Our company established the "Corporate Social Responsibility (CSR) Practice Guidelines" on April 29, 2014, which was later renamed to "Sustainability Practice Guidelines" on February 25, 2015 and February 23, 2022. The guidelines have been revised by the board of directors to strengthen the implementation of CSR. We regularly review and improve our implementation based on these guidelines, and report on our progress in promoting sustainability at the first quarter board meeting each year (February 27, 2025). Under the company culture of "Integrity, Reciprocity, and Courtesy," our leaders and employees share a common belief and code of conduct, which embodies our commitment to fulfilling corporate social responsibility. Therefore, there have been no major differences in our implementation so far.</p>				
<p>7. Other important information to facilitate better understanding of the company's promotion of sustainable development :</p> <p>(1) In terms of promoting sustainable development, the company adheres to the corporate culture of "integrity, mutual benefit, and courtesy" as its code of conduct :</p> <p>① Integrity - The company operates with integrity and regularly reports to the board of directors on the execution of its sustainable development plan.</p> <p>② Mutual benefit - The company practices mutual benefit with its stakeholders, including employees, shareholders, suppliers, customers, consumers, communities, and banks, sharing the economic value it creates.</p> <p>③ Courtesy - The company values business ethics internally and follows laws and ethical norms externally. The company has established a code of conduct for directors and a code of ethical behavior to regulate their ethical standards.</p> <p>(2) In terms of environmental protection, the company's product ingredients comply with the regulations of the health authorities to ensure consumer safety. The company is committed to improving overall quality, has built a factory that meets ISO22716 standards, increases resource utilization, reduces environmental impact, develops green materials, and fulfills corporate social responsibility to protect the earth for sustainable development. In addition, the company reports the amount of purchased containers every two months to the Environmental Protection Administration, which charges a fee for processing waste containers based on the different</p>				

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
materials used.				
(3) The factory's wastewater is treated at the Yangmei Lions Industrial Park's sewage treatment plant, which the company has obtained permission to discharge wastewater. The company has also submitted a plan for water pollution prevention and control measures to the Taoyuan County Environmental Protection Bureau and has obtained a permit for water pollution prevention.(permit number: County Environmental Permit Letter H2651-06). The permit is valid until March 14, 2030 and may be renewed upon expiration.				
(4) The company reports air pollution prevention and control fees every three months to the Taoyuan City Environmental Protection Bureau. The Yangmei factory has switched from heavy oil to low-sulfur fuel oil for its internal combustion engines, reducing air pollution. Therefore, it only needs to report but is exempt from paying air pollution prevention and control fees.				
(5) The newly constructed GMP cosmetics plant in Yangmei is planned to meet the Green Factory standards set by the Industrial Development Bureau of the Ministry of Economic Affairs. On February 24, 2023, the Yangmei plant obtained the "Candidate Green Building Certificate" approved by the Ministry of the Interior, meeting the qualified level standards for factory-type green buildings. The certification process is currently underway.				

2.3.5.1 Execution status of climate-related information:

Item	Implementation status
1. Describe the oversight and governance of climate-related risks and opportunities by the board of directors and management.	<p>To respond to the high uncertainty of climate conditions and the rapid changes in policy and market dynamics, the Company regularly convenes senior executives from various departments to identify key climate-related risks and opportunities. In addition, the Company conducts assessments on the potential impact of floods, droughts, typhoons, and extreme heat on its operational sites, aiming to stay abreast of external environmental changes and market developments, and to incorporate a more comprehensive perspective into its overall business strategy planning.</p> <p>A Sustainable Development Committee has been established under the Board of Directors, consisting of three board members with expertise and competence in corporate sustainability, as authorized by the Board. The Committee is convened at least once a year and is responsible for formulating, promoting, and strengthening key sustainability policies—including those related to climate issues—along with corresponding action plans and capital expenditures. It also reviews, tracks, and revises the implementation and effectiveness of sustainability initiatives, and reports its findings to the Board of Directors. The Sustainability Task Force is responsible for ensuring compliance with environmental regulations and international standards, evaluating the Company's transition toward sustainability, enhancing resource efficiency, and implementing climate adaptation mechanisms. Cross-functional meetings are held on an ad hoc basis to facilitate discussion and coordination among departments. The task force also monitors the latest legal requirements regarding climate-related and industry-specific risks, updates the identification of climate risks and opportunities, and supports the Company's efforts to achieve environmental sustainability.</p>

Item	Implementation status																				
2. The identified climate risks and opportunities are explained below in terms of their impact on the business, strategy, and finances of the enterprise in the short, medium, and long term.	The Company is actively developing solutions aimed at mitigating the operational and financial impacts brought about by climate change, with the goal of enhancing the organization’s climate resilience. It assesses the potential operational and financial impacts of relevant climate-related risks and opportunities, and formulates corresponding action plans to effectively respond to these climate challenges.																				
	<table><tr><th>R: Risk / O: Opportunity</th><th>Type of Risk / Opportunity</th><th>Short Term (Within 3 Years)</th><th>Medium Term (3–5 Years)</th><th>Long Term (Over 5 Years)</th></tr><tr><td>Risk</td><td>Transition Risk Risks arising from the transition to a low-carbon economy, including policy, legal, technological, market, and reputational risks.</td><td>Greenhouse gas emission caps</td><td>Changes in consumer demand and preferences. Transition to low-carbon technologies. Inadequate climate action may lead to reputational damage.</td><td>Net-zero emission trends</td></tr><tr><td>Risk</td><td>Physical Risk Extreme rainfall patterns in Taiwan may negatively affect water quality and disrupt production. Climate change may drive up the cost of key commodities, affecting operations.</td><td>Increased flooding due to extreme climate patterns, potentially damaging operational assets</td><td>Increased drought leading to supply chain disruptions</td><td>Rising average temperatures</td></tr><tr><td>Opportunity</td><td>Opportunity Developing green products to reduce environmental impact; in response to the low-carbon transition, production equipment must gradually be replaced with energy-efficient or renewable-energy-powered systems. Production processes must also adopt new technologies to meet low-carbon standards.</td><td>Innovation and development of new low-carbon products and services</td><td>Improved resource use efficiency</td><td>Enhanced corporate reputation</td></tr></table>	R: Risk / O: Opportunity	Type of Risk / Opportunity	Short Term (Within 3 Years)	Medium Term (3–5 Years)	Long Term (Over 5 Years)	Risk	Transition Risk Risks arising from the transition to a low-carbon economy, including policy, legal, technological, market, and reputational risks.	Greenhouse gas emission caps	Changes in consumer demand and preferences. Transition to low-carbon technologies. Inadequate climate action may lead to reputational damage.	Net-zero emission trends	Risk	Physical Risk Extreme rainfall patterns in Taiwan may negatively affect water quality and disrupt production. Climate change may drive up the cost of key commodities, affecting operations.	Increased flooding due to extreme climate patterns, potentially damaging operational assets	Increased drought leading to supply chain disruptions	Rising average temperatures	Opportunity	Opportunity Developing green products to reduce environmental impact; in response to the low-carbon transition, production equipment must gradually be replaced with energy-efficient or renewable-energy-powered systems. Production processes must also adopt new technologies to meet low-carbon standards.	Innovation and development of new low-carbon products and services	Improved resource use efficiency	Enhanced corporate reputation
	R: Risk / O: Opportunity	Type of Risk / Opportunity	Short Term (Within 3 Years)	Medium Term (3–5 Years)	Long Term (Over 5 Years)																
	Risk	Transition Risk Risks arising from the transition to a low-carbon economy, including policy, legal, technological, market, and reputational risks.	Greenhouse gas emission caps	Changes in consumer demand and preferences. Transition to low-carbon technologies. Inadequate climate action may lead to reputational damage.	Net-zero emission trends																
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	The Company has conducted assessments of the aforementioned risks and identified climate-related risks and opportunities that may have a significant financial impact. The corresponding response strategies are outlined as follows:																				

Item	Implementation status			
	R: Risk / O: Opportunity	Risk / Opportunity Description	Financial Impact	Response Strategy
	R: Risk	Extreme Changes in Rainfall Patterns Extreme rainfall in Taiwan may negatively affect water quality and disrupt production.	Decrease in revenue	Promote water resource management and water-saving initiatives to improve water use efficiency; implement preventive measures in advance upon heavy rainfall warnings.
	R: Risk	Policies and Regulations The “Climate Change Response Act” is expected to introduce a carbon fee in the future.	Increase in costs	Continuously assess the impact and challenges of carbon fee-related regulations on the Company.
	R: Risk	Rising Raw Material Costs Climate change may drive up the cost of key commodities, affecting operations.	Increase in costs	Manage sourcing of raw materials to mitigate price volatility.
	O: Opportunity	Green Product Development Developing environmentally friendly products to reduce environmental impact.	Increase in revenue	R&D teams to focus on the development of low-carbon products.
	O: Opportunity	Technology In response to the low-carbon transition, production equipment must be gradually replaced with energy-efficient or renewable-energy-powered systems, and production processes must incorporate new technologies to meet low-carbon standards.	Asset revaluation gains	Construct a green, smart factory compliant with cosmetics GMP standards; upgrade or replace existing equipment with high-efficiency systems and smart monitoring to improve energy use and optimize operational management.
3. Description of the financial impact of extreme weather events and transition actions.	<p>Financial Impacts of Extreme Climate Events</p> <p>Through internal discussions and assessments, the Company has identified potential risks posed by flooding, drought, changes in precipitation patterns, and extreme climate variability on its production and transportation processes. Heavy rainfall and resulting floods may cause temporary suspension of operations and equipment damage at production sites, leading to shipment delays. Drought and water shortages can disrupt production lines, necessitating alternative measures such as water-saving initiatives and the use of water trucks from other regions to maintain supply, thereby increasing operational costs.</p> <p>In response to the risks of typhoon-induced flooding and changes in precipitation and climate patterns, the Company has utilized data from the Taiwan Climate Change Projection and Information Platform to analyze the potential impacts on operations and financial performance. Under mid-century climate scenarios, the number of typhoons affecting Taiwan is</p>			

Item	Implementation status
	<p>projected to decrease by 15%, while the proportion of intense typhoons is expected to double. This analysis indicates that overall climate-related risks will increase.</p> <p>Financial Impacts of Transition Actions</p> <p>Under transition risks, the shift to a low-carbon economy may involve widespread changes in policies, regulations, technologies, and markets. Within the assessment timeframe, measures such as greenhouse gas emissions caps, renewable energy regulations, and shifts in consumer preferences may increase operating costs or reduce sales volumes. Given that the Company already sells certain low-carbon products and continues to innovate and diversify its product portfolio, no significant market impact is anticipated across different scenarios. Therefore, the Company focuses its analysis primarily on operational costs.</p> <p>Under a low-carbon transition scenario, carbon pricing is expected to increase operational and supply chain costs for the consolidated group. In response, the Company has implemented energy-saving initiatives aimed at minimizing energy consumption, water usage, and waste generation across operations and the supply chain. Additional strategies include improving energy efficiency, investing in green energy equipment, and developing innovative green products that meet evolving consumer demands. While these efforts help mitigate transition risks, they also result in increased capital expenditures and operating costs for the consolidated group.</p>
<p>4. Description of how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.</p>	<p>The company has adopted the "Risk Management Policy and Procedures" through board approval in 2022, serving as the highest guiding principle for the company's risk management. Various management units regularly assess and review risk issues, with senior management responsible for strategic planning and overseeing the implementation of risk decisions to achieve operational efficiency. This aims to reduce strategic and operational risks while reporting assessment results to the board. Climate change and environmental risk management have been incorporated into the identification of risks and opportunities.</p>
<p>5. If using scenario analysis to assess resilience to climate change risks, the following should be explained: the scenarios, parameters, assumptions, analysis factors, and main financial impacts used in the analysis.</p>	<p>The company has not yet used scenario analysis to assess resilience to climate change risks. In the future, various scenarios will be analyzed to formulate response strategies to mitigate potential financial losses resulting from these risks, turning crises into opportunities.</p>
<p>6. If there is a transformation plan in response to managing climate-related risks, please explain the content of the plan, as well as the indicators and goals used to identify and manage physical risks and transition risks.</p>	<p>The company actively adopts risk mitigation measures to reduce organizational carbon emissions, as outlined below:</p> <ol style="list-style-type: none"> (1) Constructing a green building smart factory compliant with cosmetic GMP standards, and upgrading or replacing existing equipment with more energy-efficient alternatives. (2) Conducting an annual ISO14064-1 greenhouse gas inventory to assess organizational carbon emissions.

Item	Implementation status
7. If internal carbon pricing is used as a planning tool, the basis for price determination should be explained.	Not applicable.
8. If climate-related targets are set, the covered activities, scope of greenhouse gas emissions, planned schedule, progress achieved each year, etc., should be explained. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related goals, the source and quantity of carbon offset credits exchanged or the quantity of RECs should be disclosed.	The environmental cost expenditures of our company account for approximately 1% of the company's revenue, and in response to the increasing scale of our company's operations, we have constructed a green building smart factory that complies with Cosmetic Good Manufacturing Practice (GMP) standards. In setting carbon reduction targets, we will continue to invest in various environmental expenses and energy-saving measures, striving to achieve annual reductions of over 3% in greenhouse gas emissions, water usage, and waste volume.
9. Greenhouse gas inventory, verification status, reduction targets, strategies, and specific action plans (also filled in sections 1-1 and 1-2).	In accordance with the Financial Supervisory Commission's Order No. 11203852314 issued on November 13, 2023, companies, whose paid-in capital does not exceed NT\$5 billion, should complete information disclosure reviews starting from 2026, and full disclosure starting from 2028 for the parent company. Subsidiaries included in the consolidated financial statements should complete information disclosure reviews starting from 2027, and full disclosure starting from 2029. As the current regulations do not require disclosure, it is not applicable.

2.3.6 Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons :

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
<p>1.Establishment of ethical corporate management policies and programs</p> <p>(1)Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?</p>	✓		<p>Our company has established a "Code of Conduct" that outlines our commitment to conducting business activities based on principles of fairness, honesty, trustworthiness, and transparency. To uphold our commitment to ethical conduct and prevent any acts of dishonesty, all employees (including those of our subsidiaries) are expected to adhere to the following principles when carrying out business operations: to perform duties with honesty, rigor, and professionalism; to be loyal to their duties and not engage in any unlawful or improper activities; to avoid any conflicts of interest that may compromise personal or company interests; to refrain from engaging in any behavior that may bring discredit to the company; to comply with applicable laws and regulations while exercising self-discipline and adhering to ethical standards.</p> <p>As such, our company's management is committed to conducting business operations based on principles of integrity and pursuing the maximum benefit for our shareholders and employees. We adhere to various laws and regulations related to corporate governance, securities trading, accounting, political donations, anti-corruption, government procurement, public officials' conflict of interest avoidance, and other business-related laws and regulations to ensure ethical conduct.</p> <p>In terms of our commitment to actively implement these principles, our company's board of directors and management maintain a high degree of self-discipline. When a board member has a personal or corporate interest that could potentially harm the company's interests, they will only state their opinion and respond to questions on the matter and may not participate in the discussion or vote. They must also recuse themselves from any discussions or votes related to the matter and may not act as a proxy for other board members to exercise their voting rights. Board members also exhibit mutual self-discipline and do not engage in any improper mutual support.</p>	No difference.

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies and the Reasons
	Yes	No	Summary description	
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	✓		Our company has established a "Code of Conduct and Guidelines for Ethical Operations" which is disclosed on our official website. The code prohibits bribery and corruption, offering or receiving improper benefits, providing or promising kickbacks, providing illegal political donations, engaging in unfair competition, making inappropriate charitable donations or sponsorships, disclosing trade secrets, and harming the rights and interests of stakeholders. We have implemented preventive measures and conducted educational campaigns to uphold our commitment to ethical conduct and implement our Code of Conduct.	No difference.
(3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	✓		<p>Our company is committed to conducting business activities based on principles of fairness, honesty, trustworthiness, and transparency. In order to uphold our commitment to ethical conduct and prevent any acts of dishonesty, we have established a "Code of Conduct" in accordance with the "Code of Conduct for Listed and OTC Companies" and relevant laws and regulations in the locations where our company and group enterprises operate. The code was initially established on April 29th, 2014, and revised by the board of directors on February 25th, 2015, August 14th, 2019, and August 12th, 2020.</p> <p>On June 17th, 2015, we also established "Guidelines for Ethical Operations and Conduct" to provide specific guidelines for our personnel to follow when conducting business operations. These guidelines include procedures and conduct guidelines for various scenarios, disciplinary measures for violations, complaint mechanisms, and apply to our company, our subsidiaries, as well as other group enterprises and organizations that we have direct or indirect control over, including charitable foundations that have received cumulative donations exceeding 50% of their total funding from our company.</p>	No difference.

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons						
	Yes	No	Summary description							
2.Ethical Management Practice (1)Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	✓		<p>Our company conducts business operations in a fair and transparent manner. Before engaging in any business transactions, we carefully consider the legality of our agents, suppliers, customers, or other parties involved in the transaction, and avoid conducting business with any parties that have a record of dishonest behavior.</p> <p>Our company has signed a "Declaration of Integrity" with our suppliers, which strictly prohibits our employees and any cooperating vendors from directly or indirectly providing, promising, requesting or accepting bribes, commissions, hospitality, kickbacks, inappropriate gifts or other illicit benefits during business activities. In order to establish good cooperative relationships, we also ask our cooperating vendors not to engage in any direct or indirect form of promising, bribing, commissioning, kickbacking, gifting, hospitality, or other improper behavior towards any employees of our company. If a supplier violates our code of ethics and cannot immediately rectify their behavior, our company reserves the right to terminate the contract.</p>	No difference.						
(2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	✓		<p>Our company's "Code of Conduct" stipulates that the Human Resources department is responsible for revising, implementing, interpreting, providing consultation services, registering and archiving the contents of this code of ethics, as well as supervising its implementation. The Human Resources department is also required to report on the previous year's execution status to the board of directors in the first quarter of each year. On February 27th, 2025, we reported to the board of directors on the execution status of our code of ethics for the year 2024, as follows :</p> <table><tr><th>Item</th><th>Execution Status</th></tr><tr><td>1</td><td>Our company has established a "Code of Conduct," which is available on our official website and a network-attached storage system accessible to all employees. We have also strengthened relevant preventive measures and educational campaigns.</td></tr><tr><td>2</td><td>Newly-hired employees are required to provide a "Commitment to Integrity and Cleanliness" document, and training programs emphasize adherence to the "Labor Contract," "Employee Rules," and "Code of Conduct," with an obligation to keep company trade secrets confidential.</td></tr></table>	Item	Execution Status	1	Our company has established a "Code of Conduct," which is available on our official website and a network-attached storage system accessible to all employees. We have also strengthened relevant preventive measures and educational campaigns.	2	Newly-hired employees are required to provide a "Commitment to Integrity and Cleanliness" document, and training programs emphasize adherence to the "Labor Contract," "Employee Rules," and "Code of Conduct," with an obligation to keep company trade secrets confidential.	No difference.
Item	Execution Status									
1	Our company has established a "Code of Conduct," which is available on our official website and a network-attached storage system accessible to all employees. We have also strengthened relevant preventive measures and educational campaigns.									
2	Newly-hired employees are required to provide a "Commitment to Integrity and Cleanliness" document, and training programs emphasize adherence to the "Labor Contract," "Employee Rules," and "Code of Conduct," with an obligation to keep company trade secrets confidential.									

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			3 We have established a stakeholder area on our official website and encourage stakeholders to communicate their reasonable expectations and needs. We will respond appropriately to issues related to ethical business practices.	
			4 To prevent improper gift acceptance, all gifts given to our employees by vendors must be reported and handled by the Chairman's Office.	
			5 We require important suppliers to sign a declaration of integrity and hold them responsible for damages if they violate the agreement.	
			6 We have implemented our intellectual property policies, and there have been no incidents of infringement or leakage in 2024.	
			7 As of the end of 2024, the company has accumulated a total of 11 valid domestic and international patents, 86 international trademarks, and 504 domestic trademarks.	
			8 There have been no situations in which directors had to avoid interests at any of our four board meetings in 2024, and we have complied with all relevant laws and regulations.	
			9 We have not had any off-book accounts or secret accounts, and our audit department has carried out annual audit plans thoroughly.	
			10 In 2024, we continued to use weekly meetings or monthly motivational meetings to periodically promote and cultivate a culture of integrity and ethical business practices among all employees.	
			11 We have established a chairman's mailbox and hotline for employee communication and whistleblowing on violations of ethical business practices.	
(3)Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	✓		The "Integrity Operating Procedures and Code of Conduct" of our company also specifies the policy of conflict of interest avoidance. When our personnel find situations where there is a conflict of interest between themselves or the legal entities they represent and the company's business, or where such situations may result in them, their spouse, parents, children or related parties gaining undue benefits, they must proactively disclose the situation and report it to their immediate supervisor and the responsible unit of the company (i.e. the personnel unit) at the same time, and the immediate supervisor shall provide appropriate guidance. Our personnel are not allowed to use company resources for business activities outside the company, nor to affect their work performance due to	No difference.

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			participation in business activities outside the company.	
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	✓		To implement effective accounting and internal control systems for business activities with a higher risk of dishonest behavior, the company has established an effective accounting and internal control system and regularly evaluates it as a risk assessment item. The company strictly prohibits off-book accounts or secret accounts and regularly reviews and evaluates the design and implementation of the system to ensure its effectiveness. The internal audit department includes high-risk operation items in the annual audit plan based on risk assessment, regularly audits compliance with the aforementioned system, and reports to the audit committee and board of directors.	No difference.
(5) Does the company provide internal and external ethical corporate management training programs on a regular basis?	✓		Our company arranges annual education and training sessions and seminars related to integrity management for directors and employees. These sessions include monthly motivation meetings or weekly meetings, and more details can be found on pages 83-85 and 111 of this year's annual report.	No difference.
3. Implementation of Complaint Procedures (1) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers?	✓		Our company has established the "Code of Conduct and Behavior Guidelines for Business Integrity" which includes a reporting and reward system for whistleblowers. We provide normal reporting channels and assign appropriate personnel to handle reports. We evaluate the effectiveness of the facts reported and provide appropriate rewards to the whistleblowers.	No difference.

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(2)Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	✓		Our company has established the "Code of Conduct and Behavioral Guidelines for Integrity Management," which provides detailed guidelines on the investigation standards, procedures, and follow-up actions to be taken regarding reported matters, as well as related confidentiality measures.	No difference.
(3)Has the company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?	✓		Our company has established the "Code of Conduct for Ethical Business Operations," which includes a reporting and rewards system and provides normal reporting channels. Appropriate personnel are assigned to handle reported matters, and effective measures are taken in response to the facts reported.	No difference.
4.Strengthening Information Disclosure Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	✓		Our company website is www.maywufa.com.tw , and we regularly disclose or update information related to our code of conduct and its implementation on our website and on the Public Information Observation System.	No difference.
5.If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation : Our company has established "Code of Conduct for Business Ethics" and "Operational Procedures and Guidelines for Business Ethics", and implemented them without any violations. The content and relevant operations of these guidelines do not differ significantly from the "Code of Conduct for Business Ethics" for listed companies.				
6.Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles) : (1) The company upholds the "Integrity, Mutual Benefit, and Respect" corporate culture as a code of conduct: <ul style="list-style-type: none"> ① Integrity - Maintains integrity in business operations and regularly reports on the implementation of integrity management to the board of directors. ② Mutual benefit - Interacts with stakeholders, including employees, shareholders, upstream and downstream suppliers, customers, consumers, communities, and 				

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			banks, on the principle of mutual benefit and shares the economic value created by the company with them.	
			③ Respect - Emphasizes corporate ethics internally and follows legal and moral norms externally.	
			(2) The company is vigilant of the development of integrity management related regulations domestically and internationally, encourages directors, managers, and employees to provide suggestions, and reviews and improves the company accordingly to enhance the effectiveness of integrity management.	
			(3) All 13 directors have signed a statement of integrity, representing a 100% compliance rate.	
			(4) The company has signed a statement of integrity with suppliers and strictly requires that its employees and all cooperating manufacturers should not directly or indirectly provide, promise, demand, or accept bribes, commissions, entertainment, kickbacks, or other improper benefits. To establish a good cooperative relationship, the company also requests that suppliers refrain from engaging in any direct or indirect form of promising, bribing, commissioning, kickbacks, entertaining, gifting, or other improper benefits to any company employee. If a supplier violates the policy of integrity management and cannot improve the situation promptly, the company may terminate the contract with that supplier at any time, including the clauses of complying with the integrity management policy and terminating the contract if the transaction counterparty is involved in non-integrity behavior. As of the 2024 fiscal year, 135 suppliers have signed the statement of integrity, representing a 100% compliance rate for the entire year.	
			(5) The company's official website has a stakeholder zone, where stakeholders can communicate in an appropriate manner to understand the reasonable expectations and needs of stakeholders. The company also responds to important corporate social responsibility issues that stakeholders are concerned about.	
			(6) The company implements related methods for intellectual property rights, and no infringement or leakage incidents occurred in the 2024 fiscal year.	
			(7) The company has no off-books or secret accounts, and the auditing unit has faithfully carried out the annual auditing plan.	
			(8) The company has signed an anti-money laundering and counter-terrorism financing statement with Taiwan Depository & Clearing Corporation, Fubon Securities Co., Ltd., and all banks it deals with for corporate (including trusts) clients.	

2.3.7 Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance :

1. In accordance with the "Guidelines for Establishing Internal Control Systems by Public Companies," the Company has established the "Management Measures for Preventing Insider Trading" to handle significant internal information. This system has been posted on the official website and communicated to all directors, managers, and employees to prevent any violation or occurrence of such transactions .
2. The Company has established the "Corporate Governance Best Practice Guidelines," "Corporate Social Responsibility Guidelines," "Code of Conduct," "Integrity and Business Conduct Guidelines," and "Code of Conduct for Integrity and Business Operations," which have been posted on the official website and communicated to all directors, managers, and employees for compliance.
3. The courses that the company's managers have participated in for 2024 are as follows:

(1) Financial Supervisor: Chang Jin-Ten

Item	Institution of Continuing Education	Course Title	Training Hours
1	China Enterprise Accounting Association	Legal Responsibilities for Financial Report Preparation and Sustainability Related Policies of the Financial Supervisory Commission	3
2	Foundation for Taiwan Securities and Futures Markets Development	Excel salary check method	6
3	Foundation for Taiwan Securities and Futures Markets Development	Analysis of the latest IFRSs bulletin	3

(2) Audit Supervisor: Chang Wei-chi

Item	Institution of Continuing Education	Course Title	Training Hours
1	The Foundation of Accounting Research and Development	Analysis of the Latest Annual Report/Sustainability Information/Financial Reporting Regulations and Internal Control Management Practices	6
2	The Institute of Internal Auditors	Trends and Challenges of Corporate Information Security Governance in the Era of Technological Advancements	6

(3) Audit agent: Tsai Yu-zhi

Item	Institution of Continuing Education	Course Title	Training Hours
1	The Foundation of Accounting Research and Development	Analysis of Laws and Regulations Related to the Latest Annual Report, Sustainability Information, Financial Report Preparation, and Internal Control Management Practices	6
2	The Foundation of Accounting Research and Development	Analysis of the Latest ESG Sustainability Policy Regulations Related to Annual Report Preparation and the Practical Impact of Net-Zero Carbon Emissions on Financial Reports	6

In the future, we will continue to arrange for our managers and supervisors to participate in relevant training courses.

4. The courses attended by the directors of our company in 2024 are as follows :

Title	Name	Training Dates	Organizer	Course Title	Training Hours
Vice Chairman	Lee Yi-Li	2024.9.27	Taiwan Corporate Governance Association	Construction Project Management and Practice	3
		2024.11.14	The Association for the Development of Chinese Finance and Economics	Global Political and Economic Analysis After the U.S. Presidential Election	3
		2024.11.22	The Association for the Development of Chinese Finance and Economics	New Trends in Circular Economy and Sustainable Management	3
Director	Lee Yu-Chia	2024.2.21	Taiwan Corporate Governance Association	Strengthen corporate governance and move towards sustainable business operations	3
		2024.10.7	Chinese National Association of Industry and Commerce	2024 Tai-shin Net Zero Summit	3
Director	Liu Wen-Cheng	2024.3.6	Taiwan Corporate Governance Association	The Peculiar Global Economic Situation of 2024	1
		2024.3.20	Taiwan Corporate Governance Association	Resilience Enhancement and Sustainable Governance Seminar	2
		2024.7.30	Taiwan Corporate Governance Association	The Vision and Trends of ESG Evaluation	1
		2024.9.4	Taiwan Corporate Governance Association	Taipei Event - Net Zero Carbon Emission Promotion Conference	3
		2024.9.30	Taiwan Stock Exchange	Strengthening Taiwan's Capital Market Summit	3
		2024.10.16	Taiwan Corporate Governance Association	The 20th International Corporate Governance Summit (2024)	6
Independent Director	Chen Hui-Yiu	2024.4.29	Taiwan Institute of Directors	International Carbon Management Practices and Future Trends in Sustainable Reporting	3
		2024.9.26	Taiwan Corporate Governance Association	Cybersecurity threats and regulatory trends	3
Independent Director	Ou Shu-Fang	2024.5.29	Corporate Operating And Sustainable Development	Challenges of ESG Sustainable Development and Carbon Emissions	3
		2024.6.7	Corporate Operating And Sustainable Development	Corporate Governance and Securities Regulations - Discussing the Blueprint and Practice of Corporate Governance	3
Independent Director	Chang Hung-jen	2024.7.11	Foundation for Taiwan Securities and Futures Markets	The chat robot ChatGPT is transforming new trends in the industry.	3
		2024.10.28	Taipei Financial Research and Development Foundation	Trends in the Development of the Generative AI Industry	3
Independent Director	Lin Chi-Feng	2024.5.28	Taiwan Project Management Association	Applications of Generative AI and ChatGPT	3
		2024.6.3	Foundation for Taiwan Securities and Futures Markets	Institutional Investor Perspective Forum	3

5. For other information, please refer to the execution status of corporate governance-related items of our company on the "Taiwan Stock Exchange and Taipei Exchange Market Observation Post System".

2.3.8 The section on the state of implementation of the company's internal control system shall furnish the following :

1. Statement on Internal Control : Please visit the " Market Observation Post System" to check the company governance/internal control section/internal control declaration announcement.
2. The commissioned accountant should disclose the accountant's review report on the internal control project review : Not applicable.

2.3.9 Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

1. Important resolutions passed in the 2024 annual general meeting of our company are as follows :

(1)Agenda : To approve the individual financial statements, consolidated financial statements, and business report for the fiscal year 2023.

Resolution : The voting results of the shareholders present (including those exercising their voting rights electronically) show that the affirmative votes have exceeded the legally required threshold, and the proposal is passed accordingly.

The number of voting rights of attending shareholders	Number of votes in favor	Number of dissenting votes	Invalid votes	Abstain/ Non-vote count
75,130,926	72,220,553	74,926	0	2,835,447
100.00%	96.12%	0.09%	0.00%	3.77%

(2)Agenda : To approve the 2023 profit distribution plan.

Resolution : The voting results of the shareholders present (including those exercising their voting rights electronically) show that the affirmative votes have exceeded the legally required threshold, and the proposal is passed accordingly.

The number of voting rights of attending shareholders	Number of votes in favor	Number of dissenting votes	Invalid votes	Abstain/Non-vote count
75,130,926	72,223,209	73,971	0	2,833,746
100.00%	96.12%	0.09%	0.00%	3.77%

(3)Agenda : Discuss the amendment of the "Company Bylaws".

Resolution : The voting results of the shareholders present (including those exercising their voting rights electronically) show that the affirmative votes have exceeded the legally required threshold, and the proposal is passed accordingly.

The number of voting rights of attending shareholders	Number of votes in favor	Number of dissenting votes	Invalid votes	Abstain/Non-vote count
75,130,926	72,206,473	86,965	0	2,837,488
100.00%	96.10%	0.11%	0.00%	3.77%

(4)Agenda : Discuss the lifting of restrictions on competition for directors.

Resolution : The voting results of the shareholders present (including those exercising their voting rights electronically) show that the affirmative votes have exceeded the legally required threshold, and the proposal is passed accordingly.

The number of voting rights of attending shareholders	Number of votes in favor	Number of dissenting votes	Invalid votes	Abstain/Non-vote count
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75,130,926	72,115,639	153,615	0	2,861,672
100.00%	95.98%	0.20%	0.00%	3.80%

2. Important resolutions of the Board of Directors.

The important resolutions of the board of directors held by the Company during the period from the year 2024 to the date of printing of this annual report in 2025 are as follows :

Date/session number	Important agenda items and decisions
2024.02.27 17th 4th	1. Discuss the distribution of director and employee compensation for the year 2023.
	2. Approve the individual financial statements, consolidated financial statements, and business report for the year 2023.
	3. Approve the profit distribution plan for the year 2023.
	4. Discuss the amendment of the "Company Bylaws".
	5. Discuss the lifting of restrictions on competition for directors.
	6. Approve the convocation of the physical shareholders' meeting for the year 2024.
	7. Recognition of capital expenditure for equipment acquisition.
	8. Approve the assessment of the effectiveness of the internal control system and the declaration of the internal control system for the year 2023.
	9. Discuss the amendment of the "Internal Control System" and "The internal control self-assessment procedure".
	10. Discuss the revision of the "Board Meeting Rules and Procedures" of the company.
	11. Discussion on the revision of the "Audit Committee Charter".
	12. Approval of the replacement of the company's auditor, auditor remuneration, and assessment of their independence.
	13. Discussion on the process and general policies for reconfirming the pre-approval procedure of non-assurance services with Deloitte Taiwan, a joint venture accounting firm, and its affiliated enterprises, as well as the list of non-assurance services.
	14. Approve the establishment of credit limits with various financial institutions.
2024.05.08 17th 5th	The above resolutions were passed by the chairman after consulting all attending directors and receiving no objections.
	1. Approved the Q1 consolidated financial statements for the year 2024.
	2. Approval of the Appointment of the Chief Financial Officer and Corporate Governance Officer.
	3. Approval of the Compensation Package for the Newly Appointed Chief Financial Officer.
2024.08.14 17th 6th	The above resolutions were passed by the chairman after consulting all attending directors and receiving no objections.
	1. Approved the Q2 consolidated financial statements for the year 2024.
	2. Discussion on the Establishment of the "Procedures for the Preparation and Verification of the Sustainability Report".
	3. Approved 2023 Sustainability Report.
2024.11.06 17th 7th	The above resolutions were passed by the chairman after consulting all attending directors and receiving no objections.
	1. Approved the Q3 consolidated financial statements for the year 2024.
	2. Discuss the operational plan for the year 2025.
	3. Discussion on the establishment of the Sustainability Development Committee and the Formulation of Its Organizational Regulations.

Date/session number	Important agenda items and decisions
	4. Appointment of the First Sustainability Development Committee Members.
	5. Discussion on the establishment of the Internal Control System for "Sustainability Information Management Operations".
	6. Discuss the internal audit plan for the year 2025.
	7. Discuss the year-end and performance bonus distribution for the year 2024.
	8. Approve the short-term credit limit with various financial institutions.
	The above resolutions were passed by the chairman after consulting all attending directors and receiving no objections.
2025.02.27 17th 8th	1. Discuss the distribution of director and employee compensation for the year 2024.
	2. Approval of the Appointment of the Corporate Governance Officer and Acting Chief Financial Officer.
	3. Approve the individual financial statements, consolidated financial statements, and business report for the year 2024.
	4. Approve the profit distribution plan for the year 2024.
	5. Discuss the amendment of the "Company Bylaws".
	6. Approve the convocation of the physical shareholders' meeting for the year 2025.
	7. Approve the assessment of the effectiveness of the internal control system and the declaration of the internal control system for the year 2024.
	8. Discuss the amendment of the "Internal Control System".
	9. Approval of the auditor remuneration, and assessment of their independence.
	10. Discussion on the process and general policies for reconfirming the pre-approval procedure of non-assurance services with Deloitte Taiwan, a joint venture accounting firm, and its affiliated enterprises, as well as the list of non-assurance services.
	11. Approve the establishment of credit limits with various financial institutions.
	The above resolutions were passed by the chairman after consulting all attending directors and receiving no objections.

3. Review of the implementation of resolutions passed at the 2024 Annual Shareholders' Meeting.

Resolution items	Execution status
1. Approve the individual financial statements, consolidated financial statements, and operating report for the year 2023.	As announced on the day of the shareholders' meeting.
2. Approve the profit distribution plan for the year 2023.	A cash dividend of NTD1.15 per share will be distributed. The record date for the cash dividend is set to be July 6, 2024, and the payment date is set to be July 24, 2024. The total amount of cash dividend to be distributed is NTD152,852,531.
3. Discuss the amendment of the "Company Bylaws".	The change of registration has been approved by the Ministry of Economic Affairs and recorded on June 11.
4. Discuss the lifting of restrictions on competition for directors and their representatives.	The declared information has been publicly announced.

2.3.10 Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof : In the latest fiscal year and up until the date of printing of the annual report, the directors of the Company have not expressed any dissenting opinions regarding the important resolutions passed by the Board of Directors.

2.4 Information Regarding the Company's CPA Fee

Amount unit: NTD thousands

Name of accounting firm	Names of CPAs	Period covered by the CPA audit	Audit fee	Non-audit fees	total	Remark
Deloitte & Touche Taipei, Taiwan Republic of China	Huang Hai-yue	2023/01/01 2023/12/31	2,210	1,100	3,310	1. Tax visa related fees 2.Sustainability report consulting services
	Yu Cheng-Chuan					

2.4.1 When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed : None.

2.4.2 When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed.: None.

2.5 Information on the Replacement of CPAs:

If the Company has replaced its certified public accountant within the last two fiscal years or any subsequent interim period, it shall disclose the following information:

2.5.1 Regarding the former CPAs

Date of change	Approved by the Board of Directors on February 27, 2024		
Reason and description of the change	In line with internal organizational adjustment of Deloitte & Touche, the Company’s CPAs for financial statements from Q1 2024 were replaced by Huang Hai-yue, Yu Chen-Chuan from Chen Chao-Mei and Yu Chen-Chuan.		
Explain whether the company or the CPA terminated or discontinued the engagement	<div>Contracting parties</div> <div>Situation</div>	CPA	The Company
	Voluntarily terminatedthe engagement	N/A	N/A
	Discontinued the engagement	N/A	N/A
An audit report issued during the most recent 2 years containing an opinion other than an unqualified opinion, state the opinion and reason	During the past two years, the CPAs did not issue an audit report containing an opinion other than an unqualified opinion.		
Different opinions from the issuer	Yes		Accounting principle or practice
			Disclosure of financial report
			Audit scope or steps
			Other
	None	V	
	Explanatory Notes: None.		

Other matters for disclosure (matters covered in items 1-4 to 1-7, subparagraph 6, Article 10 of these Regulations should be disclosed)	None
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2.5.2 Regarding the successor CPA

Accounting Firm	Deloitte & Touche
Name of CPA	Huang Hai-yue , Yu Chen-Chuan
Date of engagement	Approved by the Board of Directors on February 27, 2024
If prior to the formal engagement of the successor CPA, the company consulted the new CPA regarding the accounting treatment of or application of accounting principles to a specific transaction, or the type of audit opinion that might be rendered on the company's financial report	None
Written views of the former CPA on which the successor disagreed with the former CPA	None

2.5.3 Reply letter from the former CPA regarding matters covered in items 1 and 2-3, subparagraph 6, Article 10 of these Regulations: None.

2.6 Any of the Company's chairman, general manager, or managers in charge of finance or accounting held a position in the CPA's firm or its affiliates in the most recent year: None.

2.7 Transfer of Stock Options and Changes in Equity Pledge of Directors, Supervisors, Managers and Shareholders Holding More Than 10% of Shares in the Latest Year and as of the Date of Printing of Annual Report:

2.7.1 Changes in Shareholding of Directors, Managerial Officers, and Major Shareholders:

Job title	Name	2024		As of April 7, 2025	
		Shareholding Increase (or decrease)	Pledged shareholding increase (or decrease)	Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)
Chairman	Cheng Yi Investment Company Ltd.	0	0	0	0
Vice Chairman	Representative : Lee Chen-Chia	0	0	0	0
Director	Representative : Lee Yi-Li	0	0	0	0
	Representative :Lai Yu-Ju	0	0	0	0
Director	Li Ling Investment Company Ltd.	0	0	0	0
	Representative : Lee I-Lin	0	0	0	0
Director	Representative : Lee Bi-Jen	(190,000)	0	0	0
Director	Hua Wei Ltd.	0	0	0	0
	Representative :Chen Wen-Hwa	0	0	0	0
Director	Representative : Liu Wen-Cheng	0	0	0	0
Director	Yi Xin International Company Ltd.	(299,000)	0	(170,000)	0
	Representative : Lee Yu-Chia	0	0	0	0
Director	Representative : Yu Chang-Min	0	0	0	0
Independent Director	Chen Hui-Yiu	0	0	0	0
Independent Director	Ou Shu-Fang	0	0	0	0
Independent Director	Chang Hong-Jen	0	0	0	0
Independent Director	Lin Chi-Feng	0	0	0	0
General Manager	Lai Yu-Ju	0	0	0	0
Deputy General Manager Of Business Unit	Yu Chang-Min	0	0	0	0
Factory Director	Lin Ho-Chen	0	0	0	0
Financial Supervisor and Corporate Governance Manager	Lu Shu-Chun (Resigned on May 8 , 2024.)	0	0	0	0
Financial Supervisor and Corporate Governance Manager	Chang Chin-Teng (Appointed on May 8,2024) (Resigned on January 17,2025)	0	0	0	0
Acting Financial Supervisor and Corporate Governance Manager	Yu Ching-Hui (Appointed on January 17 ,2025)	0	0	0	0
10% Major Shareholder	Cheng Yi Investment Company Ltd.	0	0	0	0
10% Major Shareholder	Phytohealth Corp.	0	0	0	0
10% Major Shareholder	Li Ling Investment Company Ltd.	0	0	0	0

2.7.2 The counterparty for the transfer or pledge of stock options is a related party: None.

2.8 Information of Relationship among Top 10 Shareholders Who Are Related, Spouses, or Relatives within the Second Degree of Kinship:

April 7, 2025

Name(Note1)	Shareholding		Shareholding of spouse and minor children		Total Shareholding by nominee arrangements		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree (Note 3)		Remark
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Cheng Yi Investment Company Ltd. Chairman: Lee Chen-Chia	23,594,819 2,697,451	17.75% 2.03%	0 0	0.00% 0.00%	0 0	0.00% 0.00%	Lee Chen-Chia Lee Yi-Li	Chairman Of The Company Father And Daughter	
Phytohealth Corp. Chairman: Lee Yi-Li	16,737,700 1,392,000	12.59% 1.05%	0 205,000	0.00% 0.15%	0 0	0.00% 0.00%	Lee Yi-Li Lee Chen-Chia	Chairman Of The Company Father And Daughter	
Li Ling Investment Company Ltd. Chairman: Lee Chen-Chia	14,946,556 2,697,451	11.25% 2.03%	0 0	0.00% 0.00%	0 0	0.00% 0.00%	Lee Chen-Chia Lee Yi-Li	Chairman Of The Company Father And Daughter	
Chen Wen-Hwa	3,602,381	2.71%	477,886	0.36%	0	0.00%	None	Company Director	
Cheng Hsin Investment Company Ltd. Chairman: Lee Chen-Chia	3,136,537 2,697,451	2.36% 2.03%	0 0	0.00% 0.00%	0 0	0.00% 0.00%	Lee Chen-Chia Lee Yi-Li	Chairman Of The Company Father And Daughter	
Lee Chen-Chia	2,697,451	2.03%	0	0.00%	0	0.00%	Lee Yi-Li	Father And Daughter	
Yi Xin International Company Ltd. Chairman: Lee Yu-Chia	1,550,000 104,500	1.17% 0.08%	0 10,000	0.00% 0.01%	0 0	0.00% 0.00%	None Lee Chen-Chia	Company Director Brothers And Company Directors	
Tsai Mao-Zhen	1,514,000	1.14%	0	0.00%	0	0.00%	None	None	
Lee Yi-Li	1,392,000	1.05%	205,000	0.15%	0	0.00%	Lee Chen-Chia	Father, Daughter And Company Vice Chairman	
Huang Chao-Yu	1,160,000	0.87%	0	0.00%	0	0.00%	None	None	

Note 1: All of the top 10 shareholders should be listed, and the names of corporate/juristic person shareholders and their representatives should be listed separately.

Note 2: The shareholding ratio (%) is calculated as the total numbers of shares respectively held by the shareholder, their spouse and minor children, or through nominees

Note 3: Disclose the relationships among the above-listed shareholders, including corporate/juristic person shareholders and natural person shareholders, in accordance with the provisions of the Regulations Governing the Preparation of Financial Reports by Securities Issuers

2.9 Shares Held by Company, Directors, Managers of Company, and Businesses Controlled Directly or Indirectly by Company of Same Reinvestment Business and Consolidated Calculation of Comprehensive Shareholding Ratio:

March 31, 2024

Investee enterprise (Note1)	Investment by the Company		Investment by the Directors, Managerial Officers and Directly or Indirectly Controlled Entities of the Company		Total investment	
	Shares	%	Shares	%	Shares	%
Phytohealth Corp.	35,130,698	17.69%	796,845	0.40%	35,927,543	18.09%
Amcad Biomed Corp.	3,994,996	6.31%	1,277,702	2.02%	5,272,698	8.33%
Maywufa Corporation	8,500,000	100.00%	0	0.00%	8,500,000	100.00%
Broadsound Corp.	2,019,000	10.00%	300,000	1.49%	2,319,000	11.49%

Note1 : This refers to investee enterprises in which the Company makes long-term investment calculated according to the equity method

Note2 : Lu Te Na Company Ltd. was approved for dissolution by the Ministry of Economic Affairs on March 18, 2025.

3. Capital Overview

3.1 Capital and shares

3.1.1 Source of Capital

1. Sources of Capital

Unit: Shares; NTD

Month/ year	Issued price	Authorized capital		Paid-in capital		Remarks		
		Shares	Amount (NTD)	Shares	Amount (NTD)	Sources of capital	Capital paid in by assets other than cash	Other
05/1987	1,000	30,000	30,000,000	30,000	30,000,000	Cash capital increase	None	None
03/1988	1,000	50,000	50,000,000	50,000	50,000,000	Cash capital increase	None	None
04/1989	1,000	80,000	80,000,000	80,000	80,000,000	Cash capital increase	None	None
12/1989	10					Capital increase of NTD 2,900,000 from capital reserve	None	None
	10	11,240,000	112,400,000	11,240,000	112,400,000	Capital increase of NTD 4,500,000 from accumulative surplus		
	15					Cash capital increase NTD 25,000,000		
03/1990	10					Capital increase of NTD 11,240,000 from capital reserve	None	None
	25	17,800,000	178,000,000	17,800,000	178,000,000	Cash capital increase NTD 54,360,000		
03/1991	10					Capital increase of NTD 17,800,000 from capital reserve	None	None
		28,000,000	280,000,000	20,470,000	204,700,000	Capital increase of NTD 8,900,000 from accumulative surplus		
11/1993	10					Capital increase of NTD 10,235,000 from capital reserve	None	None
		28,000,000	280,000,000	24,564,000	245,640,000	Capital increase of NTD 30,705,000 from accumulative surplus		
07/1994	10					Capital increase of NTD 12,282,000 from capital reserve	None	None
		28,000,000	280,000,000	27,020,400	270,204,000	Capital increase of NTD 12,282,000 from accumulative surplus		
09/1995	10					Capital increase of NTD 27,020,400 from capital reserve	None	None
		37,000,000	370,000,000	30,262,848	302,628,480	Transfer accumulated surplus to capital increase of NTD 5,404,080		
07/1996	10	37,000,000	370,000,000	31,170,734	311,707,340	Capital increase of NTD 9,078,860 from accumulative surplus	None	Note 1
06/1997	10					Capital increase of NTD 18,702,440 from capital reserve	None	Note 2
	10	60,000,000	600,000,000	43,411,223	434,112,230	Capital increase of NTD 18,702,450 from accumulative surplus		
	54					Cash capital increase of NTD 85,000,000		
06/1998	10					Capital increase of NTD 43,411,230 from capital reserve	None	Note 3
		60,000,000	600,000,000	52,093,469	520,934,690	Capital increase of NTD 43,411,230 from accumulated surplus		
06/1999	10					Capital increase of NTD 31,256,080 from capital reserve	None	Note 4
		60,000,000	600,000,000	58,344,685	583,446,850	Capital increase of NTD 31,256,080 from accumulative surplus		
06/2000	10	116,000,000	1,160,000,000	65,346,047	653,460,470	Capital increase of NTD 70,013,620 from accumulated surplus	None	Note 5
06/2001	10	116,000,000	1,160,000,000	70,573,730	705,737,300	Capital increase of NTD 52,276,830 from capital reserve	None	Note 6

Month/ year	Issued price	Authorized capital		Paid-in capital		Remarks		
		Shares	Amount (NTD)	Shares	Amount (NTD)	Sources of capital	Capital paid in by assets other than cash	Other
08/2004	10	116,000,000	1,160,000,000	96,916,868	969,168,680	Consolidated capital increase NTD263,431,380	None	Note 7
07/2005	10	116,000,000	1,160,000,000	100,793,542	1,007,935,420	Capital increase of NTD 38,766,740 from capital reserve	None	Note 8
07/2006	10	116,000,000	1,160,000,000	103,313,380	1,033,133,800	Capital increase of NTD 25,198,380 from capital reserve	None	Note 9
06/2007	10	116,000,000	1,160,000,000	105,896,214	1,058,962,140	Capital increase of NTD 25,828,340 from capital reserve	None	Note 10
08/2009	12.3	160,000,000	1,600,000,000	125,896,214	1,258,962,140	Private placement cash capital increase NTD246,000,000	None	Note 11
11/2009	12.2	160,000,000	1,600,000,000	126,981,214	1,269,812,140	Employee stock option shares 1,085,000 shares	None	Note 12
12/2009	12.2	160,000,000	1,600,000,000	127,201,214	1,272,012,140	Employee stock option shares 220,000 shares	None	Note 13
07/2010	10	160,000,000	1,600,000,000	130,381,244	1,303,812,440	Capital increase of NTD 31,800,300 from capital reserve	None	Note 14
09/2010	11.9	160,000,000	1,600,000,000	130,537,744	1,305,377,440	Employee stock option shares 156,500 shares	None	Note 15
01/2011	11.9	160,000,000	1,600,000,000	130,620,244	1,306,202,440	82,500 employee stock options	None	Note 16
04/2011	11.9	160,000,000	1,600,000,000	130,757,744	1,307,577,440	Employee stock options 137,500 shares	None	Note 17
05/2011	11.9	160,000,000	1,600,000,000	131,395,244	1,313,952,440	637,500 employee stock options	None	Note 18
01/2012	11.45	160,000,000	1,600,000,000	132,132,744	1,321,327,440	855,500 employee stock subscription shares and repurchased treasury shares, cancellation of capital reduction of 118,000 shares	None	Note 19
04/2012	11.45	160,000,000	1,600,000,000	132,162,744	1,321,627,440	Employee stock option shares 30,000 shares	None	Note 20
07/2012	11.45	160,000,000	1,600,000,000	132,915,244	1,329,152,440	Employee stock option shares 752,500 shares	None	Note 21
06/2020	10	300,000,000	3,000,000,000	132,915,244	1,329,152,440	Shareholders' meeting increases authorized capital	None	Note 22

Note 1: The approval date and document number of the Securities and Futures Commission: July 04, 1996 (85) Tai Cai Zheng (1) No. 41383.

Note 2: The approval date and document number of the Securities and Futures Commission: June 06, 1997 (86) Tai Cai Zheng (1) No. 42249.

Note 3: The approval date and document number of the Securities and Futures Commission: June 1, 1998 (87) Tai Cai Zheng (1) No. 47396.

Note 4: The approval date and document number of the Securities and Futures Commission: May 13, 1999 (88) Tai Cai Zheng (1) No. 44501.

Note 5: The approval date and document number of the Securities and Futures Commission: June 20, 2000 (89) Tai Cai Zheng (1) No. 52883.

Note 6: The approval date and document number of the Securities and Futures Commission: June 14, 2001 (90) Tai Cai Zheng (1) No. 138019.

Note 7: Approval date and document number of the Financial Supervision and Administration Commission of the Executive Yuan: Jin Guan Zheng Yi Zi No. 0930136259 on August 20, 2004.

Note 8: Approval date and document number of the Financial Supervision and Administration Commission of the Executive Yuan: Jin Guan Zheng Yi Zi No. 0940126178 on July 06, 2005.

Note 9: Approval date and document number of the Financial Supervision and Administration Commission of the Executive Yuan: Jin Guan Zheng Yi Zi No. 0950129320 on July 10, 2006.

Note 10: Approval date and document number of the Financial Supervision and Administration Commission of the Executive Yuan: Jin Guan Zheng Yi Zi No. 0960033067 on June 29, 2007.

Note 11: On August 17, 2009, the Ministry of Economic Affairs approved the letter No. 09801174900 of Shangzi.

Note 12: On November 18, 2009, the Ministry of Economic Affairs was approved by the No. 09801267920 Letter of Shoushang Zi.

Note 13: On December 31, 2009, the Ministry of Economic Affairs was approved by the letter No. 09801300680 of Shangzi.

Note 14: Approval date and document number of the Financial Supervision and Administration Commission of the Executive Yuan: Jin Guan Zheng Fa Zi No. 0990034725 on July 06, 2010.

Note 15: On September 10, 2010, the Ministry of Economic Affairs was approved by the letter No. 09901204600 of Shangzi.

Note 16: On January 11, 2011, the Ministry of Economic Affairs was approved by the letter No. 09901292080 of Shangzi.

Note 17: On April 1, 2011, the Ministry of Economic Affairs was approved by the letter No. 10001064410 of Shangzi.

Note 18: On May 4, 2011, the Ministry of Economic Affairs was approved by the letter No. 10001089880 of Shangzi.

Note 19: On January 09, 2012, the Ministry of Economic Affairs was approved by the letter No. 10101003910 of Shangzi.

Note 20: On April 2, 2012, the Ministry of Economic Affairs was approved by the letter No. 10101057050 of Shangzi.

Note 21: On July 5, 2012, the Ministry of Economic Affairs was approved by the letter No. 10101131570 of Shangzi.

Note 22: On June 18, 2020, the Ministry of Economic Affairs was approved by the letter No. 1001103360 of Shangzi.

2. Type of stock

April 7, 2025

Type of stock	Authorized capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common stock	132,915,244 shares	167,084,756 shares	300,000,000 shares	Listed stocks

3. Related information of the general declaration system: Not applicable.

3.1.2 List of Major Shareholders

April 7, 2025

Name of major shareholder	Shares	Shareholding (shares)	Shareholding (%)
Cheng Yi Investment Company Ltd.		23,594,819	17.75%
Phytohealth Corp.		16,737,700	12.59%
Li Ling Investment Company Ltd.		14,946,556	11.25%
Chen Wen-Hwa		3,602,381	2.71%
Cheng Hsin Investment Company Ltd.		3,136,537	2.36%
Lee Chen-Chia		2,697,451	2.03%
Yi Xin International Company Ltd.		1,550,000	1.17%
Tsai Mao-Zhen		1,514,000	1.14%
Lee Yi-Li		1,392,000	1.05%
Huang Chao-Yu		1,160,000	0.87%

3.1.3 Dividend Policy and Implementation Status of the Company

1. Dividend policy formulated in the Articles of Incorporation:

According to Article 29 of the company's bylaws, in the event of annual profits, after payment of all taxes and compensation for previous years' losses, a statutory surplus reserve of 10% and any adjusted special surplus reserve should be set aside in accordance with the law. The remaining balance, along with any undistributed profits from previous years, should be used to propose a profit distribution plan by the board of directors, with at least 10% to be distributed to shareholders following approval at a shareholders' meeting. Our dividend policy is determined by the company's earnings, taking into account our long-term development plan and maintaining a stable financial structure. We prioritize appropriate cash dividends and stock dividends in proportion to the profits. If stock dividends are issued, they must account for at least 10% of the total dividend for the year..

2. Proposal of share distribution on this shareholders' meeting:

Unit: NTD

Unappropriated retained earnings for previous years	151,159,547
Plus: Net profit for 2023	173,231,656
Plus : remeasurement of defined benefit plan recognized in the retained earnings	11,399,225
Plus: disposals of investments in equity instruments measured at FVOCI	7,588,751
Adjusted unappropriated retained earnings after net profit plus other items calculated into	192,219,632
Less: 10% legal reserve	(19,221,963)
Plus: special reserve	27,459,768
Earnings available for distribution for 2024	351,616,984

Distribution Items :	
Plus : Common share dividends— Cash (NTD1.20 /per share)	(159,498,293)
Unappropriated retained earnings at the end of the period	192,118,691

3. Description of Expected Significant Changes in Dividend Policy: None.

3.1.4 The effects of stock grants drafted by this shareholders' meeting on The Company's operating performance and earnings per share:

The company intends to distribute cash dividends in full this year, so it is not applicable.

3.1.5 Compensation of Employees, Directors and Supervisors:

1. Information Relating to Compensation of Employees, Directors and Supervisors in the Articles of Incorporation:

According to Article 28 of our company's articles of association, if our company generates profits in a year (which refers to the pre-tax income minus employee and director compensation), after reserving an amount for accumulated losses, a certain percentage (3-6%) should be set aside for employee compensation and no more than 4% for director compensation. This decision must be made by a resolution of the board of directors with at least two-thirds of the directors present and a majority of those present agreeing, and reported to the shareholders' meeting. Employee compensation may be paid in the form of stocks or cash, and may include subsidiary companies that meet certain conditions.

2. The basis for estimating the amount of employee and director compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for 2024:

The company estimates employee and director compensation as a percentage of the profit before tax, as specified in the articles of incorporation, and deducts it from the current year's profit. If the actual distribution amount differs from the estimated amount, the difference is adjusted through accounting estimates and recognized as an impact on the following year's income statement.

3. The status for distribution of remuneration passed by the board of directors::

(1) If there is any discrepancy between the amount of employee remuneration and director remuneration distributed in cash or stock and the estimated amount in the recognized expense year, the discrepancy, reason and handling situation shall be disclosed:

On February 27, 2025, the board of directors of our company approved the distribution of cash employee compensation of NTD6,892 thousand and director remuneration of NTD4,595 thousand, which is not different from the estimated amount for the year.

(2) The amount of employee remuneration distributed by stock and its proportion to the total after-tax net profit and total employee remuneration of individual or individual financial reports in the current period: The company does not distribute employee remuneration by stock, so it is not applicable.

4. The actual distribution of remuneration for employees and directors in the previous fiscal year (including shares distributed, monetary amount, stock price) and any discrepancy between the actual distributed amount and amount of compensation for employees and directors. The discrepancy, cause, and response shall be stated:

Actual employee compensation and director remuneration distributed in the previous year were NTD6,639 thousand and NTD4,426 thousand, respectively, which were in line with the estimated amounts for the year.

3.1.6 Buyback of Treasury Stock: In the most recent year and up to the date of publication of the annual report, the company has not repurchased the company's shares.

- 3.2 Corporate bonds: None**
- 3.3 Preferred shares: None.**
- 3.4 Global depository receipts: None.**
- 3.5 Employee share subscription warrants and new restricted employee shares: None.**
- 3.6 Mergers or acquisitions or with acquisitions of shares of other companies: None .**
- 3.7 Implementation of Capital Utilization Plan: None.**

4. Operation Summary

4.1 Business Content

4.1.1 Business Scope

1. Main areas of business operations:

- (1) Manufacturing, processing, distribution, wholesale, and agency of various hair care products (including cleaning agents) and soaps.
- (2) Manufacturing, processing, distribution, wholesale, and agency of various cosmetics (excluding highly toxic substances), as well as general merchandising (with the exception of cosmetics manufacturing limited to the main factory).
- (3) Distribution, wholesale, and retail of various beauty products, health products, and sports equipment.
- (4) Agency, distribution, wholesale, and retail of various types of food, small household appliances, clothing, and daily necessities.
- (5) Retail and wholesale business of health food, such as vitamin pills and oral liquid nutritional supplements.
- (6) Sales and wholesale of pharmaceuticals and medical equipment.
- (7) Wholesale and retail of food, infant products, and general products with added vitamins, amino acids, and mineral nutrients.
- (8) Consulting, analysis, and advisory services related to pharmacy management.
- (9) Buying and selling of medical and health periodicals and magazines.
- (10) Planning, designing, managing, consulting, diagnosing, and analyzing environmental protection projects (excluding architect services).
- (11) Handling, designing, contracting, and constructing environmental protection projects such as waste gas, dust, noise, and smoke.
- (12) Buying and selling of various machinery and building materials.
- (13) Buying, selling, processing, and manufacturing of pet supplies and food.
- (14) C199990 Miscellaneous food manufacturing industry.
- (15) C802090 Cleaning products manufacturing industry.
- (16) F107030 Cleaning products wholesale industry.
- (17) F207030 Cleaning products retail industry.
- (18) F108021 Western medicine wholesale industry.
- (19) IG01010 Biotechnology services industry.
- (20) IZ06010 Sorting and packaging industry.
- (21) G801010 Warehousing industry.
- (22) Import and export trade and logistics of the aforementioned products and equipment, as well as agency, distribution, wholesale, and retail of the related products.

2. The proportion of The Company's Business:

Unit ; NTD thousands

Major Divisions	2024		2023	
	Sales	(%) of Total Sales	Sales	(%) of Total Sales
Consumer Business Unit	1,045,332	70%	891,012	69%
Pharmaceutical Business Unit	440,541	30%	409,709	31%
Total	1,485,873	100%	1,300,721	100%

3. Main product:

The company's products include pharmaceuticals, medical equipment, nutritional supplements, women and infant skincare products, shampoo, conditioner, body wash, styling products, hair care products, and hair dye, etc.

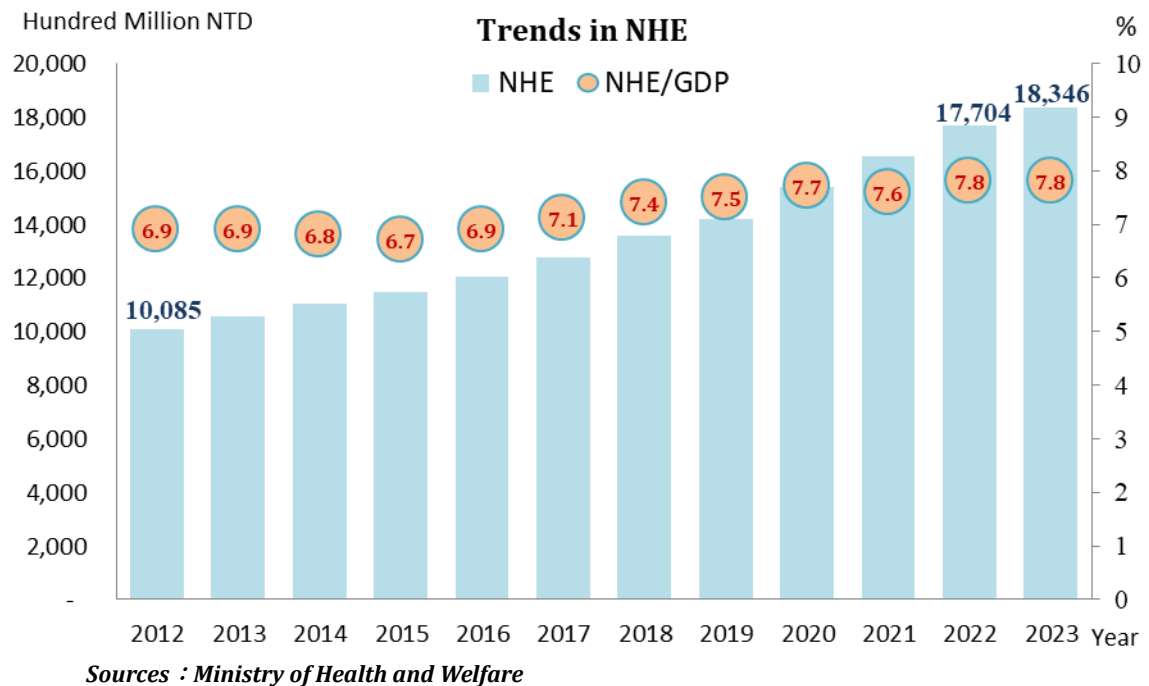
4. New products development:

- (1) Maywufa[®] Herbal Color Cream (New Color)
- (2) Maywufa[®] Colorful Hair Color Cream (New Color)
- (3) Maywufa[®] Perfume Series (New Perfume Shampoo)
- (4) SAHOLEA[®] (Line Extension)

4.1.2 Industry Overview

1. Overview and development of industry:

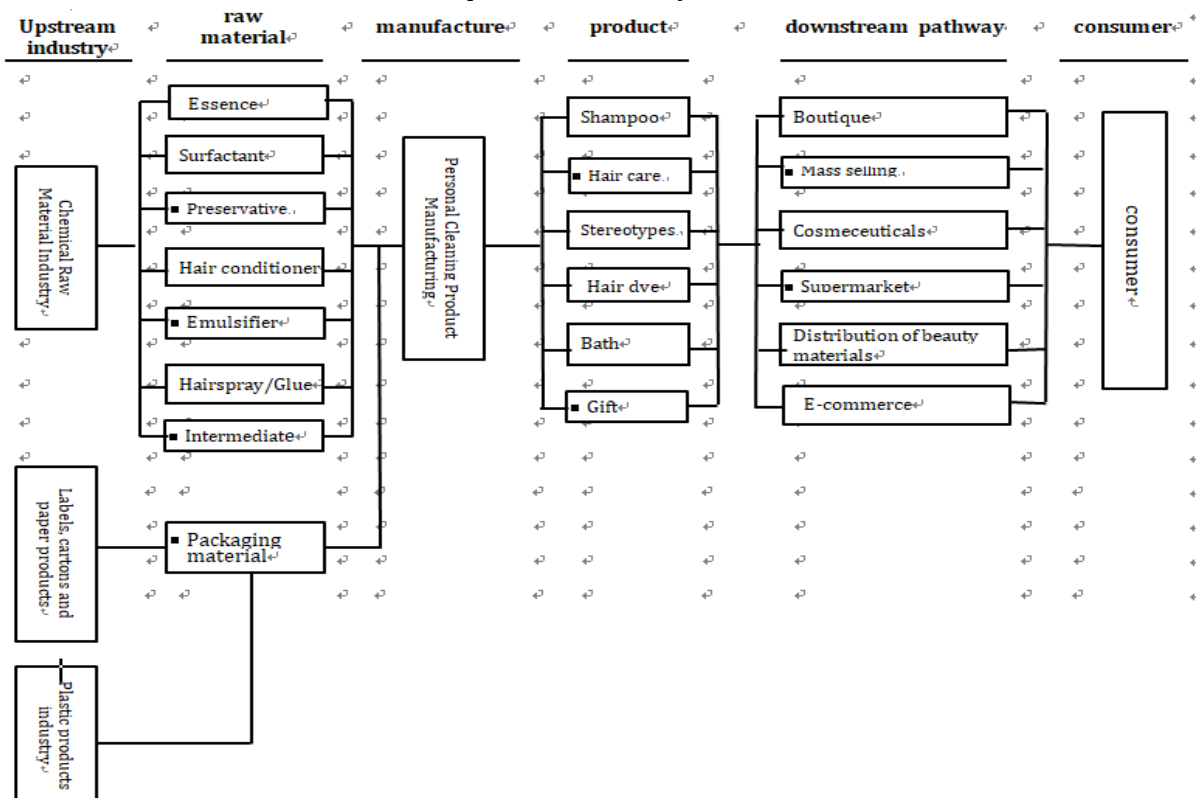
- (1) The market for personal care products is highly competitive. In order to meet the rising demand of consumers for product differentiation, it is necessary to continuously develop new products to satisfy customers. In addition, foreign companies use their heavy advertising resources and promotion activities to constantly introduce new products to compete for market share, resulting in shortened product life cycles. Transparent shampoo and shower gel products are still our company's niche products. We have successfully launched a perfume series and introduced a high-priced, high-quality hair care series in Taiwan and mainland China. Besides, we have significant advantages in marketing strategy and operations, distribution channels, and hair dye market leadership position.
- (2) In recent years, consumers have placed increasing importance on caring for the skin of mothers and babies with the declining birth rates. Multinational giants have entered the market, offering a variety of products that cater to the different needs of babies' skin based on their skin types and requirements. This has provided total care and protection for the skin of mothers and babies.
- (3) According to the estimation by the National Development Council of population structure changes, Taiwan has entered an aging society, which has led to an increase in healthcare demand. Based on data from the Department of Statistics of the Ministry of Health and Welfare, Taiwan's national healthcare expenditure (NHE) was NTD1.8346 trillion in 2023, representing a 3.6% increase compared to the previous year (2022) and accounting for 7.8% of the GDP (NTD23.5967 trillion). The average NHE per person was NTD78,595, which is an 3.5% increase compared to the previous year.



2. Industry Relationships among Upstream, Midstream, and Downstream:

(1) Consumer Business Unit:

Our consumer business unit currently produces a range of products including hair dye, shampoo, conditioner, shower gel, body lotion, styling products, and gift sets. These products are sold to consumers through personal care stores, hyper channels, supermarkets, distributors, and e-commerce channels. and. The upstream, midstream, and downstream relationships in this industry are listed as follows:



(2) Pharmaceutical Business Unit:

Our company has a professional pharmaceutical marketing and sales team that serves as the conduit between domestic and foreign drug manufacturers and consumers, providing the professional and reliable products and services required by the healthcare market. The industry can be broadly divided into upstream, midstream, and downstream sectors.

① Upstream:

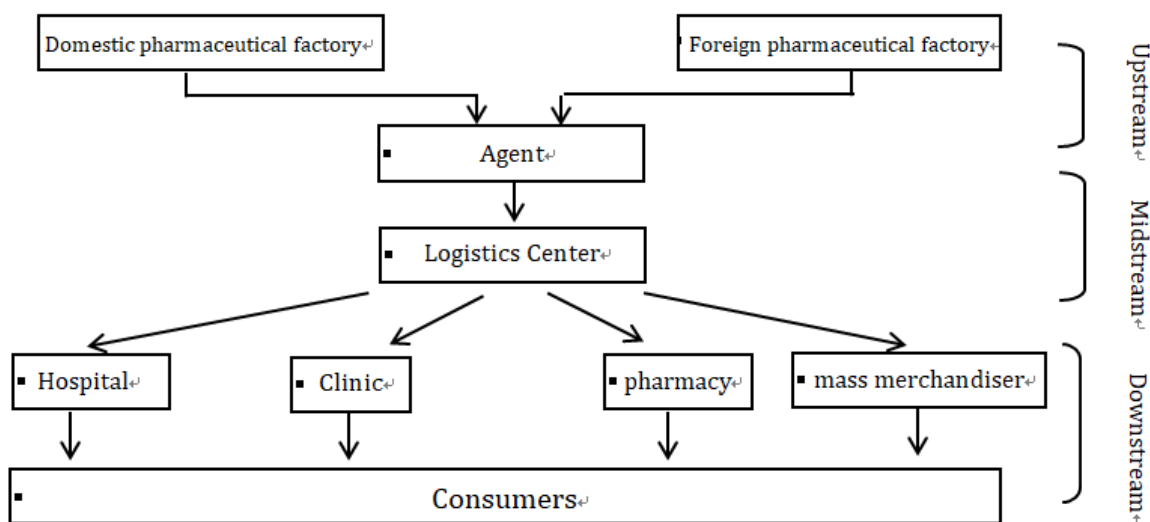
Domestic and foreign pharmaceutical companies..

② Midstream:

Includes agents and logistics centers, which serve as intermediaries in the distribution of products. In addition to assisting in bringing products to the market, agents also play roles in marketing, market research, distribution, and logistics, ensuring seamless product usage and service by downstream customers and consumers.

③ Downstream:

Includes various hospitals, pharmacies, clinics, and retailers such as chain drug stores. As mentioned above, the upstream, midstream, and downstream relationships in the pharmaceutical distribution industry can be illustrated as follows:



3. Development Trend and Competition Situation:

(1) Development Trend:

① Consumer Business Unit:

I. Multi-functional products and multi-brand strategy:

To meet the various needs of customers, manufacturers need to provide a series of products with different benefits, including different brands, ingredients, and enhanced product functionality to satisfy specific market segments, and expand its market share.

II. Marketing is the key to win customers:

As the market is filled with cosmetic products, and the appeals are similar with high substitutability between brands, consumers often lack brand loyalty. Manufacturers need to invest significant funds and manpower in advertising to maintain brand awareness, and to strive to make products in massive channels, providing consumers with convenience to purchase. In addition, promotions can stimulate consumer purchasing desires, which is crucial for manufacturers.

② Pharmaceutical Business Unit:

- I. With the improvement of living environment and the enhancement of quality of life, domestic consumers' health awareness has increased, and the incidence of chronic diseases related to modern lifestyle has risen. The aging of the population has become a trend, and social consciousness has gradually shifted from disease treatment to health maintenance. Therefore, in addition to demanding the efficacy of drugs for disease treatment, people also attach great importance to products that can help maintain their health. Currently, the pharmaceutical industry is investing significant efforts in the development of health products, recognizing their market potential. There is also a high level of research and development for such health and wellness products overseas, offering consumers choices that enhance health and quality of life. Emphasizing preventive medicine and wellness is a global market trend.
- II. As the leading causes of death shift to non-communicable diseases, with nearly one-sixth of deaths caused by cancer, the global healthcare trend for cancer treatment is gradually shifting from the focus on fighting medicine to holistic care. Therefore, the market for cancer treatment, as well as tumor nutrition and health supplements, is becoming increasingly important.

(2) Competition Situation:

① Consumer Business Unit:

- I. In recent years, consumers' demand for shampoo products has shifted from the simply cleaning hair to products that have special functions, feelings or fragrances, as well as diversified functions. Many brands have entered the market successively, making the market competition more intense. The promotion of natural, plant-based, fragrant, and functional ingredients in beauty products has been embraced by specific groups.
- II. Taiwan e-commerce market is still growing continuously, and consumer's demand becomes more diversified. Coupled with the trend of the e-commerce market, independent e-commerce brands have a strong appeal to consumers.

② Pharmaceutical Business Unit:

- I. There are numerous organizations or companies both domestic and international, engaged in the research and development of new drugs, as well as health and wellness products. With a wide range of products with similar therapeutic effects and functions, the market competition is intense. To stand out and become a leading brand requires significant effort, optimizing marketing strategies and execution plans to gain a competitive advantage. As an agent, it is essential to have keen observation and judgment to identify the best and most suitable products to introduce into the domestic market.
- II. Due to the specialized nature of pharmaceuticals and the closed nature of their distribution channels, the sales targets are hospitals, clinics, and pharmacy pharmacists. Therefore, the professional level of marketing and sales personnel and the time required for training and development are much higher than in general industries. Having long-term stable specialist talent and training programs, high-quality and cohesive employees, relative to other industries, is a competitive advantage. To establish a foothold in this industry and achieve steady growth, besides obtaining sales agency for original drugs, it is also necessary to recruit excellent and experienced professional talent and teams.

4.1.3 Research and Development Status

1. Research and Development Expenses in the latest year and until the date of publication of the annual report ;

Unit: NTD Thousands

Year	2024	As of Mar 31, 2025
R & D E x p e n s e	19,951	4,828

2. Research and Development Achievements 2024:

We had 100 new items for both hair dyes and shampoos in 2024, including Maywufa® Herbal Color Cream, Maywufa® Oriental Herb Color Cream, ibubble Color Cream, bubble up Color Cream, Maywufa® Colorful Hair Color cream, AQILAH® , SAHOLEA®, perfume cooling series, INNEX®, AQILAH®, BlackVerse Hair Care, Super Good Luck Hair Care, Herbalism, and Black Polygonum. All of above delivered strong momentum and results.

4.1.4 Business Plans In Long and Short Terms

1. Short-term plans:

(1) Consumer Business Unit:

① Manage Important Channels:

We need to manage the important physical channels and cooperate with e-commerce channels in Taiwan. As for mainland China, we continuously develop distributor and group-buying channels, focus on e-commerce channel as a source of growth, and use a long-term strategy to enhance the brand image by developing high-end imported products.

② Develop Niche Products:

Maywufa® develops new products for both hair dyes and shampoos to meet more diversified customer demands, including new hair dye colors and functional shampoos for both physical and e-commerce channels.

③ Strengthen Digital Marketing:

As shopping behavior changes, we accelerate online social management, execute online campaigns, drive brand awareness, and establish brand image of high quality and efficacy image.

(2) Pharmaceutical Business Unit:

① Enhancing customer loyalty to the company's products and services by launching high quality continuous education program.

② In response to the needs of patients for disease treatment education, we work with various patient groups to plan and hold patient lectures, promoting disease education from north to south and increasing product awareness and brand image.

③ To increase product patient access, we expedite our listing plan from medical center to area hospitals. Experience sharing program among different institutions is key to strengthen product clinical experience in different patient type.

2. Long-term plans:

(1) Consumer Business Unit:

① Expand cross-border and export opportunities

Search for business partners, and actively expand cross-border and export opportunities.

② Expand channels and brands in mainland China:

Expand the mainland China market, cultivate distribution channels by regional distributors, deepen e-commerce channels and strengthen brands through awareness building.

- ③ Strengthen new products development:
Strengthen the development of new products, focus on mid-to-high-end products, and deliver channel differentiation.
 - ④ Adopt both medical and consumer approach:
Adopt a dual-track strategy for medical and consumer approach. Based on consumer usage and attitude study, we need to use more diverse channels to reach more pregnant mothers, and promote through professional channels, consumer channels, and e-commerce channels to strengthen loyalty and expand profits.
 - ⑤ Optimize e-commerce and online marketing:
In addition to building our own online channels, we continue to strengthen online marketing, APP marketing, etc., and embrace new digital marketing concepts and reapply to our brands.
- (2) Pharmaceutical Business Unit:
- ① Strengthen sales team's professional medical knowledge and selling skills to establish company brand in specialized medical market.
 - ② Actively introducing niche products to increase market share and competitiveness in key therapeutic area.
 - ③ Continuously accumulate local usage experience in line with future publication plan.
 - ④ Elevating treatment quality through strengthening patients' and their families' understanding of disease and treatment options .

4.2 Market Analysis and Sales Overview

4.2.1 Market Analysis

1. Main Product sales area:

Unit: NTD Thousands

Year Item	2022		2023		2024	
	Local	Export	Local	Export	Local	Export
Consumer Business Unit	854,448	28,667	869,442	21,570	1,026,519	18,813
Pharmaceutical Business Unit	361,973	17	409,709	-	440,541	-
Total	1,216,421	28,684	1,279,151	21,570	1,467,060	18,813

2. Market share

(1) Consumer Business Unit:

- ① Maywufa market share of hair dye is the leading position in Taiwan, over 30% of the market. Maywufa[®] Instant Coloring Cream has received lots recognitions, such as "National Biomedical Quality Award Bronze Award" and "SNQ Symbol of National Quality".
- ② Maywufa[®] perfume series is the leading brand in the transparent shampoo and shower gel market. In recent years, our functional hair care products have also received market recognition.

(2) Pharmaceutical Business Unit:

- ① The overall sales volume will increase year by year as marketing strategies are executed. To increase patent product access, we continue our hospital listing plan from key medical centersto area hospitals.
- ② PG2[®] is the first TFDA approved prescription drug with indication to treating cancer-related fatigue. Currently more than 90% of target hospitals have adopted PG2[®] usage during patient's cancer treatment.

- ③ According to global evidence, Cerebrolysin[®] is the multimodal neuropeptide to help regain independence of patient suffering from stroke, TBI and dementia. Cerebrolysin[®] has successfully been used in more than 15 medical centers, meanwhile, local hospitals have increased its adoption to extend clinical usage after patients discharge from medical center for post stroke rehabilitation. The product is included in the clinical consensus review literature of the domestic medical society in 2022.

3. Market Future Situation

(1) Consumer Business Unit:

- ① Our products are innovative, quality-approved, and trusted by customers. Maywufa has received numerous awards, such as "Reader's Digest Trusted Brand Gold Award and Platinum Award", "Taiwan Excellence Award", "SNQ Symbol of National Quality", "National Biomedical Quality Award Bronze Award", "Ideal Brand First Place", and "Good for Life and Health First Place", leading to a growing market share.
- ② The competition in shampoo and shower gel market is intense, resulting in price competition. However, we continue to select European fragrances to launch Maywufa[®] perfume series of shampoo and shower gel to maintain our leadership in the transparent shampoo market. We also develop functional shampoo and hair dye cream to expand Maywufa[®] more.
- ③ Parents are increasingly aware of the vulnerability and sensitivity of baby skin, which has led to an increase in demand for baby and maternity products.
- ④ Mustela brand offers maternity range for pregnancy skin and different baby ranges for different baby skin types usage. As the distributor in Taiwan, Mustela brand has won "Elite Award First Place" for years, which recognizes its profession and efficacy. All products are supervised and tested by experts, putting the safety of mothers, fetuses, and babies first. The goal is to protect and improve the skin conditions of mothers, babies and families with more natural and safer products.

(2) Pharmaceutical Business Unit:

According to statistics from the Ministry of the Interior, the aging population trend is evident in terms of population structure. With the advancement of technology and rapid spread of the internet, health and healthcare information has become a significant topic of interest. Moreover, due to the improvement of living standards and the younger onset of serious illnesses, the global pharmaceutical market continues to grow. With the rising concept of comprehensive care for cancer patients, supportive cancer treatment drugs and nutritional supplements will gradually gain prominence. In response to the changing medical market, establishing a professional pharmaceutical marketing team will be the key to success in dominating the market in the future.

4. Competitive Advantage

(1) Consumer Business Unit:

- ① As the only listed company in the hair care industry, our company enjoys a good corporate image. We have strong capabilities in product research and development, flexible marketing planning, experienced sales staff, a sound sales channel management, and good customer relationships.
- ② Mustela is the number one brand in Europe for infant and maternal skin care, dedicated to developing and producing professional skincare products to meet the special needs of babies and pregnant women. The formulas are carefully selected from plant-based ingredients, with a preference for more pure and natural "organic plants" as extraction sources. The products are manufactured using pharmaceutical standards, and have undergone 450 tests to ensure their effectiveness and safety before being launched. We actively pursue international organic and green certification, in order to provide more natural and safe products to care for the skin

of mothers and babies, while fulfilling corporate social responsibility, responding to environmental protection, and being friendly to the earth.

(2) Pharmaceutical Business Unit:

Our company has a professional team with expertise in managing sales channels and operating in the pharmaceutical market. This core competency is not easily replicable and continuously refined, and coupled with close collaboration across departments, enables our company to tackle various challenges and leverage our team's collective strength..

5. Opportunities and Threats in Future Company's Development

(1) Opportunities:

① Consumer Business Unit:

I. Well-established training system:

Company's management team possesses professional and scientific management knowledge, regularly trains and enhances employees' skills and efficiency. With harmonious relations between management and employees, the company is developing on the right track.

II. Strong products development, marketing and sales capabilities:

The market share of Maywufa® Hair Dye ranks first place, with strong capabilities in new product development, flexible marketing planning, experienced sales team and differentiated channel strategy. In addition, company has expanded to Mainland China market, and has increased cross-borders and exports to significantly improve its performance.

III High customer loyalty to Mustela brand:

Mustela, as the number one brand of infant and maternal skincare in Europe, produces products with professional, safe, and effective standards and quality, while fully practicing corporate social responsibility. It has high customer loyalty, repurchase and recommendation.

② Pharmaceutical Business Unit:

The global healthcare trend is gradually shifting from a focus on combatting diseases to providing holistic care and emphasizing quality of life. With the continuous increase in self-care awareness among the public in Taiwan, the market for supplementary treatment and self-care services for related diseases is becoming increasingly important.

(2) Threats and Actions:

① Consumer Business Unit:

I. Imported hair care brands are aggressively promoting in the domestic market through extensive advertising.

Actions:

Apply marketing strategies flexibly and maintain sales channel advantages; establish consumer loyalty to hair care products and actively promote through social media advertising.

II. Shampoo life cycle is shorter and competition is more intense.

Actions:

Optimize product portfolio and accelerate the development of new products. Increase production automation to reduce costs. Develop higher quality, mid-to-high price products to meet market demands and consumer preferences to offer more diverse choices for consumers, maintain brand recognition, and expand market share.

② Pharmaceutical Business Unit:

Due to changes in the domestic economic and business environment, consumer demand has become increasingly personalized. As a result, there is intense competition among products, and marketing strategies must constantly evolve, leading to increased operating costs.

Actions:

Strategies to address these challenges include integrating group resources, adjusting product sales strategies, strengthening channel management, reducing costs, and improving overall efficiency.

4.2.2 Purposes and production processes of main products

1. Main products:

Shampoo, conditioner, bath products, body lotion, styling products, hair care products, hair dye products, maternal and infant skincare products, medical drugs, health supplements.

2. Purposes of main products:

(1) Shampoo : Cleanses hair.

(2) Conditioner : Moisturizes hair.

(3) Bath products : Cleanses the skin.

(4) Body lotion: Moisturize skin.

(5) Hair care/styling products: Hair care, styling, and fixing.

(6) Hair dye: Hair dyeing.

(7) Maternal and infant skincare products : Improve dry skin and repair damaged skin.

(8) Medical drugs: Treat diseases and promote health.

(9) Health supplements : Provide nutrition and prevent diseases.

3. Production process:

(1) The production process of shampoo, conditioner, shower gel, sunscreen lotion, skin care lotion, hairspray, hair cuticle conditioner, hair conditioner and moisturizing hair lotion is the same as follows:

Raw materials→mixing and blending→quality

control→filling→capping→labeling→packing→quality control→storage.

.(2) The production process of hair dye is as follows:

Raw materials→mixing and blending→quality control→filling→semi-finished

products→quality control→assembly→packing→quality control→warehousing.

4.2.3 Supply of main raw materials:

The company's hair care products mainly use raw materials such as emulsifiers, surfactants, hair conditioners, soap bases, and disinfectants. Except for imported fragrances, most of the other raw materials are sourced domestically. Our company has been established for a long time and has maintained good relationships with suppliers. The long-standing cooperation ensures a stable and sufficient supply of raw materials.

4.2.4 List of customers that account for more than 10% of total purchases (sales) within either of the last two years, their purchases (sales) amount and ratio, and reasons for changes in this amount and ratio

1. Information on Major Suppliers for the Most Recent 2 Years:

Thousands of NTD; %

Item	2023				2024				Up to the preceding quarter of the current fiscal year			
	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer
1	A	96,859	24.47	Yes	A	98,899	22.45	Yes	Note			
2	B	49,148	12.41	None	B	56,521	12.83	None				
	Others	249,874	63.12		Others	285,105	64.72					
	Net Purchase	395,881	100.00		Net Purchase	440,525	100.00					

Note: As of the date of printing the annual report, the financial statements for the first quarter of the fiscal year 2024 have not been audited by the accountant.

2. Information on Major Customers for the Most Recent 2 Fiscal Years:

thousands of NTD; %

Item	2023				2024				Up to the preceding quarter of the current fiscal year			
	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer
1.	S1	142,483	10.95	None	S1	178,450	12.01	None	Note			
2.	S2	124,306	9.56	None	S2	151,214	10.18	None				
	Other	1,033,932	79.49		Other	1,156,209	77.81					
	Net Sales	1,300,721	100.00		Net Sales	1,485,873	100.00					

Note: As of the date of printing the annual report, the financial statements for the first quarter of the fiscal year 2024 have not been audited by the accountant.

4.3 Information on employees for the past two years and up to the date of publication of the annual report

March 31, 2025

Year		2023	2024	As at Mar.31, 2025
Number of Employees	Technical staff	8	9	9
	Administration and Management	165	161	161
	Production staff	30	36	35
	Total	203	206	205
Mean age		44.58	44.58	45.1
Mean seniority in service		10.34	10.34	9.84
Degree Distribution Ratio	PhD	2	2	2
	Master	29	32	31
	Junior College	120	118	120
	High School	45	46	46
	Below High School	7	8	6

4.4 Environmental protection expenditures:

4.4.1 Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions): None .

4.4.2 Disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

The company has obtained the Taoyuan City government's fixed pollution source installation and operation permit according to law, so there are no other possible losses at present and in the future.

4.4.3 Future countermeasures and possible expenditures

1. Improvement plan:

- (1) The industrial zone already has sewage treatment equipment, and has obtained the Taoyuan City Government's fixed pollution source installation and operation permit in accordance with regulations.
- (2) The degree of pollution is slight and the sewage pre-treatment equipment has been purchased.
- (3) General industrial waste shall be declared in accordance with regulations and entrusted to legal operators to clear and transport.

2. Estimated environmental protection expenditure in the next three years:

Item	2025	2026	2027
(1) Proposed acquisition of pollution control equipment or expenditure items	Wastewater pretreatment equipment maintenance costs and chemical expenses.	Same as above	Same as above
(2) Garbage generated from business activities	In compliance with resource recycling and waste reduction.	Same as above	Same as above
(3) The recycling and disposal of waste containers.	Declare in accordance with the Waste Disposal Act regulations.	Same as above	Same as above
(4) Anticipated expenditures	NTD 3 million	NTD 3 million	NTD 3 million

4.4.4 Response to EU RoHS investigation: not applicable.

4.5 Labor relations:

4.5.1 The company's various employee welfare measures, education and training programs, retirement system, and the status of their implementation, as well as agreements between labor and management and measures to safeguard employee rights and benefits.

1. Employee welfare measures:

- (1) Establishment of an employee welfare committee responsible for handling various employee welfare measures.
- (2) Gifts are provided to employees during the Dragon Boat Festival and Mid-Autumn Festival, and birthday bonuses are also given. Additionally, flower baskets or traditional gifts are presented to employees for personal events such as weddings, funerals, and celebrations according to local customs.

(3) Labor insurance, health insurance and group accident insurance:

The company provides labor and health insurance to employees in accordance with regulations. In addition, employees' parents, spouses, and children can also be insured under the company.

(4) Other benefits:

- ① In addition, the company provides employees with wedding and funeral subsidies and emergency relief funds, which show our care for our colleagues.
- ② In accordance with legal requirements, the company provides maternity leave, paternity leave, and parental leave, etc

Item	Male/Number	Female/Number	Total
Actual number of employees who applied for parental leave in 2024. (A)	0	2	2
Expected number of employees returning to work after parental leave in 2024. (B)	0	2	2
Actual number of employees who returned to work after taking parental leave in 2024. (C)	0	2	2
Actual number of employees who returned to work after taking parental leave in the 2023.. (D)	0	1	1
Number of employees who remained employed 12 months after returning to work from parental leave in the 2023. (E)	0	1	1
Return-to-work rate (C/B)	—	100%	100%
Retention rate (E/D)	—	100%	100%

2. Education and training:

The company values employee education and training. We have established a "Education and Training Management Measures," and our Human Resources Department provides quarterly pre-employment training for new employees. Each business unit regularly holds internal training to enhance product knowledge and sales skills. We also hold monthly manager inspiration meetings to cultivate problem-solving skills. Additionally, we periodically send employees to relevant external seminars and conferences to enhance their professional and competitive abilities. In 2024, the total number of participants in both internal and external training was 417, totaling 2,158 hours of training with a total training cost of NTD292,868.

Type of course		Number of trainees	Training hours	Expenditure
Internal Training	Health and Safety professional training General Studies newcomer training	381	1,225	102,000
External Training	professional training New knowledge of laws and regulations Health and Safety	36	514	190,868

3. Retirement System and Implementation:

(1) Employees of the company may voluntarily retire under the following circumstances:

- ① Where the worker attains the age of 55 and has worked for fifteen years.
- ② Where the worker has worked for more than 25 years.
- ③ Where the worker attains the age of 60 and has worked for 10 years.

(2) Employees of the company may be required to retire under the following circumstances:

- ① Where the worker attains the age of sixty-five.
- ② Where the worker is unable to perform his/ her duties due to disability

A business entity may request the central competent authority to adjust the age prescribed in Subparagraph 1 of the preceding paragraph if the specific job entails risk, requires substantial physical strength or otherwise of a special nature; provided, however, that the age shall not be reduced below fifty-five.

(3) The retirement benefits for employees of the company are as follows:

For those who qualify under the old labor retirement system, Two bases are given for each full year of service rendered. But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The length of service is calculated as half year when it is less than six months and as one year when it is more than six months; For employees who qualify under the new labor retirement system, monthly retirement benefits will be allocated to their personal accounts in accordance with the "Labor Pension Act." Employees who are forced to retire due to disability caused by work-related duties will be given an additional 20% in accordance with the previous provision.

The retirement benefits base salary under the first provision is based on the average monthly salary approved at the time of retirement.

(4) The retirement benefits shall be paid in full within 30 days from the date of retirement.

(5) The old system retirement benefits are calculated based on the year-end actuarial report, and are fully allocated in the following year.

The new system retirement benefits are contributed by the company and employees in a 6% ratio as required by law. In addition, based on the employee's personal preference,

a maximum of 6% of their salary can be contributed to their personal retirement account.

- (6) The Retirement Fund Management Committee shall hold an annual meeting to review the balance of the retirement fund accounts and the amount to be allocated for the year.

4. Labor-Management Agreement Status:

The company values employee feedback and has established a labor-management conference, which is represented by both labor and management. Through this channel, both parties can discuss labor-management issues. In addition, a chairman's mailbox has been set up, and employee opinions can also be communicated through email to maintain good labor-management relations and avoid disputes.

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

This company implements its management regulations in accordance with the Labor Standards Act, and maintains harmonious labor-management relations with no litigation events

4.5.3 The Code of Ethics for Employee Conduct:

Integrity, mutual benefit, and courtesy have always been the core values of the company's corporate culture. The company has always pledged to conduct all business activities with integrity and to be vigilant at all times with a spirit of honesty, accuracy, and transparency, in order to uphold the company's commitment.

To maintain the core values of the company's culture, we have established the "Code of Conduct for Business Integrity" and the "Code of Ethics," and clearly stipulated service standards in the "Employee Work Rules," requiring every colleague to bear the important responsibility of maintaining the company's moral values and reputation and complying with legal regulations.

Therefore, the company has the following regulations :

1. Establish a rigorous code of conduct and ethical standards that strictly prohibit internal personnel such as directors and employees from using company property, non-public information, or their job to gain illegal benefits, ensuring that employees engage in no misconduct, malpractice, leaking of confidential information, or false reporting, and require employees to refuse entertainment and gifts offered by vendors.
2. Employees should strictly adhere to the code of conduct for avoiding conflicts of interest, proactively report ethical concerns related to conflicts of interest, and establish non-compete clauses to prevent conflicts of interest.
3. Conduct integrity investigations on customers, suppliers, and other stakeholders to prevent dishonest behaviors that could harm the company's interests. The goal is to ensure that all stakeholders understand and respect the company's commitment to ethical behavior and integrity in business.
4. Employees are prohibited from using company information or their position to obtain business secrets for personal gain. Whether the information obtained pertains to technology, finance, or business secrets, and regardless of the means of obtaining it, such illegal actions are strictly prohibited and employees are not allowed to engage in any behavior that is detrimental to the company, the environment, and society.
5. Employees are prohibited from using threats, intimidation, coercion, inappropriate language, or disrespectful behavior towards colleagues, clients, or others while working on-site or performing job duties outside the company..
6. Raw material procurement sources adhere to the spirit of social responsibility.

7. The company is committed to providing a safe and healthy working environment for all employees, and colleagues are also responsible for the health and safety of the workplace.
8. Protect privacy and personal information, and strictly adhere to the company's internal regulations when dealing with other people's personal data or privacy.
9. Respect intellectual property rights and comply with confidentiality obligations, strictly follow intellectual property protection laws and regulations, company internal operating procedures, and related contracts, and not disclose company secrets.

4.5.4 The company is committed to providing a safe and healthy working environment for all employees. Employees are also responsible for ensuring the health and safety of the workplace. In order to prevent and mitigate disasters, the company has made proper plans for passages, floors, stairs, ventilation, lighting, insulation, moisture prevention, rest, evacuation, first aid, and medical care. In recent years, there have been no major occupational accidents in the workplace.

1. Occupational Safety and Health (OSH):

- (1) The company employs a qualified occupational safety and health manager in accordance with the law, who is responsible for drafting, planning, supervising, and promoting occupational safety and health management tasks. The occupational safety and health manager regularly participates in various refresher courses in accordance with regulations and regularly assigns personnel to participate in various occupational safety and health prevention and disaster relief training.
- (2) The company regularly organizes free employee health check-ups and invites local hospitals' testing departments to perform the check-ups on-site.
- (3) Each year, the company commissions an external third-party qualified vendor to conduct cleaning and disinfection of the factory buildings and facilities, which includes walls, ceilings, floors, and pipelines inside the factory.
- (4) The factory premises are equipped with on-site security personnel and an electronic security system to ensure the safety of employees' work environment and personal property.
- (5) Prior to entering the production area, personnel must first clean their hands in the washroom area, and dry them with a dryer instead of shaking their hands. After drying, hands must be disinfected with 75% alcohol, and personnel must wear caps, shoes, masks, gloves, and ensure that hair and other parts are enclosed. In the production area, wearing jewelry, eating, smoking or other actions that may affect hygiene are strictly prohibited.
- (6) The interior of the factory (walls, ceiling, and flooring) should be made of materials that are corrosion-resistant or fire-resistant, to prevent chemical reactions with cleaning agents, disinfectants, and maintenance supplies.
- (7) The production area should have drainage facilities (drainage holes) on the floor, and measures should be taken to prevent the backflow of discharged water.
- (8) The production area should have sufficient lighting. The lighting fixtures (light tubes) should be equipped with protective devices to prevent the breakage of the tubes and falling fragments.
- (9) The production area should be equipped with automatic ventilation, air exchange, and circulation filtration facilities. Windows should not be openable.
- (10) The six categories of hazardous materials should be properly labeled and stored according to the Hazardous Substance and General Labeling Regulations or relevant environmental protection laws and regulations.

- (11) Necessary personal protective equipment such as safety glasses, safety shoes, gloves, and gas masks should be worn when handling the six categories of hazardous materials.

2. Fire safety management:

According to the fire safety regulations, a qualified fire safety manager shall be appointed to regularly report on fire safety inspections to the fire department. The manager is also responsible for drafting workplace protection plans, organizing self-defense fire teams, conducting two fire drills annually, and inviting fire authorities to provide guidance.

According to the regulations of the Fire Service Act, it is necessary to have qualified security supervisors who are responsible for developing fire prevention and disaster response plans, supervising security-related tasks for six categories of items, regularly planning training for colleagues on reporting, firefighting, and evacuation, conducting monthly inspections of fire safety and evacuation facilities, and managing the safety of six categories of hazardous materials.

3. Injury medical subsidies:

In order to mitigate the financial burden of medical expenses on employees in the event of unforeseen accidents, the company has purchased group insurance coverage for all employees, with the entire premium being fully subsidized by the company.

4.6. Cyber security management

4.6.1 Cyber security management:

The IT department is responsible for coordinating the implementation of information security policies, risk management and ensuring compliance with internal information security guidelines, procedures, and regulations.

4.6.2 Security policies :

1. Purpose:

To maintain the confidentiality, integrity, availability, and legality of information assets, the secure operation of information systems, equipment, and networks, and to prevent deliberate or accidental threats, destruction, and theft from internal and external sources, and to ensure that the company's data, systems, equipment, and other information services can support the company's operations.

2. Scope:

All employees, customers, outsourced or cooperative vendors, third-party personnel, and the security management of all related information assets in the company shall be handled in accordance with the information security policy.

3. Collection and Use of Personal Information:

Personal information will be handled in accordance with the Personal Information Protection Act and related regulations and will not be disclosed to other third parties without authorization.

4. Information Security Responsibilities and Education Training:

- (1) Based on roles and functions, information security education and promotion will be conducted for different levels of staff as necessary to raise employees' awareness of information security, potential security risks, and compliance with information security regulations.

- (2) For personnel who are separated (retired, suspended), the processing procedures for personnel separation (retirement, suspension) will be followed, and all system logins and access rights will be immediately cancelled.

5. Information security operations and protection:

- (1) Establish operating procedures for handling information security incidents and assign relevant personnel with necessary responsibilities to quickly and effectively handle information security incidents.

- (2) Establish a change management notification mechanism for information facilities and systems to avoid vulnerabilities in system security..
- (3) Handle and protect personal information with prudence in accordance with the relevant provisions of the Computer-Processed Personal Data Protection Act. Personal data will not be disclosed to any third party without authorization.
- (4) Establish system backup facilities and regularly perform necessary data and software backups and backup operations to quickly restore normal operations in the event of disasters or storage media failures.
- (5) Conduct a review of various cybersecurity vulnerability announcements at least once a year. Additionally, perform irregular reviews based on the risk level of incidents. For example, refer to the vulnerability information announcement website of the National Institute of Cyber Security to assess the impact scope of cybersecurity vulnerabilities. Based on the system change management mechanism, propose and implement corresponding system corrective measures.

6. Network security management:

- (1) Establish a firewall to control data transmission and resource access between external and internal networks at network points connected to the outside world, and perform rigorous identity verification operations.
- (2) Confidential and sensitive data or documents should not be stored in publicly accessible cloud systems, and highly confidential documents should not be sent via email
- (3) Conduct regular audits of internal network information security facilities and antivirus measures, update virus codes for antivirus systems, and implement various security measures.

7. System access control management:

- (1) Password issuance and change procedures and records will be established based on operating system and security management requirements.
- (2) Logins to each operating system will be reviewed, and access rights will be granted based on job responsibilities and the principle of least privilege.

8. Improving the company's information security level:

Training of information security management personnel should be strengthened to enhance the company's information security management capability.

9. Management of Sustainable Business Operations Plan:

Evaluate the impact of various human and natural disasters on normal business operations, develop emergency response and recovery procedures for ERP, BI systems, and adjust and update plans as necessary.

4.6.3 Concrete management program and Resources invested for cyber security management :

1. Network security:

Use network firewalls to control network connectivity security and stability, prevent and monitor malicious intrusion behavior..

2. Device safety:

Install antivirus software on all computers, continuously update virus codes, and use sandbox technology to prevent unknown viruses and ransomware from running.

3. Data Security:

Prevent data leakage of confidential information through document access control and encryption technology, and regularly review the appropriateness of access settings; regularly back up files, take snapshots, and store them offsite to ensure file availability.

4. Backup Security and Remote Disaster Recovery:

Ensure system high availability and disaster recovery capability through remote system backup.

In the event of a failure, disaster, or other issues at the main office, it can quickly switch to the remote backup system in factory to ensure business continuity. Utilize measures such as regular file backup, snapshots, and offsite storage, combined with regular disaster recovery drills to ensure continuous system operation without interruption.

5. Information security education training and publicity:

Regularly organize information security awareness and case studies to enhance employees' awareness of preventive measures against files and website links from unknown sources.

6. Regularly review various information security vulnerability announcements:

For example, the National Communications Security Commission of the Executive Yuan assesses the scope of information security vulnerabilities, proposes and implements corresponding system correction measures based on the system change management mechanism.

7. Notification of information security incidents:

When a significant information security incident occurs, it should be reported to the Information Department of the General Administration Department immediately, and a cross-departmental team composed of personnel assigned by the General Administration Department leader should be responsible for handling information security and antivirus emergency response teams and reporting according to regulations of the supervising authority.

4.6.4 Resources invested for cyber security management:

1. Evaluate the impact of major information security vulnerability announcements and implement vulnerability patching every quarterly.
2. Conduct information security awareness training once a quarter for all new employees .
3. Conduct information security awareness training once a year for all employees .
4. Conduct a full company information system disaster recovery drill once a year.
5. Install antivirus software on all computers and keep virus code updates online at all times.
6. Continuously update firewalls and intrusion defense systems.

4.6.5 Major cyber security incidents:

Up to the date of the annual report printing in the latest year, the company has not had any significant information security incidents.

4.7 Important contracts:

Agreement	Counterparty	Period	Major Contents	Restrictions
Business	Laboratoires Expanscience	2023.01.01 ~2027.12.31	Distribution	None
Business	Ever Neuro Pharma Gmbh	2024.03.22~2029.03.21	Products SUPPLY AND DISTRIBUTION	None
Business	THOMAS TRADING CO., LTD.	2009.09.26~automatically renew	Distribution	None
Business	PhytoHealth Corp.	2014.01.01~automatically renew	Distribution	None
Business	AmCad BioMed Corp.	2018.04.01~automatically renew	Distribution	None

5. Discussion and Analysis of Financial Status and Financial Performance, and Risk Assessment

5.1 Financial Status

Unit: NTD thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	1,140,097	1,086,136	53,961	4.97%
Property, plant and equipment	1,269,968	956,203	313,765	32.81%
Intangible assets	7,072	4,637	2,435	52.51%
Other assets	761,169	785,095	-23,926	-3.05%
Total assets	3,178,306	2,832,071	346,235	12.23%
Current liabilities	432,556	353,988	78,568	22.20%
Non-current liabilities	638,931	440,927	198,004	44.91%
Total liabilities	1,071,487	794,915	276,572	34.79%
Capital stock	1,329,152	1,329,152	0	0.00%
Retained earnings and others	777,667	708,004	69,663	9.84%
Equity attributable to shareholders of the parent	2,106,819	2,037,156	69,663	3.42%
Non-controlling interests	0	0	0	0
Total equity	2,106,819	2,037,156	69,663	3.42%

5.1.1 The main reasons for major changes in assets, liabilities and shareholders' equity in the past two years:

The increase in Property, plant and equipment as well as long-term borrowings is mainly due to the construction of a GMP plant to support the company's business development.

5.1.2 Impact of changes in financial status in the last two years: No significant impact on financial status. Future Contingency Plan: Not applicable.

5.1.3 Future response actions: Not applicable.

5.2 Financial Performance

Financial performance comparison analysis table

Unit: NTD thousands

Item \ Year	2024	2023	Increase (Decrease) amount	Change %
Net operating revenue	1,485,873	1,300,721	185,152	14.23%
Operating cost	524,118	446,349	77,769	17.42%
Gross profit	961,755	854,372	107,383	12.57%
Operating income	207,238	194,668	12,570	6.46%
Non-operating income and expenses	10,817	15,580	(4,763)	(30.57%)
Income before tax	218,055	210,248	7,807	3.71%
Income tax expense	44,823	41,150	3,673	8.93%
Net income	173,232	169,098	4,134	2.44%
Other comprehensive income(loss) for the year , Net of income tax	46,447	15,994	30,453	190.40%
Total comprehensive income	219,679	185,092	34,587	18.69%

5.2.1 The main reasons and their impact of significant changes (significant current variations amounting to 20% or above in the prior and later periods) in consolidated operating income, operating profit and pre-tax income for the past two years:

The decrease in net non-operating income is mainly due to interest expense increase and reduction in Share of loss of associates.

5.2.2 The Company's expected sales volume and the basis for the forecast of the coming fiscal year, the possible impact of such changes upon the Company's financial standing and corresponding plans:

1. Consumer Business Unit :

- (1) product offering and development. In recent years, the brand has devoted efforts to actively expanding the young and color hair dye market, utilizing effective online marketing techniques, and the results are gradually showing. The brand will continue to optimize communication with customers through digital and expand its product lines to establish a loyal customer base and increase revenue and market share in hair dye. The shampoo market still has great potential, and future product development will focus on middle to high-end, functional, and classic fragrances. The brand's sales channels will actively cultivate the main sales channels and equally deepen both offline and online channels.
- (2) The French pharmacy brand Mustela will continue to show innovative R&D results and launch new products. The brand will promote both best sellers and new products, and optimize online and offline operations in response to changes in the shopping habits of mothers and infants, effectively improving sales performance.

2. Pharmaceutical Business Unit

- (1) PG2[®] is the first plant-based new drug in Taiwan, clinically used to treat "cancer-related fatigue." The product has been successfully adopted by over 90% of target hospitals, including large medical centers. In conjunction with its educational marketing activities collaborating with medical associations and patient group, we believe a strong and steady growth momentum will occur in the next few years.
- (2) Cerebrolysin[®] has been successfully penetrating large hospitals and developing clients in primary medical clinics. We will continue to use the network connections of disease treatment between large hospitals and primary medical institutions to promote the use of German and Canadian clinical treatment guidelines and experiences. This will help expand the scope of product usage and boost sales performance growth.
- (3) Oraphine[®], the first oral form of nalbuphine, is indicated to treat moderate to severe acute pain. This product is launched in 2023. With its high safety and convenience of use, it is expected to gradually expand its clinical application in the pain relief market.

5.3 Analysis of Cash Flow

5.3.1 Analysis and description of cash flow changes in the most recent year , and improvement plan for insufficient liquidity:

Unit: NTD thousands

Cash beginning balance	Net cash flow from operating activities	Net cash flow from investment and financing activities	Effects of changes in foreign exchange rates	Cash surplus (deficit)	Correction action for deficit in cash liquidity	
					Investment Plans	Financing Plans
178,481	215,695	(221,583)	2,774	175,367	—	—
<p>1. Analysis of cash flow changes for the year:</p> <p>(1) Cash Flow-Operating: Net cash inflow from operating activities for the year.</p> <p>(2) Cash Flow-Investment: Net cash Outflow was an increase in building plants expenses and other financial assets.</p> <p>(3) Cash Flow-Financing: Net cash increased for Long-term borrowings.</p> <p>2. Improvement plan for insufficient liquidity: Not applicable.</p>						

5.3.2 Cash Flow Analysis for the Coming Year

Unit: NTD thousands

Cash beginning balance	Net cash flow from operating activities	Net cash flow from investment and fundraising activities for the year	Effects of changes in foreign exchange rates	Cash surplus (deficit)	
				investment plan	Investment Plans
175,367	215,000	(213,000)	177,367	—	—
<p>Cash flow Analysis for the coming year:</p> <p>1. Cash Flow-Operating: Estimated cash flow from operating activities.</p> <p>2. Cash Flow-Investment and Financing: Bank borrowing decreased and Dividend Paid.</p>					

5.4 Major Capital Expenditure Items in in the Most Recent Years and impact on Company's finances and operations

On February 10, 2022, the Company signed a turnkey project with Futai Construction Co., Ltd. to build a GMP plant in Yangmei Plant, with a total contract amount of NT\$699,300,000. The construction project completed in 2024, and be supported by self-owned capital and bank construction financing.

5.5 Investment Policy in Recent Year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year

The company's reinvestment policy is based on investing in biotechnology, medical and cosmetics related industries and the introduction of strategic alliance partners. For the current non-industry investment, it will choose an opportunity to deal with it.

The company's long-term equity investment using the equity method recognized an investment loss of NTD17,341 thousand in 2024, which was NTD5,120 thousand more than the recognized investment loss of NTD12,221 thousand in 2023 , mainly due to the increase in the losses of reinvested companies

The company's biotechnology and medical related reinvestment companies continue to improve the maturity of its new drug research and development technology and accelerate the launch of drugs, actively enter the health care market, with a view to increasing the company's long-term profits.

The investment plan for the next year will still give priority to investing in the main industries such as biotechnology and medical treatment. Depending on the overall industry status and the company's business development needs, after careful evaluation, it will be submitted to the board of directors for approval according to the approval authority.

5.6 Risk Analysis and Assessment During the Most Recent Fiscal Year and as they Stood on the Date of Publication of the Annual Report

5.6.1 Changes to interest rates, currency exchange fluctuations, and inflation and how these may impact The Company's gain or loss, as well as future response measures:

1. Changes to interest rates:

The Company's long-term borrowings are calculated at a flexible interest rate .The interest rate increase did not exceed 25bp in 2024, and the interest rate change has no material impact on the Company.

2. Changes to currency exchange fluctuations:

Unit: NTD thousands

Item		2024	2023
Net foreign currency exchange gain	A	702	738
Operating revenue	B	1,485,873	1,300,721
% of operating	(A/B)	0.05	0.06

The company purchases goods and raw materials from abroad and pays them inEUR or US dollars. The net exchange gains in the past two years accounted for a very small proportion of operating revenue. Profitability impact is limited.

The company keeps abreast of the trends of major currencies in the international foreign exchange market and international changes in non-economic factors, which is beneficial for judging exchange rate trends, enabling timely response and effectively reducing exchange risk.

3. Changes to currency inflation:

According to the Consumer Price Index (CPI) released by the Directorate-General of Budget, Accounting and Statistics in December 2024, the average inflation rate for the entire year was 2.18%, indicating a rapid increase in inflation. Our company regularly reviews market conditions and adjusts product prices and inventory levels to respond to the rising cost situation. We also introduced production automation in the new factory to increase production capacity, reduce costs, and improve product quality, ensuring the gross profit of our company's products. We also continue to monitor changes in the CPI and adjust prices and quantities in a timely manner to alleviate inflation pressure on our company.

5.6.2 Policies on high risk, highly leveraged investments, loans to other parties, endorsements, guarantees, derivatives trading policies, main reasons for profits or losses, and future response measures:

1. The company's operation has always been based on the principle of prudence. Long-term investment is mainly based on strategic rather than financial investment. The use of short-term funds is also based on bank fixed deposits and currency funds; avoid engaging in high-risk and high-leverage investments ;The company has established "Procedures for Acquisition or Disposal of Assets" and "Procedures for Fund Loans and Endorsement Guarantees" in accordance with the regulations of the competent authority, and handles them in accordance with these procedures. As of the end of 2023 and the publication date of the annual report, the company has not engaged in capital lending to others, endorsement guarantees and derivative commodity transactions.
2. The company's main investment is in a biotechnology investment company called PhytoHealth Corporation. As the new drug projects are still in the clinical trial phase or in the process of product development, there is currently no profit. To exercise prudence and conservatism, most of the investments have been impaired, and some long-term investments that have already made a profit have been disposed of to realize gains. In the future, the company will continue to exercise caution in its investment activities.

5.6.3 Future Research & Development Projects and Corresponding Budget:

Unit: NTD thousands

Research Projects	Completion (%)	Expected Research Expenditure	Expected Completion Schedule	Major Risk Factors
Hair dye series	New colors and formulations are under development, currently at 50% of the R&D stage.	2,300	2025	1.We are dedicated to researching and developing hair care products, with a focus on being experts in black hair care in the Eastern market. 2.We design a range of hair dye products tailored to different age groups and target audiences.
Shampoo and body wash series	New fragrance, formulation, and packaging are currently under development, with 50% completion.	2,000	2025	3.We keep a close eye on both domestic and international trends and market movements to prepare for mid- to long-term product development. 4.We monitor competitors' progress in product development and marketing trends, and launch products that are in line with current trends in a timely and flexible manner.

5.6.4 Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales : None .

5.6.5 Changes to technology (including cyber security risks) and industry that impact the Company's financial operations, and response measures:

The company places great importance on technology and industry trends, and is committed to the application of information technology to integrate group data and information. By actively and effectively utilizing manpower and information technology, the company strives to enhance its competitiveness. In addition to having an excellent R&D team and constantly improving product quality and features, the company also focuses on optimizing its online

sales platform and utilizing various technology marketing strategies to create opportunities for both physical and virtual sales channels, in response to the fierce competition in the market.

Furthermore, the company follows the 3-2-1 backup principle for risk management of information security, ensuring that at least three backups are stored in two different ways, with one copy stored offline. For high-risk level data, the company also implements mechanisms for off-site storage to meet data security requirements. To ensure the safe operation of the information system, the company conducts weekly full backups and annual disaster recovery drills to minimize potential losses and risks in case of system damage. Access to the company's mainframe for management settings is restricted to specific computers to prevent hacking and reduce the risk of information security breaches.

5.6.6 Changes to corporate image that impact the Company's risk management, and response measures:

The company has always operated with integrity and placed great importance on product quality since its establishment. Over the past 40 years, we have received recognition from consumers. The Maywufa[®] brand has continuously been awarded the highest honor of "Platinum Award" for trusted brands by consumers, as well as receiving the "Taiwan Excellence Award" for our products. In recent years, the Maywufa[®] brand has also been honored with the "National Biotechnology and Medical Care Quality Award," "Symbol of National Quality Award," "TOP 100 Taiwan Brand Award," "Ideal Brand First Place," and "Healthy Brand First Place" in the hair dye category. Such a positive corporate image is sure to benefit our financial and business operations, and therefore we will continue to strive to enhance our corporate image.

5.6.7 Anticipated benefits of mergers and possible risks: None:

5.6.8 Anticipated benefits and possible risks of plant expansion:

In order to enhance our company's production efficiency to accommodate business growth, we have carefully evaluated the cost-benefit and risk mitigation measures associated with constructing a new GMP factory.

5.6.9 Risks Relating to and Response to Excessive Purchasing Concentration and Excessive Customer Concentration:

1. The company has strong relationships with all suppliers, and we have a stable source of supply. In 2024, only two suppliers, who we represent as distributors, made up over 10% of our total purchases. These unique products are sourced from long-term suppliers, which minimizes the risk of concentrated purchasing.
2. The company serves a diverse range of customers, including hospitals, clinics, pharmacies, distributors, chain stores, and e-commerce platforms. In 2022, only one customer accounted for over 10% of our total sales. However, since this customer primarily targets end consumers, we face no significant concentration risk in terms of sales channels or geography.
3. The company sets credit limits for all customers and conducts regular reviews. Additionally, we send representatives to participate in credit management associations, allowing us to gather information on customer credit and mitigate associated risks.

5.6.10 Impact and risks resulting from major equity transfer or change by Directors or shareholders holding more than 10% of the Company's shares:

In the current fiscal year, there is no such situation where any director or major shareholder owning more than ten percent of the company's shares is involved.

5.6.11 Impact upon and risks to Company associated with any changes in governance personnel or top management and measures to be taken in response:

The company's ownership structure and management remain stable, and there have been no changes.

5.6.12 Litigation or Non-litigation Matters:

1. Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to Major ongoing lawsuits, non-lawsuits or administrative lawsuit disputes specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions : None.
2. Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to Major ongoing lawsuits, non-lawsuits or administrative lawsuits caused by directors, supervisors or shareholders with over 10% shareholdings specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions : None.

5.6.13 Other important risks and response measure:

The company adopts a stringent approach to risk management and has not experienced any significant risks. Our risk control measures remain robust.

5.7 Other Important Matters

Industry-specific KPIs (Key Performance Indicators) are as follows:

KPI performance evaluation metrics.						
Quality Target	delivery rate	Raw material delivery error	Material delivery error	Finished product shipment error	employee attendance	Deployment error
Monthly Goal	≧ 97% / Month	0 pc / Month	≧ 2 pcs / Month	≧ 2 pcs / Month	≧ 90% / Month	0 pc / Month

KPI performance evaluation metrics.			
Quality Target	Production (Allocation)	Production (Filling)	Production (Packaging)
Monthly Goal	Order completion rate ≧ 95% / Month	Order completion rate ≧ 95% / Month	Order completion rate ≧ 95% / Month

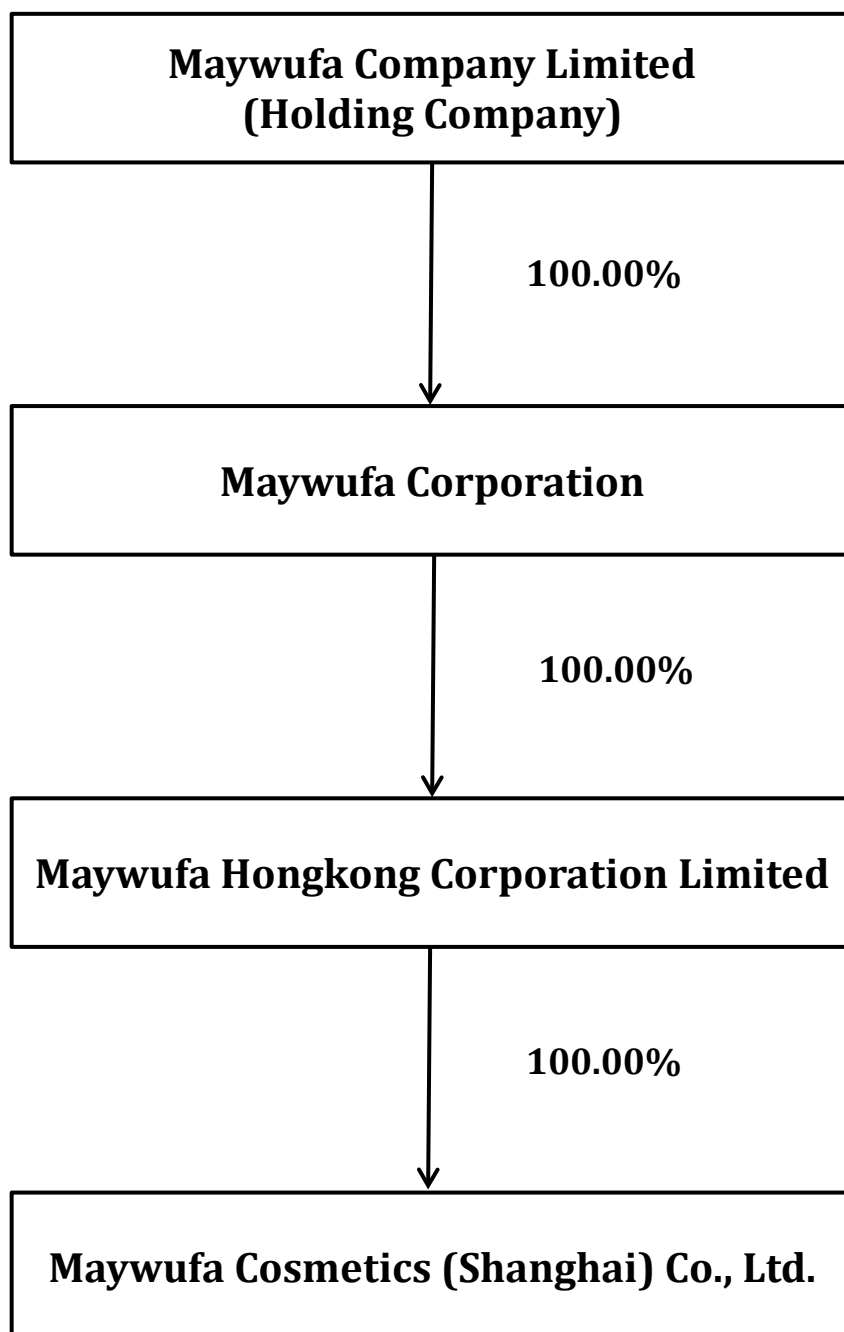
KPI performance evaluation metrics.				
Quality Target	(Repair / Maintenance) Work order completion rate	Product inspection error	Customer complaints	Customer satisfaction survey
Monthly Goal	≧ 90% / Month	≧ 3 pcs /Month	(Product exception handling and tracking form) ≧ 3 pcs / quarter	≧ 70 Points / Year

6. Special Disclosure

6.1 Information on affiliates:

6.1.1 Consolidated Business Report of Affiliates:

1. Organization structure of affiliates



2. Basic information on affiliates

Unit: thousands

Company Name	Date of Incorporation	Paid-in capital	address	Scope of business/production
Maywufa Corporation	2005.09.12	USD 8,500 (NTD257,220)	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Investment holding
Maywufa Hongkong Corporation Limited	2005.10.23	USD 8,500 (NTD257,220)	Unit 06, G/F, The Lodge, 535 Canton Road, Kowloon, Hong Kong	Investment holding
Maywufa Cosmetics (Shanghai) Co., Ltd.	2009.05.07	USD 7,500 (NTD226,459)	Rm. 902,Huei Jing international plaza,No.777, Hong ciao Rd., Syu huei Dist., Shanghai, China	Wholesale of cosmetics and daily necessities

3. Information on shareholders presumed to have a controlling and dependent relationship pursuant to Article 369-3 of the Company Act:
Not applicable..

4. Ustries covered in the scope of operations of the associated enterprises as a whole and interaction and division of labors :

Industry covered in the scope of operations	Name of associated enterprise	Business correspondence
Investment holding	Maywufa Corporation	None
Investment holding	Maywufa Hongkong Corporation Limited	None
Wholesale and retail trade	Maywufa Cosmetics (Shanghai) Co., Ltd.	Wholesale hairdressing products

5. The name and shareholding or capital contribution of directors, supervisors and the general manager of affiliated companies

Dec. 31, 2024

Company name	Job title	Name of individual or representative(s)	Shares held	
			Number of shares	Shareholding ratio(%)
Maywufa Corporation	Director	Maywufa Company Limited Representative: Lai Yu-Ju	8,500,000 shares (Paid-in capital USD8,500,000)	100.00%
Maywufa Hongkong Corporation Limited	Director	Maywufa Corporation Representative: Lai Yu-Ju	8,500,000 shares (Paid-in capital USD8,500,000)	100.00%
	Director	Lee Yi-Li	0	0.00%
Maywufa Cosmetics (Shanghai) Co., Ltd.	Chairman and General manager	Maywufa Hongkong Corporation Limited Representative: Lai Yu-Ju	None (Paid-in capital USD7,500,000)	100.00%
	Director	Maywufa Hongkong Corporation Limited. Representative: Lee Chen-Chia		
	Director	Maywufa Hongkong Corporation Limited Representative: Lee Yi-Li		
	Supervisor	Maywufa Hongkong Corporation Limited Representative: Lee I-Lin		

6. The financial status and operating results of the affiliated companies:

Dec. 31, 2023; thousands

Company Name	capital amount	Total Assets	Total Liabilities	Net value	Operating revenue	Operating profit (loss)	Current Profit and Losses (After-tax)	EPS (NTD) (After-tax)
Maywufa Corporation	USD 8,500 (NTD257,220)	141,448	0	141,448	0	0	(2,955)	(0.35)
Maywufa Hongkong Corporation Limited	USD 8,500 (NTD257,220)	141,448	0	141,448	0	0	(2,955)	(0.35)
Maywufa Cosmetics (Shanghai) Co., Ltd.	USD 7,500 (NTD226,459)	144,708	3,263	141,445	17,231	(6,351)	(2,955)	—

6.1.2 Affiliated company consolidated financial statements :

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the consolidated financial statements of affiliates of Maywufa Company Ltd. as of and for the year ended December 31, 2024, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements of parent and subsidiary companies prepared in conformity with International Financial Reporting Standard No. 10, "Consolidated Financial Statements". In addition, relevant information required to be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, Maywufa Company Ltd. and subsidiaries do not prepare a separate set of consolidated financial statements of affiliates

Very truly yours,

MAYWUFA COMPANY LTD.

By



Lee Chen Chia
Chairman

February 27, 2025

6.1.3 Affiliation report: Not applicable

6.2 Organization of the Latest Private Placement Securities as of the Date of Printing of the Annual Report: None.

6.3 Holding or disposal of the Company's shares by its subsidiaries of the latest year and up to the date of printing of the Annual Report: None.

6.4 Other necessary supplementary explanations: None.

- 7. Latest Matters with Important Impacts on Shareholder Rights or Security Prices Indicated in Article 36 Paragraph 3 Subparagraph 2 of the Securities Exchange Act as of the Date of Printing of Annual Report: None.**



美吾華股份有限公司
Maywufa Company Limited