

A Plus Biotechnology Co., Ltd.

2025 Annual Shareholders' Meeting

Meeting Handbook

Date: Monday, June 30, 2025

Venue: Conference Hall, R Floor, No. 21, Qiaohe Rd.,
Zhonghe Dist., New Taipei City

Table of Contents

	Page no.
Meeting Procedure	03
Meeting Agenda	04
Company Reports	05
Ratifications	06
Discussions	07
Elections	07
Other Motions	08
Extempore Motions	08
Attachment: I. Restated of 2023 Business Report	09
II. Restated of 2023 Audit Committee's Review Report	12
III. 2024 Business Report	13
IV. 2024 Audit Committee's Review Report	16
V. Table of Comparison of the "Ethical Corporate Management Procedure and Code of Conduct" Before and After Amendment	17
VI. 2023 Restated Independent Auditors' Report and Financial Statements (Consolidated and Parent Company Only)	18
VII. 2023 Earnings Distribution Table after Restatement	42
VIII. 2024 Independent Auditors' Report and Financial Statements (Consolidated and Parent Company Only)	43
IX. Report on earnings distribution for 2024	65
X. Amendment Comparison Table of the Company's "Articles of Incorporation"	66
XI. List of Candidates for Directors and Independent Directors	68
XII. List of Directors Removed from Non-Competition Restrictions	70
Appendix: I. Ethical Corporate Management Procedure and Code of Conduct (before amendment)	71
II. Articles of Incorporation (before amendment)	79
III. Rules and Procedures of Shareholders' Meeting	86
IV. Regulations for Election of Directors	102
V. Shareholding of Directors	106

A Plus Biotechnology Co., Ltd.
2025 Annual Shareholders' Meeting Procedure

- I. Call the meeting to order
- II. Chairman Remarks
- III. Company Reports
- IV. Ratifications
- V. Discussions
- VI. Elections
- VII. Other Motions
- VIII. Extempore Motions
- IX. Adjournment

A Plus Biotechnology Co., Ltd.

2025 Annual Shareholders' Meeting Agenda

Convening Method: Physical meeting

Time: June 30, 2025 (Monday), 9:00 AM

Venue: Conference Hall, R Floor, No. 21, Qiaohe Rd., Zhonghe Dist., New Taipei City

I. Call the meeting to order

II. Chairman Remarks

III. Company Reports

1. Revision of the 2023 Business Report and Audited Report of the Restated 2023 Financial Statements.
2. 2024 Business Report.
3. Audit Committee's Review Report of the 2024 financial statements.
4. 2024 Employee and Director Remunerations Distribution Status Report.
5. 2024 Earning Distribution and Cash Dividends Status Report.
6. Report on the amendment to the "Procedures for Ethical Management and Code of Conduct".

IV. Ratifications

1. Restated 2023 Financial Statements, revised 2023 Business Report and 2023 Earnings Distribution Table.
2. 2024 Business Report and Financial Statements.
3. 2024 Earnings Distribution Proposal.

V. Discussions:

1. Amendments to partial provisions of the Articles of Incorporation.

VI. Elections: Full re-election of directors (including independent directors)

VII. Other Motions: Release of Non-Competition Restrictions for new directors and their representatives.

VIII. Extempore Motions

IX. Adjournment

Company Reports

- Proposal 1: Revision of the 2023 Business Report and Restated 2023 Final Financial Statements after Audit Committee Review, submitted for review.
- Description: Please refer to “Attachment I” (pages 9-11 of this handbook) for the revised 2023 Business Report, and “Attachment II” (page 12 of this handbook) for the 2023 Audit Committee's Audit report.
- Proposal 2: 2024 Business Report, submitted for review.
- Description: Please refer to “Attachment III” (pages 13-15 of this handbook) for the business report.
- Proposal 3: Audit Committee’s Review Report on 2024 Financial Statements, submitted for review.
- Description: Please refer to “Attachment IV” (page 16 of this handbook) for the Audit Committee’s Report.
- Proposal 4: 2024 Employee and Director Remunerations Distribution Status Report, submitted for review.
- Description: I. The Company shall distribute the profits, if any, in the current year, no less than 1% as employee remuneration and no more than 5% as Directors’ remuneration, in accordance with the Company Act and the Articles of Incorporation. However, if the Company has accumulated losses, such losses must be covered first.
- II. The Company's proposed cash distribution of 2024 remuneration to employees and directors is as follows:
NT\$6,093,262 to employees.
NT\$10,155,435 to directors.
- III. There is no difference between the above-mentioned distributed amount and the recognized expense for the year, as approved by the Board of Directors’ resolution on February 13, 2025.
- Proposal 5: 2024 Earning Distribution and Cash Dividends Status Report, submitted for review.
- Description: According to Article 18-1 of the Company's Articles of Incorporation, the 2024 earnings distribution plan was approved by the Board of Directors on March 31, 2025. NT\$121,884,000 was allocated from distributable earnings, and a cash dividend of NT\$4 per share was declared, with the payment made on May 19, 2025.
- Proposal 6: Report on the amendment to the “Ethical Corporate Management Procedure and Code of Conduct,” submitted for review.

- Description:
- I. Please refer to “Attachment V” (page 17 of this handbook) for the comparison table showing the changes made in consideration of the Company’s future operation and development.
 - II. The above was approved by the Board of Directors on January 8, 2025.

Ratifications

- Proposal 1: (Proposed by the Board of Directors)
- Cause of motion: Please ratify the restated 2023 financial statements, the revised 2023 business report, and the 2023 Earnings Distribution Table.
- Description:
- I. The Company has completed the restatement of the 2023 financial statements (consolidated and parent company only) and the revision of the 2023 business report. The unqualified audit report issued by CPAs Huang, Chin-Lien and Hsu, Ming-Chuan of PwC Taiwan is attached.
 - II. Please refer to “Attachment I” (pages 9-11 of this handbook) for the restated 2023 business report. Please refer to “Attachment VI” (pages 18-41 of this handbook) for the restated 2023 financial statements and independent auditor's report.
 - III. Please refer to “Attachment VII” (page 42 of this handbook) for the restated 2023 Earnings Distribution Table.
- Proposal 2: (Proposed by the Board of Directors)
- Cause of motion: 2024 Business Report and Financial Statements, submitted for ratification.
- Description:
- I. The Company's 2024 business report and financial statements (consolidated and parent company only) have been completed, along with the unqualified audit reports issued by CPAs Huang, Chin-Lien and Hsu, Ming-Chuan of PwC Taiwan.
 - II. Please refer to “Attachment III” (pages 13-15 of this handbook) for the 2024 Business Report, and to “Attachment VIII” (pages 43-64 of this handbook) for the 2024 Financial Statements and Independent Auditors' Report.
- Proposal 3: (Proposed by the Board of Directors)
- Cause of motion: 2024 Earnings distribution proposal, submitted for ratification.
- Description:
- I. The Company's undistributed earnings at the beginning of 2024 were NT\$118,794,635, with a net income increase of NT\$151,056,181. An appropriation of 10% for legal reserve amounted to NT\$15,105,618, leaving a distributable surplus

of NT\$254,745,198.

- II. Please refer to “Attachment IX” (page 65 of this handbook) for the Earnings Distribution Table.

Discussions

- Proposal 1: (Proposed by the Board of Directors)
- Cause of motion: Amendment to the “Articles of Incorporation,” submitted for discussion.
- Description:
- I. In response to the amendments to the Securities and Exchange Act and the Company’s business and capital planning, the Company has amended some provisions of its Articles of Incorporation.
 - II. Please refer to “Attachment X” (pages 66-67 of this handbook) for the comparison table of the "Articles of Incorporation" before and after amendment.
- Resolution:

Elections

- Proposal 1: (Proposed by the Board of Directors)
- Cause of motion: Full re-election of directors (including independent directors).
- Description:
- I. The term of office of the Company's current Directors will expire on June 29, 2025. The Company plans to re-elect all Directors at the Annual Shareholders' meeting on June 30, 2025.
 - II. According to the Company's existing Articles of Incorporation, the Company shall have 3 to 7 Directors, with a term of office of 3 years. Seven directors (including 3 independent directors) will be elected in this election. The candidate nomination system will be adopted, and the shareholders' meeting will elect the directors and independent directors from the list of candidates.
 - III. The newly elected directors (including independent directors) shall take office after the end of the election at the shareholders' meeting, and their term of office shall start on June 30, 2025 and end on June 29, 2028.
 - IV. The list of independent directors and director candidates has been reviewed and approved by the Board of Directors. Please refer to “Attachment XI” (pages 68-69 of this handbook).
 - V. Please refer to “Appendix IV” (pages 102-105 of this Handbook) for the Regulations for Election of Directors.
 - VI. Please proceed to the election.
- Election results:

Other Motions

- Proposal 1: (Proposed by the Board of Directors)
- Cause of motion: Release of Non-Competition Restrictions for new directors and their representatives.
- Description:
- I. As stipulated in Article 209 of the Company Act, Directors who engage in business activities on behalf of the Company or on behalf of others within the scope of the Company's business are obligated to explain the shareholders' meeting the essential contents regarding such activities and obtain the meeting's consent.
 - II. In order to utilize the expertise and related experience of the Company's Directors to facilitate the Company's development, the Company hereby proposes to the shareholders' meeting for approval of lifting the non-competition restriction on the newly elected Directors, which shall be effective from the date of the Directors' assumption of office. Please refer to "Attachment XII" (page 70 of this handbook) for the details of the non-competition restriction.
- Resolution:

Extempore Motions

Adjournment

Business Report (Restated)

Dear Shareholders:

We sincerely thank you all for taking the time to attend this meeting. We also express our heartfelt gratitude for your support and encouragement over the past year toward A Plus. The following is a report on the 2023 business results and the 2024 business plan:

I. 2023 Business Results

- (I) Business plan implementation results:
The Company's consolidated operating revenue for 2023 was NT\$675,047 thousand, representing an increase of NT\$59,570 thousand, or 9.68%, compared to NT\$615,477 thousand in 2022. The net loss after tax for 2023 was NT\$11,305 thousand, representing a decrease of NT\$57,009 thousand, or 124.74%, compared to a net loss after tax of NT\$45,704 thousand in 2022. The after-tax loss per share for 2023 was NT\$0.37.
- (II) Budget Implementation:
None. The Company only set internal budgetary targets for 2023 and did not publicly disclose financial forecasts.
- (III) Analysis of financial income, expenditure, and profitability:

Unit: NT\$ thousand			
Items	2022	2023 (restated)	Increase/decrease in amount and percentage change
Operating revenues	615,477	675,047	59,570
Operating gross profit	371,534	460,674	89,140
Operating profit	66,976	167,540	100,564
Net income attributable to the parent company	45,704	(11,305)	(57,009)
Earnings per share (unit: NT\$)	1.50	(0.37)	(1.87)
Gross profit margin (%)	60	68	8
Operating profit margin (%)	11	25	14
Net (loss) profit margin (%)	7	(2)	(9)

- (IV) Research and development:
The Company continues to develop new metal injury fixing products and invest resources in integrating domestic manufacturers to jointly develop new materials and biotechnology products, in order to increase product added value and treatment effectiveness, and expand the scope of product applications and indications. Ten new products are expected to gradually enter the market in 2024.
In terms of preoperative planning and 3D printing, we continue to develop applications for new anatomical sites and surgical procedures, while investing in AI-assisted preoperative planning solutions. These efforts are expected to shorten planning time and further enhance competitiveness.

II. Summary of the 2024 business plan

- (I) Management Approach
- Focus on innovative R&D:
The Company is committed to developing new products and technologies, improving performance and quality to meet market demand and maintain competitive advantage.
 - Emphasize academic education:
We aim to build a professional image. Internally, we focus on talent development, academic exchange, and skill enhancement. Externally, we promote product knowledge and medical technology through various activities to increase customer trust and loyalty.
 - Provide high-quality medical devices:
The Company strictly controls product quality, establishes a sound quality management system, ensures product safety and efficacy, and complies with domestic and international standards.
 - Advance R&D and agency operations concurrently:
In addition to in-house R&D, the Company cooperates with domestic and foreign manufacturers to jointly develop or distribute advanced medical devices and technologies, meeting diverse customer needs and enhancing channel efficiency.
 - Deepen relationships with existing customers and develop new ones:
Through high-quality products and services, we build long-term, stable cooperation with existing

clients. The Company is also committed to exploring new fields and customers, and expanding its market size.

6. Expand international markets:

The Company is committed to exploring new markets and enhancing international presence and global market share.

(II) Forecast sales volume and its basis

The Company expects continued growth in sales volume in 2024. In Taiwan, the market for wound care products has seen continued growth in both domestically developed products and new agency offerings. Leveraging existing sales channels and synergistic effects has led to remarkable achievements. Although the Chinese government's policy on centralized procurement of orthopedic medical materials has affected profits, the Company has taken a series of measures to introduce new processes, adjust sales strategies, and inject new products into non-centralized procurement. These measures have been gradually taking effect since 2023, and the amount of the next tender has also increased, which will have a positive impact on the Company's future development. In the post-pandemic era, the Southeast Asian market has recovered to pre-pandemic levels in economic development and various activities. Coupled with future investments in academic education and the development of local KOLs, better growth is anticipated.

(III) Important production and sales policies

In response to the launch of new products and the need to expand sales channels, we will moderately increase production capacity to meet market demand. During this process, the Company will continue to explore new sales channels and markets in orthopedic and surgical fields. Through continuous improvement and innovation, we aim to provide customers with higher-quality and more reliable products and services, gaining greater competitive advantage in the market.

III. Future development strategy

(I) New Product Injection:

A Plus is committed to developing distinctive and differentiated products. This year, new products have continued to be introduced to the market, with the product line covering a broader range of indications to attract more customers. This year, the Company has also added new products to its sales roster, with both self-developed and agency products contributing to increased sales channel efficiency and expanded reach across different specialties, fueling continued growth.

(II) China Market:

In addition to the ongoing introduction of new processes and techniques, the Company continues to promote high-margin products in China that are not subject to centralized procurement. Meanwhile, the Company is also applying for certifications for new products not procured through centralized purchasing. More high-margin new products will continually enter the market, generating greater income for the Company.

(III) International Market:

To avoid falling into price competition with Chinese brands, the Company continues to actively develop and promote uniquely differentiated products to drive sales of foundational products. The Company has also planned several international medical exhibitions and seminars to seek opportunities in overseas markets and further expand our international market share.

IV. Influence of External Competition Environment, Regulatory Environment, and Overall Business Environment

(I) Impact of external competition:

Well-known international companies have advantages in terms of established distribution channels, abundant marketing resources, and strong brand recognition, creating competitive pressure on local manufacturers. Additionally, local companies are increasingly introducing products that imitate those of international brands. In addition to its commitment to quality, A Plus actively engages in academic education and possesses in-house R&D capabilities, allowing it to respond quickly to customer needs and shorten product iteration cycles. It combines the academic engagement of foreign companies with the agility of local firms, resulting in continuous growth in market share.

(II) Impact of the Regulatory Environment:

In recent years, regulatory standards in advanced countries have become increasingly stringent, including those of the U.S. FDA, EU CE, China CFDA, and Taiwan TFDA. These developments have extended the time required to obtain certifications and increased related costs, raising the barriers and costs of entering the industry. A Plus stays current with the latest regulatory requirements and actively enhances the expertise and experience of its personnel while adopting necessary responsive measures.

(III) Impact of the Overall Business Environment:

Although global economic, political, and regulatory factors — including pandemics — may temporarily impact the medical industry, the growing aging population and related issues continue to emerge. Incidences of elderly-related conditions such as accidental injuries, joint degeneration, and osteoporosis are rising, increasing demand for orthopedic-related products. At the same time, with continuous advancements in technology and medical device innovation, surgical success rates and treatment outcomes have significantly improved, further driving the development of the medical device market. Therefore, over the long term, the market will continue to expand, and the outlook remains promising.

A Plus Biotechnology Co., Ltd.



Chairperson: Sih-Ming Li



General Manager: Hsiang-Wei Lo



**A Plus Biotechnology Co., Ltd.
Audit Committee's Review Report**

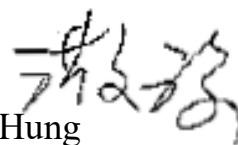
The Board of Directors has prepared the Company's restated 2023 financial statements. PricewaterhouseCoopers Taiwan's CPA, Huang, Chin-Lien and Hsu, Ming-Chuan have audited the financial statements and issued an Audit report. The restated business report and earnings distribution proposal have been reviewed by the Audit Committee and deemed correct. We hereby submit this report in accordance with Article 14-4 of the Securities and Exchange Act.

To

2025 Annual Shareholders' Meeting

A Plus Biotechnology Co., Ltd.

Convenor of Audit Committee: Wen-Chun Hung



February 13, 2025

Business Report

Dear Shareholders:

We sincerely thank you all for taking the time to attend this meeting. We also express our heartfelt gratitude for your support and encouragement over the past year toward A Plus. The following is a report on the 2024 business results and the 2025 business plan:

I. 2024 Business Results

(I) Business plan implementation results:

The Company's consolidated operating revenue for 2024 was NT\$769,591 thousand, an increase of NT\$94,544 thousand (14.01%) compared to NT\$675,047 thousand in 2023. Net profit after tax for 2024 was NT\$151,056 thousand, compared to a net loss after tax of NT\$11,305 thousand in 2023, an increase of NT\$162,361 thousand (1,436.19%). Earnings per share after tax for 2024 were NT\$4.99.

(II) Budget Implementation:

None. The Company only set internal budgetary targets for 2024 and did not publicly disclose financial forecasts.

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

Unit: NT\$ thousand			
Items	2023 (restated)	2024	Increase/ decrease in amount and percentage change
Operating revenues	675,047	769,591	94,544
Operating gross profit	460,674	534,778	74,104
Operating profit	167,540	182,459	14,919
Net income attributable to the parent company	(11,305)	151,056	162,361
Earnings per share (unit: NT\$)	(0.37)	4.99	5.36
Gross profit margin (%)	68	70	2
Operating profit margin (%)	25	24	(1)
Net (loss) profit margin (%)	(2)	19	21

(IV) Research and development:

The Company continues to develop new designs and materials for trauma fixation products, while also expanding biochemical and peri-surgical products to increase channel efficiency and broaden product applications and indications. Several new products will gradually enter the market in 2025.

In terms of preoperative planning and 3D printing, we continue to develop applications for new anatomical sites and surgical procedures, while investing in AI-assisted preoperative planning solutions. These efforts are expected to shorten the preoperative preparing time and further enhance competitiveness.

II. Summary of the 2025 business plan

(I) Management Approach

1. Focus on innovative R&D:

The Company is committed to developing new products and technologies, improving performance and quality to meet market demand and maintain competitive advantage.

2. Emphasize academic education:

We aim to build a professional image. Internally, we focus on talent development, academic exchange, and skill enhancement. Externally, we promote product knowledge

and medical technology through various activities to increase customer trust and loyalty.

3. Provide high-quality medical devices:

The Company strictly controls product quality, establishes a sound quality management system, ensures product safety and efficacy, and complies with domestic and international standards.

4. Advance R&D and agency operations concurrently:

In addition to in-house R&D, the Company cooperates with domestic and foreign manufacturers to jointly develop or distribute advanced medical devices and technologies, meeting diverse customer needs and enhancing channel efficiency.

5. Deepen relationships with existing customers and develop new ones:

Through high-quality products and services, we build long-term, stable cooperation with existing clients. The Company is also committed to exploring new fields and customers, and expanding its market size.

6. Expand international markets:

The Company is committed to exploring new markets and enhancing international presence and global market share.

(II) Forecast sales volume and its basis

The Company expects continued growth in sales volume in 2025. In Taiwan, the usage of self-developed trauma and correction products continues to increase, and new agency products are entering the market, expanding specialty-specific channels. Although the centralized volume-based procurement (CVBP) policy in China have impacted profits, the Company has implemented measures including new manufacturing processes, adjusted sales strategies, and introducing non-CVBP products. These measures have shown results since 2023, and new tender values have increased, with profitability improving. In Southeast Asia, certifications for new products are gradually being obtained. A series of academic seminars and cadaveric workshops will be held to build a platform for exchange between Taiwanese and local physicians. Market strategies will be adapted to local conditions, and training and support for local sales teams will be strengthened to achieve further growth.

(III) Important production and sales policies

In response to the launch of new products and the need to expand sales channels, we will moderately increase production capacity to meet market demand. During this process, the Company will continue to explore new sales channels and markets in orthopedic and surgical fields. Through continuous improvement and innovation, we aim to provide customers with higher-quality and more reliable products and services, gaining greater competitive advantage in the market.

III. Future development strategy

(I) New Product Injection:

A Plus is committed to developing distinctive and differentiated products. This year, new products have continued to be introduced to the market, with the product line covering a broader range of indications to attract more customers. New agency products have also been added to the sales portfolio this year. The addition of both self-developed and agency products not only improves the efficiency of sales channels but also drives the expansion of those channels, providing sustained momentum for the Company's growth.

(II) China Market:

In addition to the ongoing introduction of new processes and techniques, the Company continues to promote high-margin products in China that are not subject to CVBP. At the same time, newly introduced non-CVBP products have also entered the market this year. Further license applications are underway to continuously launch more high-margin new products, generating greater revenue for the Company.

(III) International Market:

To avoid falling into price competition with Chinese brands, the Company continues to

actively develop and promote uniquely differentiated products to drive sales of foundational products. The Company has also planned several international medical exhibitions and conferences to establish a platform for exchange between Taiwanese and overseas physicians, thereby seeking overseas market opportunities and further advancing international market expansion.

IV. Influence of External Competition Environment, Regulatory Environment, and Overall Business Environment

(I) Impact of external competition:

Well-known international companies have advantages in terms of established distribution channels, abundant marketing resources, and strong brand recognition, creating competitive pressure on local manufacturers. Additionally, local companies are increasingly introducing products that imitate those of international brands.

In addition to its commitment to quality, A Plus actively engages in academic education and possesses in-house R&D capabilities, allowing it to respond quickly to customer needs and shorten product iteration cycles. It combines the academic engagement of foreign companies with the agility of local firms, resulting in continuous growth in market share.

(II) Impact of the Regulatory Environment:

In recent years, regulatory standards in advanced countries have become increasingly stringent, including those of the U.S. FDA, EU CE, China CFDA, and Taiwan TFDA. These developments have extended the time required to obtain certifications and increased related costs, raising the barriers and costs of entering the industry. A Plus stays current with the latest regulatory requirements and actively enhances the expertise and experience of its personnel while adopting necessary responsive measures.

(III) Impact of the Overall Business Environment:

Although global economic, political, and regulatory factors — including pandemics — may temporarily impact the medical industry, the growing aging population and related issues continue to emerge. Incidences of elderly-related conditions such as accidental injuries, joint degeneration, and osteoporosis are rising, increasing demand for orthopedic-related products. At the same time, with continuous advancements in technology and medical device innovation, surgical success rates and treatment outcomes have significantly improved, further driving the development of the medical device market. Therefore, over the long term, the market will continue to expand, and the outlook remains promising.

A Plus Biotechnology Co., Ltd.



Chairperson: Sih-Ming Li



General Manager: Hsiang-Wei Lo



Attachment IV

A Plus Biotechnology Co., Ltd. Audit Committee's Review Report

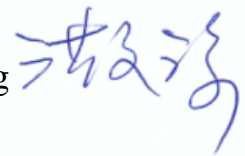
The Board of Directors has prepared the Company's 2024 financial statements. PricewaterhouseCoopers Taiwan's CPAs, Huang, Chin-Lien and Hsu, Ming-Chuan have audited the financial statements and issued an Audit report. The business report and earnings distribution proposal have been reviewed by the Audit Committee and deemed correct. We hereby submit this report in accordance with Article 14-4 of the Securities and Exchange Act.

To

2025 Annual Shareholders' Meeting

A Plus Biotechnology Co., Ltd.

Convenor of Audit Committee: Wen-Chun Hung



February 13, 2025

A Plus Biotechnology Co., Ltd.
**APS-108 Table of Comparison of the "Ethical Corporate Management
Procedure and Code of Conduct" Before and After Amendment**

After Amendment	Before Amendment	Description
Article 10 Procedures for Charitable Donations or Sponsorships		
<p>When the Company provides charitable donations or sponsorships, the following matters shall be complied with. After submission to the General Manager for approval and notification of the Company's designated unit, <u>where the amount of a single case reaches NT\$3,000,000 (inclusive) or more</u>, it shall be submitted to the Board of Directors for approval before implementation:</p> <p>(I) Shall comply with the laws and regulations of the place of operation.</p> <p>(II) Decision making shall be made in writing.</p> <p>(III) The recipient of a charitable donation shall be a charitable organization, and such donation shall not be made in the guise of bribery.</p> <p>(IV) The benefits obtained from sponsorship shall be clear and reasonable, and the recipient shall not be a counterparty in business dealings with the Company nor a person having an interest with the Company's personnel.</p> <p>(V) After making a charitable donation or sponsorship, it shall be confirmed that the use of funds is consistent with the donation purpose.</p>	<p>I. When the Company provides charitable donations or sponsorships, the following matters shall be complied with. After submission to the General Manager for approval and notification of the Company's designated unit, and after approval in accordance with the authority of approval, it shall be submitted to the Board of Directors for approval before implementation:</p> <p>(I) Shall comply with the laws and regulations of the place of operation.</p> <p>(II) Decision making shall be made in writing.</p> <p>(III) The recipient of a charitable donation shall be a charitable organization, and such donation shall not be made in the guise of bribery.</p> <p>(IV) The benefits obtained from sponsorship shall be clear and reasonable, and the recipient shall not be a counterparty in business dealings with the Company nor a person having an interest with the Company's personnel.</p> <p>(V) After making a charitable donation or sponsorship, it shall be confirmed that the use of funds is consistent with the donation purpose.</p>	<p>Set amount limit (1% of paid-in capital)</p>
<p>Article 24 Implementation</p> <p>I. These Procedures and Guidelines shall be implemented upon approval by the Board of Directors and reported to the shareholders' meeting; the same shall apply in the case of amendments.</p> <p>II. When these Procedures and Guidelines are submitted to the Board of Directors for discussion, the opinions of independent directors shall be fully considered, and any objections or reservations shall be recorded in the minutes of the Board of Directors meeting; if an independent director cannot attend the Board meeting in person to express objection or reservation, except for justifiable reasons, a written opinion shall be issued in advance and recorded in the minutes of the Board of Directors meeting.</p> <p>III. These Procedures were established on April 10, 2023. <u>The 1st amendment was made on January 8, 2025.</u></p>	<p>Article 24 Implementation</p> <p>I. These Procedures and Guidelines shall be implemented upon approval by the Board of Directors and reported to the shareholders' meeting; the same shall apply in the case of amendments.</p> <p>II. When these Procedures and Guidelines are submitted to the Board of Directors for discussion, the opinions of independent directors shall be fully considered, and any objections or reservations shall be recorded in the minutes of the Board of Directors meeting; if an independent director cannot attend the Board meeting in person to express objection or reservation, except for justifiable reasons, a written opinion shall be issued in advance and recorded in the minutes of the Board of Directors meeting.</p> <p>III. These Procedures were established on April 10, 2023.</p>	<p>Amendment dates added</p>

Independent Auditors' Report

(114) Cai-Shen-Bao-Zi No.24003587

To A Plus Biotechnology Co., Ltd.:

Audit opinions

We have audited the accompanying consolidated balance sheets of A Plus Biotechnology Co., Ltd. and its Subsidiaries (collectively, the "Group") as of December 31, 2023 and 2022, the related Consolidated Statements of comprehensive income, changes in equity and cash flows for the three months then ended, and the related notes to the Consolidated Financial Statements including material accounting policy information (collectively referred to as the "Consolidated Financial Statements").

In our opinion, the said Consolidated Financial Statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and the statements of interpretation approved and released by the Financial Supervisory Commission, and thus presented fairly, in all material aspects, the consolidated financial position of A Plus Biotechnology Co., Ltd. and its subsidiaries as of December 31, 2023 and 2022, and the consolidated financial performance and cash flow for the period from January 1 to December 31, 2023 and 2022.

Basis of audit opinion

We concluded our audits in accordance with the Regulations Governing Auditing and Attestation Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We were independent of A Plus Biotechnology Co., Ltd. and its subsidiaries in accordance with the Norms of Professional Ethics for Certified Public Accountants and fulfilled all other responsibilities thereunder. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matters

As stated in note XII(IV) to the Consolidated Financial Statements, A Plus Biotechnology Co., Ltd. has re-adjusted its discount rate and other relevant parameters within the original reasonable range, and re-calculated the recoverable amount of goodwill recognized, and thus re-compiled the 2023 Consolidated Financial Statements. For the impact of the restatements on the Consolidated Financial Statements, please refer to note XII(IV) to the Consolidated Financial Statements. We did not modify our audit opinion accordingly.

Key audit matters

Key audit matters refer to, based on our professional judgment, the most important matters for auditing the 2023 Consolidated Financial Statements of A Plus Biotechnology Co., Ltd. and its subsidiaries. These matters were addressed in the content of our Audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide separate opinions on those matters.

Key audit matters of the 2023 Consolidated Financial Statements of A Plus Biotechnology Co., Ltd. and its subsidiaries are as follows:

Valuation of allowance for inventory valuation loss

Description

For the accounting policies relating to inventories, please refer to Note IV(XII) of the Consolidated Financial Statements. For significant accounting estimates and assumptions, please refer to Note V(II). For details of the inventory and allowance for decline in value, please refer to Note VI(IV).

The products of A Plus Biotechnology Co., Ltd. and its subsidiaries primarily comprise bone graft materials and other medical devices. As these medical devices are produced in small quantities and in a wide variety, and given the rapid pace of technological advancements in the medical industry—which may result in slower-than-expected turnover—together with price volatility driven by government policy, the risk of inventory impairment and obsolescence is relatively high. Inventories are measured at the lower of cost and net realizable value. For inventories exceeding a specific aging threshold or individually identified as obsolete, net realizable value is determined based on historical experience of inventory turnover.

Because the determination of net realizable value for obsolete inventories involves significant management judgment and is subject to uncertainty, and given that inventories and their related allowance for decline in value have a material impact on the Financial Statements, we have determined that the evaluation of the allowance for decline in value of inventories is one of the key audit matters for the current year.

The corresponding audit procedures:

The principal audit procedures we performed in relation to the above key audit matter are summarized as follows:

1. Assessed the reasonableness and consistency of the Company's policy and procedures for recording the allowance for inventory valuation losses, taking into account the characteristics of the industry.
2. Obtained an understanding of the Company's warehouse management processes, reviewed its annual stocktaking plan, and participated in the year-end physical inventory count to evaluate the

effectiveness of management's identification and control of obsolete inventories.

3. Verified the accuracy of the aging reports used for identifying obsolete inventories, including confirming that inventory movements were recorded in the appropriate aging categories, and obtained supporting documentation for management's assessment of obsolete products to confirm the reasonableness of the related allowance.
4. Reviewed the appropriateness of the basis used to estimate net realizable value, including sampling to verify the accuracy of sales and purchase prices, and recalculated the allowance for inventory valuation losses to assess its reasonableness.

Assessment of goodwill impairment

Description

For the accounting policies relating to goodwill impairment assessment, please refer to Note IV(XVI) of the Consolidated Financial Statements. For significant accounting estimates and assumptions, please refer to Note V(II) of the Consolidated Financial Statements. For the description of the goodwill account (listed under intangible assets), please refer to Note VI(VII) of the Consolidated Financial Statements.

In July 2015, A Plus Biotechnology Co., Ltd. acquired control of A Plus (Cayman) Holding Inc., and, based on the acquisition price allocation assessment report, recognized goodwill of NT\$164,464 thousand. As of December 31, 2023, the goodwill balance of A Plus Biotechnology Co., Ltd., after recognizing impairment losses, was NT\$0.

After identifying the smallest cash-generating unit that can generate independent cash flows, the recoverable amount of each cash-generating unit is measured by discounting its estimated future cash flows using an appropriate discount rate, as the basis for assessing whether goodwill is impaired.

In 2023, because the recoverable amount of the cash-generating unit related to the goodwill was lower than its carrying amount, a full impairment loss of NT\$164,464 thousand was recognized. Since measuring the recoverable amount of a cash-generating unit using estimated future cash flows involves multiple assumptions, including determining the estimated growth rate, the discount rate, and using the prepared future financial forecast, which can easily involve subjective judgment and high uncertainty, the results can have a significant impact on the measurement of the recoverable amount and the estimated amount of goodwill impairment. Therefore, the auditor listed the goodwill impairment assessment as one of the most important matters in the audit.

The corresponding audit procedures:

The principal audit procedures we performed in relation to the above key audit matter are summarized as follows:

1. Understanding and assessing the internal control process by which management reviews and approves its financial forecasts and related assumptions.

2. The reasonableness of the material assumptions used in the valuation model to assess the recoverable amount, and understanding the actual implementation of management's past business plans.
3. The audit personnel shall evaluate the reasonableness of the material assumptions used in the valuation model, including the following procedures:
 - (1) The expected growth rate used was compared against forecasts for the overall economy and the industry.
 - (2) Check the discount rate and verify its cash generating unit cost assumption, and compare with the market returns on similar assets.

Other Matters – Parent Company Only Financial Statements

A Plus Biotechnology Co., Ltd. has prepared the parent company only Financial Statements for the years ended December 31, 2023 (restated) and 2022, on which we have issued unqualified audit opinions with an emphasis of matter paragraph. These Financial Statements have been provided for reference purposes.

Responsibilities of Management and Those in Charge with Governance of the Consolidated Financial Statements

The management was responsible for preparation of the Consolidated Financial Statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and the statements of interpretation approved and released by the Financial Supervisory Commission and maintaining the necessary internal control related to preparation of the Consolidated Financial Statements to ensure that the Consolidated Financial Statements were free of material misstatement due to fraud or errors.

During preparation of the Consolidated Financial Statements, the management was also responsible for evaluating A Plus Biotechnology Co., Ltd. and its subsidiaries' ability to continue as a going concern, disclosure of relevant matters and application of the going concern basis of accounting unless the management intended to make A Plus Biotechnology Co., Ltd. and its subsidiaries enter into liquidation or terminate its operations, or there was no other actual and feasible solutions other than liquidation or termination of its operations.

Those charged with governance (including number of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.. Reasonable assurance is a high level of

assurance, but is not a guarantee that an audit conducted in accordance with the accounting principles will always detect a material misstatement in the Consolidated Financial Statements when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users. If fraud or errors are considered material, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

From the matters communicated with those charged with governance, we determine the key



audit matters for the Audit of the Group's 2023 Consolidated Financial Statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

PricewaterhouseCoopers Taiwan

Huang, Chin-Lien

CPA

Hsu, Ming-Chuan

Approval No. from the Financial Supervisory Commission:

Jin-Guan-Zheng-Shen-Zi No. 1100348083

Jin-Guan-Zheng-Shen-Zi No. 1050029449

February 13, 2025


A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statements of Comprehensive Income
December 31 of 2023 and 2022

Unit: NT\$ thousand

		(After restatement)			
		December 31, 2023		December 31, 2022	
Assets	Notes	Amount	%	Amount	%
Current assets					
1100 Cash and Cash Equivalents	VI(I)	\$ 319,066	30	\$ 237,687	20
1136 Financial assets at amortized cost- current	VI(I)(II), VIII and IX	1,000	-	1,000	-
1150 Net notes receivable	VI(III)	-	-	1,584	-
1170 Net accounts receivable	VI(III)	141,623	13	145,043	13
1180 Net accounts receivable – related parties	VI(III) and VII	42	-	17	-
1200 Other receivables		22	-	22	-
1220 Current tax assets		2,086	-	3,043	-
130X Inventory	VI(IV)	283,761	27	295,692	25
1410 Prepayments		17,487	2	24,079	2
1470 Other current assets	VIII	4,488	-	5,461	1
11XX Total current assets		<u>769,575</u>	<u>72</u>	<u>713,628</u>	<u>61</u>
Non-current assets					
1600 Property, plant, and equipment	VI(V) and VIII	244,604	23	244,973	21
1755 Right-of-use assets	VI(VI)	14,413	1	14,654	1
1780 Intangible assets	VI(VII) and XII(IV)	8,241	1	176,204	15
1840 Deferred tax assets	VI(XXIV)	31,235	3	12,702	1
1900 Other non-current assets	VIII	3,255	-	12,352	1
15XX Total non-current assets		<u>301,748</u>	<u>28</u>	<u>460,885</u>	<u>39</u>
1XXX Total assets		<u>\$ 1,071,323</u>	<u>100</u>	<u>\$ 1,174,513</u>	<u>100</u>

(continued)


A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statements of Comprehensive Income
December 31 of 2023 and 2022

Unit: NT\$ thousand

Liabilities and equity		Notes	(After restatement)		December 31, 2022	
			December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
Current liabilities						
2130	Contract liabilities – current	VI(XVI)	\$ 1,487	-	\$ 6,827	-
2150	Notes payable		100	-	208	-
2170	Accounts payable		28,804	3	42,024	4
2200	Other payables	VI(VIII)	60,195	5	69,478	6
2230	Current tax liabilities		19,561	2	20,376	2
2280	Lease liabilities - current	VI(VI)	8,641	1	8,962	1
2320	Long-term liabilities due within one year or one operating cycle	VI(X), VII and VIII	4,775	-	7,826	1
2399	Other current liabilities - others	VI(IX)	19,265	2	17,928	1
21XX	Total current liabilities		<u>142,828</u>	<u>13</u>	<u>173,629</u>	<u>15</u>
Non-current liabilities						
2540	Long-term loan	VI(X), VII and VIII	93,830	9	116,442	10
2550	Liability reserve - non-current		934	-	923	-
2570	Deferred tax liabilities	VI(XXIV))	-	-	49	-
2580	Lease liabilities - non-current	VI(VI)	5,788	1	5,665	-
25XX	Total non-current liabilities		<u>100,552</u>	<u>10</u>	<u>123,079</u>	<u>10</u>
2XXX	Total liabilities		<u>243,380</u>	<u>23</u>	<u>296,708</u>	<u>25</u>
Equity						
Equity attributable to owners of the parent company						
Capital Stock		VI(XII)				
3110	Capital stock - common shares		304,710	28	304,710	26
Capital Surplus		VI(XIII)				
3200	Capital Surplus		360,006	33	360,006	31
Retained earnings		VI(XIV)				
3310	Legal Reserve		27,081	3	22,511	2
3350	Unappropriated earnings	XII(IV)	149,954	14	186,957	16
Other Equity Interest		VI(XV)				
3400	Other Equity Interest		345	-	3,621	-
3500	Treasury stock	VI(XII)	(14,153)	(1)	-	-
3XXX	Total equity		<u>827,943</u>	<u>77</u>	<u>877,805</u>	<u>75</u>
Significant contingent liabilities and unrecognized contractual commitments		IX				
Significant Subsequent Events		XI				
3X2X	Total liabilities and equity		<u>\$ 1,071,323</u>	<u>100</u>	<u>\$ 877,805</u>	<u>100</u>

The enclosed notes to the Consolidated Financial Statements are an integral part of this consolidated financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke




A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statements of Comprehensive Income
December 31 of 2023 and 2022

Unit: NT\$ thousand

(except earnings (losses) per share expressed in NTD)
(After restatement)

	Items	Notes	2023		2022	
			Amount	%	Amount	%
4000	Operating revenue	VI(XVI) and VII	\$ 675,047	100	\$ 615,477	100
5000	Operating cost	VI(IV) (XVII) (XXII)(XXIII) and VII	(214,373)	(32)	(243,943)	(40)
5950	Operating gross profit		460,674	68	371,534	60
	Operating expenses	VI(XXIII)(XXIII) and VII				
6100	Selling expenses		(136,698)	(20)	(134,849)	(22)
6200	Administrative expenses		(96,732)	(14)	(93,080)	(15)
6300	R&D expenses		(59,538)	(9)	(93,080)	(12)
6450	Expected loss (profit) from credit impairment	XII(II)	(166)	-	372	-
6000	Total operating expenses		(293,134)	(43)	(93,080)	(49)
6900	Operating profit		167,540	25	66,976	11
	Non-operating income and expenses					
7100	Interest income	VI(XVIII)	1,710	-	834	-
7010	Other revenue	VI(XIX)	881	-	1,527	-
7020	Other profits and losses	VI(VII)(XX) and XII(IV)	(164,388)	(24)	1,431	-
7050	Financial costs	VI(XXI)	(2,705)	(1)	(2,656)	-
7000	Total non-operating income and expenses		(164,502)	(25)	1,136	-
7900	Net profit before tax	XII(IV)	3,038	-	68,112	11
7950	Income tax expense	VI(XXIV)	(14,343)	(2)	(68,112)	(4)
8200	Net (losses) profits for current term	XII(IV)	(\$ 11,305)	(2)	\$ 45,704	7
	Other comprehensive income					
	Titles that could be reclassified as profit (loss) accounts in the future					
8361	Exchange differences from translation of foreign operations' Financial Statements	VI(XV)	(\$ 3,276)	-	\$ 3,402	1
8300	Other comprehensive income (net)		(\$ 3,276)	-	\$ 3,402	1
8500	Total Amount of Comprehensive Income for current period	XII(IV)	(\$ 14,581)	(2)	\$ 49,106	8
	Net (loss) profit attributable to:					
8610	Shareholders of the parent company		(\$ 11,305)	(2)	\$ 45,704	7
	Total comprehensive income attributable to:					
8710	Shareholders of the parent company		(\$ 14,581)	(2)	\$ 49,106	8
	(Losses) earnings per share	VI(XXV) and XII(IV)				
9750	Basic (losses) earnings per share		(\$ 0.37)		\$ 1.50	
9850	Diluted (losses) earnings per share		(\$ 0.37)		\$ 1.50	

The enclosed notes to the Consolidated Financial Statements are an integral part of this consolidated financial report.
Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke




A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to December 31, 2023 and 2022

Unit: NT\$ thousand

		Equity attributable to owners of the parent company							
		Capital Surplus			Retained earnings				
	Notes	Capital stock - common shares	Share premium from issuance	Difference between the actual acquisition or disposal price and the carrying amount of subsidiary	Legal Reserve	Unappropriated earnings	Exchange differences from translation of foreign operations’ Financial Statements	Treasury stock	Total
<u>2022</u>									
Balance on January 1, 2022		\$ 304,710	\$ 358,548	\$ 1,458	\$ 19,217	\$ 159,783	\$ 219	\$ -	\$ 843,935
Net profits for current term		-	-	-	-	45,704	-	-	45,704
Other comprehensive income in the current period	VI(XV)	-	-	-	-	-	3,402	-	3,402
Total Amount of Comprehensive Income for current period		-	-	-	-	45,704	3,402	-	49,106
2021 Appropriation and Distribution of Earnings	VI(XIV)								
Legal Reserve		-	-	-	3,294	(3,294)	-	-	
Cash dividends		-	-	-	-	(15,236)	-	-	(15,236)
Balance as of December 31, 2022		\$ 304,710	\$ 358,548	\$ 1,458	\$ 22,511	\$ 186,957	\$ 3,621	\$ -	\$ 877,805
<u>2023 (After restated)</u>									
Balance as of January 1, 2023		\$ 304,710	\$ 358,548	\$ 1,458	\$ 22,511	\$ 186,957	\$ 3,621	\$ -	\$ 877,805
Net losses for current term		-	-	-	-	(11,305)	-	-	(11,305)
Other comprehensive income in the current period	VI(XV)	-	-	-	-	-	(3,276)	-	(3,276)
Total Amount of Comprehensive Income for current period		-	-	-	-	(11,305)	(3,276)	-	(14,581)
2022 Appropriation and Distribution of Earnings	VI(XIV)	-	-	-	4,570	(4,570)	-	-	
Legal Reserve		-	-	-	-	(21,128)	-		(21,128)
Repurchase of treasury stock	VI(XII)	-	-	-	-	-	-	(14,153)	(14,153)
Balance as of December 31, 2023		\$ 304,710	\$ 358,548	\$ 1,458	\$ 27,081	\$ 149,954	\$ 345	(\$ 14,153)	\$ 827,943

The enclosed notes to the Consolidated Financial Statements are an integral part of this consolidated financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke




A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2023 and 2022

Unit: NT\$ thousand

	Notes	(After restatement) 2023	2022
<u>Cash flows from operating activities</u>			
Net profit before tax for the period		\$ 3,038	\$ 68,112
Adjustments			
Income and expenses			
Expected loss (profit) from credit impairment	VI(XXII)	166 (	372)
Depreciation expenses	VI(V)(VI)(XXII)	22,456	21,049
Amortization expenses	VI(VII)(XXII)	3,924	3,814
Lease modification loss	VI(VI)(XX)	-	17
Interest income	VI(XVIII)	(1,710 ) (	834)
Interest expenditure	VI(XXI)	2,705	2,656
Goodwill impairment loss	VI(VII)(XX)	164,464	-
Changes in operating assets/ liabilities			
Net changes in assets related to operating activities			
Notes receivable		1,555	2,915
Accounts receivable		2,853 (	24,571)
Accounts receivable – related parties		(25 ) (	17)
Inventory		9,268	7,089
Prepayments		6,509 (	7,950)
Other current assets		966	1,488
Net changes in liabilities related to operating activities			
Contract liabilities – current		(5,215)	5,911
Notes payable		(108 ) (	344)
Accounts payable		(10,481 ) (	104)
Other payables		(7,910 ) (	2,755)
Other current liabilities		390 (	680)
Cash inflow from operating activities		192,845	75,424
Interest received		1,710	834
Interest paid		(2,694 ) (	2,642)
Income tax refund		957	-
Income tax paid		(33,714 ) (	12,972)
Net cash inflow from operating activities		159,104	60,644

(continued)


A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2023 and 2022

Unit: NT\$ thousand

	Notes	(After restatement) 2023	2022
<u>Cash flow from investing activities</u>			
Acquisition of property, plant, and equipment	VI(XXVI)	(\$ 8,633)	(\$ 32,951)
Acquisition of intangible assets	VI(VII)	(425)	(1,647)
Increase in prepayments for equipment		(747)	(2,170)
Decrease in refundable deposits		<u>4,956</u>	<u>6,268</u>
Net cash outflow from investing activities		(<u>4,849</u>)	(<u>30,500</u>)
<u>Cash flow from financing activities</u>			
Decrease in short-term loans	VI(XXVII)	-	(37,800)
Exchange rate impact	VI(XXVII)	1,272	1,123
Repayments of long-term borrowings	VI(XXVII)	(25,663)	(37,082)
Lease principal repayment	VI(XXVII)	(9,507)	(9,821)
Payment of cash dividends	VI(XIV)	(21,128)	(15,236)
Cost of repurchasing treasury stock	VI(XII)	<u>(14,153)</u>	<u>-</u>
Net cash outflow from financing activities		(<u>69,179</u>)	(<u>98,816</u>)
Exchange rate impact		(<u>3,697</u>)	(<u>1,265</u>)
Increase (decrease) in cash and cash equivalents in the current period		81,379	(67,407)
Cash and cash equivalents balance – beginning of period		<u>237,687</u>	<u>305,094</u>
Cash and cash equivalents balance – end of period		<u>\$ 319,066</u>	<u>\$ 237,687</u>

The enclosed notes to the Consolidated Financial Statements are an integral part of this consolidated financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke





Independent Auditors' Report

(114) Cai-Shen-Bao-Zi No.24003586

To A Plus Biotechnology Co., Ltd.:

Audit opinions

The parent company only balance sheets of A Plus Biotechnology Co., Ltd. and its subsidiaries as of December 31, 2023 (restated) and December 31, 2022, and the Consolidated Statements of comprehensive income, parent company only statements of changes in equity, parent company only statements of cash flows for the period from January 1 to December 31, 2023 (restated) and January 1 to December 31, 2022, as well as the notes to the parent company only Financial Statements (including a summary of significant accounting policies), have been audited by our firm.

In our opinion, the accompanying parent company only Financial Statements present fairly, in all material respects, the financial position of A Plus Biotechnology Co., Ltd. as of December 31, 2023 and 2022, and its financial performance and cash flows for the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis of audit opinion

We concluded our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by certified public accountants and auditing standards. We are independent of the Company in accordance with the Code of Ethics for Certified Public Accountants of the Republic of China, and personnel affiliated with our firm have maintained independence with A Plus Biotechnology Co., Ltd. in accordance with the Code of Ethics for Certified Public Accountants of the Republic of China, and have fulfilled our other ethical responsibilities as required. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis matters

As stated in note XII(IV) to the individual Financial Statements, A Plus Biotechnology Co., Ltd. re-adjusted its discount rate and other relevant parameters within the original reasonable range, and re-calculated the recoverable amount of the investment (including goodwill) accounted for under the equity method, resulting in the restatement of the individual Financial Statements for 2023. For the impact of the restatement on the parent company only Financial Statements, please refer to note XII(IV) to the parent company only Financial Statements. We did not modify our audit opinion accordingly.

Key audit matter

Key audit matters refer to, based on our professional judgment, the most important matters for auditing the 2023 parent company only Financial Statements of A Plus Biotechnology Co., Ltd. Such matters were addressed during the overall Audit of the Separate Financial Statements and the process of forming the audit opinions, and thus we did not provide opinions separately towards such matters.

Key audit matters of the 2023 parent company only Financial Statements of A Plus Biotechnology Co., Ltd. are as follows:

Valuation of allowance for inventory valuation loss

Description

For the accounting policies relating to inventories, please refer to Note IV(XI) of the parent company only Financial Statements. For significant accounting estimates and assumptions, please refer to Note V(II). For details of the inventory and allowance for decline in value, please refer to Note VI(IV).

The products of A Plus Biotechnology Co., Ltd. primarily comprise bone graft materials and other medical devices. As these medical devices are produced in small quantities and in a wide variety, and given the rapid pace of technological advancements in the medical industry—which may result in slower-than-expected turnover—together with price volatility driven by government policy, the risk of inventory impairment and obsolescence is relatively high. Inventories are measured at the lower of cost and net realizable value. For inventories exceeding a specific aging threshold or individually identified as obsolete, net realizable value is determined based on historical experience of inventory turnover. The above matters also exist in the indirect wholly-owned Subsidiary, A Plus (Shanghai) Trading Co., Ltd.

Because the determination of the net realizable value of obsolete and outdated inventories by A Plus Biotechnology Co., Ltd. and its subsidiaries (investments accounted for using the equity method) often involves significant subjective judgment and uncertainty, and considering that inventories and their related allowance for write-downs have a material impact on the Financial Statements, we have identified the assessment of the allowance for inventory write-downs as one of the key audit matters for the current year.

The corresponding audit procedures:

The principal audit procedures we performed in relation to the above key audit matter are summarized as follows:

1. Assessed the reasonableness and consistency of the Company's policy and procedures for recording the allowance for inventory valuation losses, taking into account the characteristics of the industry.

2. Obtained an understanding of the Company's warehouse management processes, reviewed its annual stocktaking plan, and participated in the year-end physical inventory count to evaluate the effectiveness of management's identification and control of obsolete inventories.
3. Verified the accuracy of the aging reports used for identifying obsolete inventories, including confirming that inventory movements were recorded in the appropriate aging categories, and obtained supporting documentation for management's assessment of obsolete products to confirm the reasonableness of the related allowance.
4. Reviewed the appropriateness of the basis used to estimate net realizable value, including sampling to verify the accuracy of sales and purchase prices, and recalculated the allowance for inventory valuation losses to assess its reasonableness.

Assessment of impairment of investments accounted for using the equity method (including goodwill)

Description

For the accounting policy of the impairment assessment of investments under the equity method (including goodwill), please refer to note IV(XVI) to the individual Financial Statements; for important accounting estimates and assumptions, please refer to note V(II) to the individual Financial Statements; for the accounting titles of investments under the equity method, please refer to note VI(V) to the individual Financial Statements.

In July 2015, A Plus Biotechnology Co., Ltd. obtained control of A Plus (Cayman) Holding Inc. and, based on the purchase price allocation analysis report, recognized goodwill of NT\$164,464 thousand. As of December 31, 2023, after recognizing an impairment loss, the remaining balance of goodwill (presented under investments accounted for using the equity method) was NT\$0.

After identifying the smallest cash-generating unit capable of generating independent cash flows, the recoverable amount of each cash-generating unit was measured by discounting its estimated future cash flows using an appropriate discount rate, as the basis for assessing whether goodwill was impaired.

In 2023, because the recoverable amount of the cash-generating unit related to the goodwill was lower than its carrying amount, a full impairment loss of NT\$164,464 thousand was recognized. Since measuring the recoverable amount of a cash-generating unit using estimated future cash flows involves multiple assumptions, including determining the estimated growth rate, the discount rate, and using the prepared future financial forecast, which can easily involve subjective judgment and high uncertainty, the results can have a significant impact on the measurement of the recoverable amount and the estimated amount of goodwill impairment. Therefore, the auditor listed the goodwill impairment assessment as one of the most important matters in the audit.

The corresponding audit procedures:

The principal audit procedures we performed in relation to the above key audit matter are

summarized as follows:

1. Understanding and assessing the internal control process by which management reviews and approves its financial forecasts and related assumptions.
2. The reasonableness of the material assumptions used in the valuation model to assess the recoverable amount, and understanding the actual implementation of management's past business plans.
3. The audit personnel shall evaluate the reasonableness of the material assumptions used in the valuation model, including the following procedures:
 - (1) The expected growth rate used was compared against forecasts for the overall economy and the industry.
 - (2) Check the discount rate and verify its cash generating unit cost assumption, and compare with the market returns on similar assets.

Responsibility of the Management and Governance Unit for the Separate Financial Statements

The management was responsible for preparation of the Separate Financial Statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and maintaining the necessary internal control related to the preparation of the Separate Financial Statements to ensure that the Separate Financial Statements were free of material misstatements due to fraud or errors.

During preparation of the parent company only Financial Statements, the management was also responsible for evaluating A Plus Biotechnology Co., Ltd.'s ability to continue as a going concern, disclosure of relevant matters and application of the going concern basis of accounting unless the management intended to make A Plus Biotechnology Co., Ltd. enter into liquidation or terminate its operations, or there was no other actual and feasible solutions other than liquidation or termination of its operations.

Those charged with governance (including member of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

CPA's Responsibility for the Audit of the Financial Statements

We audited the Separate Financial Statements for the purpose of obtaining reasonable assurance about whether the Separate Financial Statements were free of material misstatements due to fraud or errors and issuing an audit report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the accounting principles will always detect a material misstatement in the parent company only Financial Statements when it exists. Misstatements can arise from fraud or error. If an individual or total amount misstated was reasonably expected to have a impact on the economic decision-making of users of the Separate Financial Statements, the misstatements were deemed as material.

As part of an audit in accordance with the Standards on Auditing of Republic of China, we

exercise professional judgment and professional skepticism throughout the audit. We also performed the following duties:

1. Identify and assess the risks of material misstatement of the Separate Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonability of accounting estimates and related disclosures made by the management.
4. Conclude the appropriateness of the management's adoption of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on A Plus Biotechnology Co., Ltd.'s ability to continue as a going concern. If we believe that such events or circumstances constitute a material uncertainty, we must remind the financial statement users to pay attention to the relevant disclosures in the Financial Statements in our audit report. Or the audit opinion is amended when such disclosure is inadequate. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or circumstances might result in a situation where A Plus Biotechnology Co., Ltd.'s would no longer have the ability of going concern.
5. We evaluated the overall presentation, structure and contents of the Separate Financial Statements (including relevant notes), and whether the Separate Financial Statements presented relevant transactions and events fairly.
6. We acquired sufficient and appropriate audit evidence with respect to the financial information of the entities comprising A Plus Biotechnology Co., Ltd. to provide opinions towards the Separate Financial Statements. We are responsible for the direction, supervision and execution of individual audit engagements, and for forming an audit opinion on the parent company only Financial Statements.

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

From the matters communicated with those charged with governance, we determine the key audit matters for the Audit of the Company's 2023 parent company only Financial Statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be



expected to outweigh the public interest benefits of such communications.

PricewaterhouseCoopers Taiwan

Huang, Chin-Lien

CPA

Hsu, Ming-Chuan

Approval No. from the Financial Supervisory Commission:

Jin-Guan-Zheng-Shen-Zi No. 1100348083

Jin-Guan-Zheng-Shen-Zi No. 1050029449

February 13, 2025


A Plus Biotechnology Co., Ltd.
Parent Company Only Balance Sheet
December 31 of 2023 and 2022

Unit: NT\$ thousand

		(After restatement)			
		December 31, 2023		December 31, 2022	
Assets	Notes	Amount	%	Amount	%
Current assets					
1100 Cash and Cash	VI(I)				
Equivalents		\$ 246,792	24	\$ 140,517	13
1136 Financial assets at	VI(I) (II), and VIII				
amortized cost- current		1,000	-	1,000	-
1150 Net notes receivable	VI(III)	-	-	31	-
1170 Net accounts receivable	VI(III)	129,957	13	123,082	11
1180 Net accounts receivable –	VI(III) and VII				
related parties		23,723	2	54,527	5
1220 Current tax assets		2,086	-	3,043	-
130X Inventory	VI(IV)	143,270	14	156,256	14
1410 Prepayments		16,591	2	19,535	2
1470 Other current assets	VIII	4,488	-	5,102	-
11XX Total current assets		<u>567,907</u>	<u>55</u>	<u>503,093</u>	<u>45</u>
Non-current assets					
1550 Investment under Equity	VI(V) and XII (IV)				
Method		170,341	16	328,567	30
1600 Property, plant, and	VI(VI) and VIII				
equipment		244,389	24	244,528	22
1755 Right-of-use assets	VI(VII)	9,240	1	4,096	-
1780 Intangible assets	VI(VIII)	8,241	1	11,740	1
1840 Deferred tax assets	VI(XXIV)	31,235	3	12,702	1
1900 Other non-current assets	VIII	1,176	-	10,159	1
15XX Total non-current					
assets		<u>464,622</u>	<u>45</u>	<u>611,792</u>	<u>55</u>
1XXX Total assets		<u>\$ 1,032,529</u>	<u>100</u>	<u>\$ 1,114,885</u>	<u>100</u>

(continued)


A Plus Biotechnology Co., Ltd.
Parent Company Only Balance Sheet
December 31 of 2023 and 2022

Unit: NT\$ thousand

Liabilities and equity		Notes	(After restatement)		December 31, 2022	
			December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
Current liabilities						
2130	Contract liabilities – current	VI(XVI)	\$ 232	-	\$ -	-
2150	Notes payable		100	-	208	-
2170	Accounts payable		28,804	3	39,285	4
2200	Other payables	VI(IX)	47,839	5	47,674	4
2230	Current tax liabilities		18,499	2	20,376	2
2280	Lease liabilities - current	VI(VII)	3,539	-	3,740	-
2320	Long-term liabilities due within one year or one operating cycle	VI(X), VII and VIII	4,775	-	7,826	1
2399	Other current liabilities - others		316	-	244	-
21XX	Total current liabilities		<u>104,104</u>	<u>10</u>	<u>119,353</u>	<u>11</u>
Non-current liabilities						
2540	Long-term loan	VI(X), VII and VIII	93,830	9	116,442	10
2550	Liability reserve - non-current		934	-	923	-
2570	Deferred tax liabilities	VI(XXIV)	-	-	49	-
2580	Lease liabilities - non-current	VI(VII)	5,718	1	313	-
25XX	Total non-current liabilities		<u>100,482</u>	<u>10</u>	<u>117,727</u>	<u>10</u>
2XXX	Total liabilities		<u>204,586</u>	<u>20</u>	<u>237,080</u>	<u>21</u>
Equity						
Capital Stock						
3110	Capital stock - common shares	VI(XII)	304,710	29	304,710	28
Capital Surplus						
3200	Capital Surplus	VI(XIII)	360,006	35	360,006	32
Retained earnings						
3310	Legal Reserve	VI(XIV)	27,081	3	22,511	2
3350	Unappropriated earnings	XII(IV)	149,954	14	186,957	17
Other Equity Interest						
3400	Other Equity Interest	VI(XV)	345	-	3,621	-
3500	Treasury stock	VI(XII)	(14,153)	(1)	-	-
3XXX	Total equity		<u>827,943</u>	<u>80</u>	<u>877,805</u>	<u>79</u>
Significant contingent liabilities and unrecognized contractual commitments						
Significant Subsequent Events						
3X2X	Total liabilities and equity		<u>\$ 1,032,529</u>	<u>100</u>	<u>\$ 1,114,885</u>	<u>100</u>

The enclosed notes to the parent company only statements are an integral part of this parent company only financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke




A Plus Biotechnology Co., Ltd.
Parent Company Only Statement of Comprehensive Income
January 1 to December 31, 2023 and 2022

Unit: NT\$ thousand

(except earnings (losses) per share expressed in NTD)
(After restatement)

Items	Notes	2023		2022	
		Amount	%	Amount	%
4000 Operating revenue	VI(XVI) and VII	\$ 595,904	100	\$ 570,887	100
5000 Operating cost	VI(IV)(XVII)(XXII)(XXIII and VII)	(210,026)	(36)	(235,313)	(41)
5900 Gross profit		385,878	64	335,574	59
5910 Unrealized gains on sales	VI(V)	(7,146)	(1)	(11,233)	(2)
5920 Realized gains on sales	VI(V)	11,233	2	16,932	3
5950 Operating gross profit		389,965	65	341,273	60
Operating expenses	VI(VIII) (XXII) (XXIII) and VII				
6100 Selling expenses		(107,567)	(18)	(98,081)	(17)
6200 Administrative expenses		(61,869)	(10)	(54,227)	(10)
6300 R&D expenses		(59,538)	(10)	(77,001)	(13)
6450 Expected profit from credit impairment	XII(II)	-	-	149	-
6000 Total operating expenses		(228,974)	(38)	(229,160)	(40)
6900 Operating profit		160,991	27	112,113	20
Non-operating income and expenses					
7100 Interest income	VI(XVIII) and VII	1,518	-	539	-
7010 Other revenue	VI(XIX)	265	-	226	-
7020 Other profits and losses	VI(V)(XX) and XII(IV)	(164,436)	(28)	1,674	-
7050 Financial costs	VI(XXI)	(2,413)	-	(2,531)	-
7070 Share of profit or loss of subsidiaries, associates and joint ventures under equity method	VI(V)	5,427	1	(43,909)	(8)
7000 Total non-operating income and expenses		(159,639)	(27)	(44,001)	(8)
7900 Net profit before tax	XII(IV)	1,352	-	68,112	12
7950 Income tax expense	VI(XXIV)	(12,657)	(2)	(22,408)	(4)
8200 Net (losses) profits for current term	XII(IV)	(\$ 11,305)	(2)	\$ 45,704	8
Other comprehensive income					
Titles that could be reclassified as profit (loss) accounts in the future					
8361 Exchange differences from translation of foreign operations' Financial Statements	VI(XV)	(\$ 3,276)	-	\$ 3,402	1
8300 Other comprehensive income (net)		(\$ 3,276)	-	\$ 3,402	1
8500 Total Amount of Comprehensive Income for current period	XII(IV)	(\$ 14,581)	(2)	\$ 49,106	9
(Losses) earnings per share	VI(XXV) and XII(IV)				
9750 Basic (losses) earnings per share		(\$ 0.37)		\$ 1.50	
9850 Diluted (losses) earnings per share		(\$ 0.37)		\$ 1.50	

The enclosed notes to the parent company only statements are an integral part of this parent company only financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Po-Jun Ke




A Plus Biotechnology Co., Ltd.
Parent Company Only Statement of Changes in Equity
January 1 to December 31, 2023 and 2022

Unit: NT\$ thousand

	Notes	Capital Surplus			Retained earnings			Treasury stock	Total
		Capital stock - common shares	Share premium from issuance	Difference between the actual acquisition or disposal price and the carrying amount of subsidiary	Legal Reserve	Unappropriated earnings	Exchange differences from translation of foreign operations' Financial Statements		
<u>2022</u>									
Balance on January 1, 2022		\$ 304,710	\$ 358,548	\$ 1,458	\$ 19,217	\$ 159,783	\$ 219	\$ -	\$ 843,935
Net profit for current term		-	-	-	-	45,704	-	-	45,704
Other comprehensive income in the current period	VI(XV)	-	-	-	-	-	3,402	-	3,402
Total Amount of Comprehensive Income for current period		-	-	-	-	45,704	3,402	-	49,106
2021 Appropriation and Distribution of Earnings	VI(XIV)								
Legal Reserve		-	-	-	3,294	(3,294)	-	-	-
Cash dividends		-	-	-	-	(15,236)	-	-	(15,236)
Balance as of December 31, 2022		\$ 304,710	\$ 358,548	\$ 1,458	\$ 22,511	\$ 186,957	\$ 3,621	\$ -	\$ 877,805
<u>2023 (After restated)</u>									
Balance as of January 1, 2023		\$ 304,710	\$ 358,548	\$ 1,458	\$ 22,511	\$ 186,957	\$ 3,621	\$ -	\$ 877,805
Net losses for current term		-	-	-	-	(11,305)	-	-	(11,305)
Other comprehensive income in the current period	VI(XV)	-	-	-	-	-	(3,276)	-	(3,276)
Total Amount of Comprehensive Income for current period		-	-	-	-	(11,305)	(3,276)	-	(14,581)
2022 Appropriation and Distribution of Earnings	VI(XIV)								
Legal Reserve		-	-	-	4,570	(4,570)	-	-	-
Cash dividends		-	-	-	-	(21,128)	-	-	(21,128)
Repurchase of treasury stock	VI(XII)	-	-	-	-	-	-	(14,153)	(14,153)
Balance as of December 31, 2023		\$ 304,710	\$ 358,548	\$ 1,458	\$ 27,081	\$ 149,954	\$ 345	(\$ 14,153)	\$ 827,943

The enclosed notes to the parent company only statements are an integral part of this parent company only financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke




A Plus Biotechnology Co., Ltd.
Parent Company Only Statement of Cash Flow
January 1 to December 31, 2023 and 2022

Unit: NT\$ thousand

	Notes	(After restatement) 2023	2022
<u>Cash flows from operating activities</u>			
Net profit before tax for the period		\$ 1,352	\$ 68,112
Adjustments			
Income and expenses			
Unrealized profit on inter-affiliate accounts	VI(V)	7,146	11,233
Realized profit on inter-affiliate accounts	VI(V))	(11,233)	(16,933)
Expected profit from credit impairment	VI(XXII)	-	(148)
Depreciation expenses	VI(VI)(VII)(XXII)	16,889	14,669
Amortization expenses	VI(VIII)(XXII)	3,924	3,814
Lease modification loss	VI(XX)	-	17
Share of profit or loss of associates and joint ventures under equity method	VI(V)	(5,427)	43,909
Impairment loss	VI(V)(XX)	164,464	-
Interest income	VI(XVIII)	(1,518)	(539)
Interest expenditure	VI(XXI)	2,413	2,531
Changes in operating assets/ liabilities			
Net changes in assets related to operating activities			
Notes receivable		31	(15)
Accounts receivable		(6,875)	(30,456)
Accounts receivable – related parties		30,804	(2,229)
Inventory		12,986	14,559
Prepayments		2,944	(8,501)
Other current assets		614	(196)
Net changes in liabilities related to operating activities			
Contract liabilities – current		232	-
Notes payable		(108)	(344)
Accounts payable		(10,481)	32
Other payables		1,140	(1,513)
Other current liabilities - others		72	(261)
Cash inflow from operating activities		209,369	97,741
Interest received		1,518	539
Interest paid		(2,402)	(2,517)
Income tax refund		957	-
Income tax paid		(33,116)	(12,972)
Net cash inflow from operating activities		176,326	82,791

(continued)


A Plus Biotechnology Co., Ltd.
Parent Company Only Statement of Cash Flow
January 1 to December 31, 2023 and 2022

Unit: NT\$ thousand

		(After restatement)	
	Notes	2023	2022
<u>Cash flow from investing activities</u>			
Acquisition of property, plant, and equipment	VI(XXVI)	(\$ 8,477)	(\$ 32,874)
Acquisition of intangible assets	VI(VIII)	(425)	(1,647)
Increase in prepayments for equipment		(707)	(2,170)
Decrease in refundable deposits		4,843	6,321
Net cash outflow from investing activities		(4,766)	(30,370)
<u>Cash flow from financing activities</u>			
Decrease in short-term loans	VI(XXVII)	-	(37,800)
Repayments of long-term borrowings	VI(XXVII)	(25,663)	(37,082)
Lease principal repayment	VI(XXVII)	(4,341)	(4,671)
Payment of cash dividends	VI(XIV)	(21,128)	(15,236)
Cost of repurchasing treasury stock	VI(XII)	(14,153)	-
Net cash outflow from financing activities		(65,285)	(94,789)
Increase (decrease) in cash and cash equivalents in the current period		106,275	(42,368)
Cash and cash equivalents balance – beginning of period		140,517	182,885
Cash and cash equivalents balance – end of period		\$ 246,792	\$ 140,517

The enclosed notes to the parent company only statements are an integral part of this parent company only financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke




A Plus Biotechnology Co., Ltd.
2023 Earnings Distribution Table (Restatement)

Attachment VII

Unit: NT\$

Items	Amount	Remark
Undistributed earnings at the beginning of the period	161,258,974	(Note)
Add: Net loss after tax for 2023	(11,304,965)	
Less: Provision for legal reserve of 10%	(3,115,937)	
Distributable earnings available for the current period	146,838,072	
Distribution Item		
Common Stock Cash Dividend (NT\$0.92911364 per share)	(28,043,437)	
Unappropriated Retained Earnings	118,794,635	

Notes:

- (1) The Company's paid-in capital is NT\$304,710,000, with 30,471,000 shares issued, 288,000 treasury stocks repurchased, and 30,183,000 shares outstanding.
- (2) If the number of outstanding shares is affected by the repurchase of the Company's shares, transfer of treasury stocks, subscription of employee stock options, or subscription of common stock, and the dividend rate of shareholders is changed accordingly, or if the Regulator determines that it is necessary to change the dividend rate of shareholders, the Chairperson is proposed to handle the change of dividend rate of shareholders.
- (3) Source of earnings distribution: NT\$28,043,437 from the Company's opening retained earnings.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke



Attachment VIII

Independent Auditors' Report

(114)Cai-Shen-Bao-Zi No.24003820

To A Plus Biotechnology Co., Ltd.:

Audit opinion

We have audited the accompanying consolidated balance sheets of A Plus Biotechnology Co., Ltd. and its Subsidiaries (collectively, the “Group”) as of December 31, 2024 and 2023, the related Consolidated Statements of comprehensive income, changes in equity and cash flows for the three months then ended, and the related notes to the Consolidated Financial Statements including material accounting policy information (collectively referred to as the “Consolidated Financial Statements”).

In our opinion, the said Consolidated Financial Statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and the statements of interpretation approved and released by the Financial Supervisory Commission, and thus presented fairly, in all material aspects, the consolidated financial position of A Plus Biotechnology Co., Ltd. and its subsidiaries as of December 31, 2024 and 2023, and the consolidated financial performance and cash flow for the period from January 1 to December 31, 2024 and 2023.

Basis of audit opinion

We concluded our audits in accordance with the Regulations Governing Auditing and Attestation Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We were independent of A Plus Biotechnology Co., Ltd. and its subsidiaries in accordance with the Norms of Professional Ethics for Certified Public Accountants and fulfilled all other responsibilities thereunder. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters refer to, based on our professional judgment, the most important matters for auditing the 2024 Consolidated Financial Statements of A Plus Biotechnology Co., Ltd. and its subsidiaries. These matters were addressed in the content of our Audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide separate opinions on those matters.

Key audit matters of the 2024 Consolidated Financial Statements of A Plus Biotechnology Co., Ltd. and its subsidiaries are as follows:

~43~

Valuation of allowance for inventory valuation loss

Description

For the accounting policies relating to inventories, please refer to Note IV(XII) of the Consolidated Financial Statements. For significant accounting estimates and assumptions, please refer to Note V(II). For details of the inventory and allowance for decline in value, please refer to Note VI(IV).

The products of A Plus Biotechnology Co., Ltd. and its subsidiaries primarily comprise bone graft materials and other medical devices. As these medical devices are produced in small quantities and in a wide variety, and given the rapid pace of technological advancements in the medical industry—which may result in slower-than-expected turnover—together with price volatility driven by government policy, the risk of inventory impairment and obsolescence is relatively high. A Plus Biotechnology Co., Ltd. and its subsidiaries' inventories are measured at the lower of cost and net realizable value. For inventories exceeding a specific aging threshold or individually identified as obsolete, net realizable value is determined based on historical experience of inventory turnover.

Because the determination of net realizable value for obsolete inventories involves significant management judgment and is subject to uncertainty, and given that inventories and their related allowance for decline in value have a material impact on the Financial Statements, we have determined that the evaluation of the allowance for decline in value of inventories is one of the key audit matters for the current year.

The corresponding audit procedures:

The principal audit procedures we performed in relation to the above key audit matter are summarized as follows:

1. Assessed the reasonableness and consistency of the Company's policy and procedures for recording the allowance for inventory valuation losses, taking into account the characteristics of the industry.
2. Obtained an understanding of the Company's warehouse management processes, reviewed its annual stocktaking plan, and participated in the year-end physical inventory count to evaluate the effectiveness of management's identification and control of obsolete inventories.
3. Verified the accuracy of the aging reports used for identifying obsolete inventories, including confirming that inventory movements were recorded in the appropriate aging categories, and obtained supporting documentation for management's assessment of obsolete products to confirm the reasonableness of the related allowance.
4. Reviewed the appropriateness of the basis used to estimate net realizable value, including sampling to verify the accuracy of sales and purchase prices, and recalculated the

allowance for inventory valuation losses to assess its reasonableness.

Other Matters – Parent Company Only Financial Statements

A Plus Biotechnology Co., Ltd. has also prepared parent company only Financial Statements for the years ended December 31, 2024 and 2023, on which we have issued unqualified audit opinions. These Financial Statements have been provided for reference purposes.

Responsibilities of Management and Those in Charge with Governance of the Consolidated Financial Statements

The management was responsible for preparation of the Consolidated Financial Statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and the statements of interpretation approved and released by the Financial Supervisory Commission and maintaining the necessary internal control related to preparation of the Consolidated Financial Statements to ensure that the Consolidated Financial Statements were free of material misstatement due to fraud or errors.

During preparation of the Consolidated Financial Statements, the management was also responsible for evaluating A Plus Biotechnology Co., Ltd. and its subsidiaries' ability to continue as a going concern, disclosure of relevant matters and application of the going concern basis of accounting unless the management intended to make A Plus Biotechnology Co., Ltd. and its subsidiaries enter into liquidation or terminate its operations, or there was no other actual and feasible solutions other than liquidation or termination of its operations.

Those charged with governance (including number of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
7. Evaluate the overall presentation, structure, and content of the consolidated statements, including related notes, whether the consolidated statements represent the underlying transactions and events in a matter that achieves fair presentation.
8. We acquired sufficient and appropriate audit evidence of the financial information of the entities comprising the Group to provide opinions towards the consolidated financial statements. We were responsible for instruction, supervision and conduct of the Group's audit cases, as well as the expression of the audit opinions for the Group.

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

From the matters communicated with those charged with governance, we determine the key audit matters for the Audit of the Group's 2024 Consolidated Financial Statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

PricewaterhouseCoopers Taiwan

Huang, Chin-Lien

CPA

Hsu, Ming-Chuan

Approval No. from the Financial Supervisory Commission:
Jin-Guan-Zheng-Shen-Zi No. 1100348083
Jin-Guan-Zheng-Shen-Zi No. 1050029449

February 13, 2025


A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousand

Assets		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current assets						
1100	Cash and Cash Equivalents	VI(I)	\$ 360,968	31	\$ 319,066	30
1136	Financial assets at	VI(I) (II), VIII and IX				
	amortized cost - current		31,000	3	1,000	-
1150	Net notes receivable	VI(III)	5,569	-	-	-
1170	Net accounts receivable	VI(III)	178,965	15	141,623	13
1180	Net accounts receivable –	VI(III) and VII				
	related parties		-	-	42	-
1200	Other receivables		-	-	22	-
1220	Current tax assets		-	-	2,086	-
130X	Inventory	VI(IV)	286,939	24	283,761	27
1410	Prepayments		29,255	3	17,487	2
1470	Other current assets	VIII	4,153	-	4,488	-
11XX	Total current assets		896,849	76	769,575	72
Non-current assets						
1600	Property, plant, and	VI(V) and VIII				
	equipment		237,096	20	244,604	23
1755	Right-of-use assets	VI(VI)	14,818	1	14,413	1
1780	Intangible assets	VI(VII)	6,506	1	8,241	1
1840	Deferred tax assets	VI(XXV)	12,661	1	31,235	3
1900	Other non-current assets	VIII	9,384	1	3,255	-
15XX	Total non-current assets		280,465	24	301,748	28
1XXX	Total assets		\$ 1,177,314	100	\$ 1,071,323	100

(continued)


A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousand

Liabilities and equity		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current liabilities						
2130	Contract liabilities – current	VI(XVII)	\$ 914	-	\$ 1,487	-
2150	Notes payable		5	-	100	-
2170	Accounts payable		39,396	3	28,804	3
2200	Other payables	VI(VIII))	83,995	7	60,195	5
2230	Current tax liabilities		2,954	-	19,561	2
2280	Lease liabilities - current	VI(VI)	8,070	1	8,641	1
2320	Long-term liabilities due within one year or one operating cycle	VI(X), VII and VIII	4,721	1	4,775	-
2399	Other current liabilities - others	VI(IX)	23,254	2	19,265	2
21XX	Total current liabilities		163,309	14	142,828	13
Non-current liabilities						
2540	Long-term loan	VI(X), VII and VIII	87,199	7	93,830	9
2550	Liability reserve - non-current		936	-	934	-
2570	Deferred tax liabilities	VI(XXV)	8	-	-	-
2580	Lease liabilities - non-current	VI(VI)	6,817	1	5,788	1
25XX	Total non-current liabilities		94,960	8	100,552	10
2XXX	Total liabilities		258,269	22	243,380	23
Equity						
Equity attributable to owners of the parent company						
	Capital Stock	VI(XIII)				
3110	Capital stock - common shares		304,710	26	304,710	28
	Capital Surplus	VI(XIV)				
3200	Capital Surplus		307,679	26	360,006	33
	Retained earnings	VI(XV)				
3310	Legal reserve		30,197	2	27,081	3
3350	Unappropriated earnings		269,851	23	149,954	14
	Other Equity Interest	VI(XVI)				
3400	Other Equity Interest		6,608	1	345	-
3500	Treasury stock	VI(XIII)	-	-	(14,153)	(1)
3XXX	Total equity		919,045	78	827,943	77
	Significant contingent liabilities and unrecognized contractual commitments	IX				
	Significant Subsequent Events	XI				
3X2X	Total liabilities and equity		\$ 1,177,314	100	\$ 1,071,323	100

The enclosed notes to the consolidated financial statements are an integral part of this consolidated financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke




A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

(except earnings (losses) per share expressed in NTD)

	Items	Notes	2024		2023	
			Amount	%	Amount	%
4000	Operating revenue	VI(XVII) and VII	\$ 769,591	100	\$ 675,047	100
5000	Operating cost	VI(IV) (XVIII) (XXIII)(XXIV)	(234,813)	(30)	(214,373)	(32)
5950	Operating gross profit		534,778	70	460,674	68
	Operating expenses	VI (XXIII)(XXIV) and VII				
6100	Selling expenses		(173,549)	(23)	(136,698)	(20)
6200	Administrative expense		(125,604)	(16)	(96,732)	(14)
6300	R&D expenses		(53,344)	(7)	(59,538)	(9)
6450	Expected profit (loss) from credit impairment	XII(II)	178	-	(166)	-
6000	Total operating expenses		(352,319)	(46)	(293,134)	(43)
6900	Operating profit		182,459	24	167,540	25
	Non-operating income and expenses					
7100	Interest income	VI(XIX)	2,265	-	1,710	-
7010	Other revenue	VI(XX)	4,074	-	881	-
7020	Other profits and losses	VI(XXI)	948	-	(164,388)	(24)
7050	Financial costs	VI(XXII)	(2,190)	-	(2,705)	(1)
7000	Total non-operating income and expenses		5,097	-	(164,502)	(25)
7900	Net profit before tax		187,556	24	3,038	-
7950	Income tax expense	VI(XXV)	(36,500)	(5)	(14,343)	(2)
8200	Net profits (losses) for current term		\$ 151,056	19	(\$ 11,305)	(2)
	Other comprehensive income					
	Titles that could be reclassified as profit (loss) accounts in the future					
8361	Exchange differences from translation of foreign operations' Financial Statements	VI(XVI)	\$ 6,263	1	(\$ 3,276)	-
8300	Other comprehensive income (net)		\$ 6,263	1	(\$ 3,276)	-
8500	Total Amount of Comprehensive Income for current period		\$ 157,319	20	(\$ 14,581)	(2)
	Net profit attributable to:					
8610	Shareholders of the parent company		\$ 151,056	19	(\$ 11,305)	(2)
	Total comprehensive income attributable to:					
8710	Shareholders of the parent company		\$ 157,319	20	(\$ 14,581)	(2)
	(Losses) earnings per share	VI(XXVI)				
9750	Basic (losses) earnings per share		\$ 4.99		(\$ 0.37)	
9850	Diluted (losses) earnings per share		\$ 4.97		(\$ 0.37)	

The enclosed notes to the consolidated financial statements are an integral part of this consolidated financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke




A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

Notes	Equity attributable to owners of the parent company									
	Capital surplus					Retained earnings				
	Capital stock - common shares	Share premium from issuance	Capital surplus - Treasury stock transfer	Difference between the actual acquisition or disposal price and the carrying amount of subsidiary	Capital surplus - Employee stock option	Legal Reserve	Unappropriated earnings	Exchange differences from translation of foreign operations' financial statements	Treasury stock	Total
2023										
Balance as of January 1, 2023	\$ 304,710	\$ 358,548	\$ -	\$ 1,458	\$ -	\$ 22,511	\$ 186,957	\$ 3,621	\$ -	\$ 877,805
Net losses for current term	-	-	-	-	-	-	(11,305)	-	-	(11,305)
Other comprehensive income in the current period VI(XVI)	-	-	-	-	-	-	-	(3,276)	-	(3,276)
Total combined gains or losses for the current term	-	-	-	-	-	-	(11,305)	(3,276)	-	(14,581)
2022 Appropriation and Distribution VI(XV) of Earnings										
Legal Reserve	-	-	-	-	-	4,570	(4,570)	-	-	-
Cash dividends	-	-	-	-	-	-	(21,128)	-	-	(21,128)
Repurchase of treasury stock VI(XIII)	-	-	-	-	-	-	-	-	(14,153)	(14,153)
Balance as of December 31, 2023	\$ 304,710	\$ 358,548	\$ -	\$ 1,458	\$ -	\$ 27,081	\$ 149,954	\$ 345	(\$ 14,153)	\$ 827,943
2024										
Balance on January 1, 2024	\$ 304,710	\$ 358,548	\$ -	\$ 1,458	\$ -	\$ 27,081	\$ 149,954	\$ 345	(\$ 14,153)	\$ 827,943
Net profits for current term	-	-	-	-	-	-	151,056	-	-	151,056
Other comprehensive income in the current period VI(XVI)	-	-	-	-	-	-	-	6,263	-	6,263
Total Amount of Comprehensive Income for current period	-	-	-	-	-	-	151,056	6,263	-	157,319
2023 Appropriation and Distribution VI(XV) of Earnings										
Legal Reserve	-	-	-	-	-	3,116	(3,116)	-	-	-
Cash dividends	-	-	-	-	-	-	(28,043)	-	-	(28,043)
Distribution of cash dividends from capital surplus VI(XIV)(XV)	-	(53,451)	-	-	-	-	-	-	-	(53,451)
Repurchase of treasury stock VI(XIII)	-	-	-	-	-	-	-	-	(16,250)	(16,250)
Share-based payment VI(XII)(XIII)(XIV)	-	-	-	-	1,203	-	-	-	-	1,203
Employee share option exercise VI(XIII)(XIV)	-	-	1,124	-	(1,203)	-	-	-	30,403	30,324
Balance as of December 31, 2024	\$ 304,710	\$ 305,097	\$ 1,124	\$ 1,458	\$ -	\$ 30,197	\$ 269,851	\$ 6,608	\$ -	\$ 919,045

The enclosed notes to the consolidated financial statements are an integral part of this consolidated financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke




A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

	Notes	2024	2023
<u>Cash flows from operating activities</u>			
Net profit before tax for the period		\$ 187,556	\$ 3,038
Adjustments			
Income and expenses			
Expected (profit) loss from credit impairment	VI(XXIII)	(178)	166
Depreciation expense	VI(V)(XXIII)	23,623	22,456
Amortization expenses	VI(VI)(XXIII)	3,074	3,924
Loss on disposal of property, plant, and equipment	VI(XXI)	12	-
Property, Plant and Equipment reclassified as Overheads	VI(V)	804	-
Employee remuneration cost	VI(XII)		
	(XXIV)	1,203	-
Interest income	VI(XIX)	(2,265)	(1,710)
Interest expenditure	VI(XXII)	3,188	2,705
Goodwill impairment loss	VI(VI)(XXI)	-	164,464
Changes in operating assets/ liabilities			
Net changes in assets related to operating activities			
Notes receivable	(	5,569)	1,555
Accounts receivable	(	36,756)	2,853
Accounts receivable – related parties		42	(25)
Other receivables		22	-
Inventory	(	3,818)	9,268
Prepayments	(	11,736)	6,509
Other current assets	(	98)	966
Other non-current assets		2,460	-
Net changes in liabilities related to operating activities			
Contract liabilities – current	(	617)	(5,215)
Notes payable	(	95)	(108)
Accounts payable		10,593	(10,481)
Other payables		23,503	(7,910)
Other current liabilities		71	390
Cash inflow from operating activities		195,019	192,845
Interest received		2,265	1,710
Interest paid	(	3,188)	(2,694)
Income tax refund		2,086	957
Income tax paid	(	35,226)	(33,714)
Net cash inflow from operating activities		160,956	159,104

(continued)

A Plus Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

	Notes	2024	2023
<u>Cash flows from investing activities</u>			
Acquisition of financial assets at amortized cost		(\$ 30,000)	\$ -
Acquisition of property, plant, and equipment	VI(XXVII)	(7,370)	(8,633)
Acquisition of intangible assets	VI(VII)	(265)	(425)
Increase in prepayments for equipment		(1,500)	(747)
Decrease in refundable deposits		90	4,956
Net cash outflow from investing activities		(39,045)	(4,849)
<u>Cash flow from financing activities</u>			
Exchange rate impact	VI(XXVIII)	3,255	1,272
Repayments of long-term borrowings	VI(XXVIII)	(6,685)	(25,663)
Lease principal repayment	VI(XXVIII)	(9,639)	(9,507)
Payment of cash dividends	VI(XV)	(81,494)	(21,128)
Cost of repurchasing treasury stock	VI(XIII)	(16,250)	(14,153)
Employee share option exercise	VI(XIII)	30,324	-
Net cash outflow from financing activities		(80,489)	(69,179)
Exchange rate impact		480	(3,697)
Increase in cash and cash equivalents in the current period		41,902	81,379
Cash and cash equivalents balance – beginning of period		319,066	237,687
Cash and cash equivalents balance – end of period		\$ 360,968	\$ 319,066

The enclosed notes to the consolidated financial statements are an integral part of this consolidated financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke





Independent Auditors' Report

(114)Cai-Shen-Bao-Zi No.24003744

To A Plus Biotechnology Co., Ltd.:

Audit opinion

We have audited the parent company only balance sheets of A Plus Biotechnology Co., Ltd. (the "Company") as of December 31, 2024 and 2023, and the related Parent Company Only Statements of comprehensive income, changes in equity, and cash flows for the years then ended, as well as the notes to the Parent Company Only Financial Statements (including a summary of significant accounting policies).

In our opinion, the accompanying Parent Company Only Financial Statements present fairly, in all material respects, the financial position of A Plus Biotechnology Co., Ltd. as of December 31, 2024 and 2023, and its financial performance and cash flows for the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis of audit opinion

We concluded our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under such standards are further described in the "CPA's responsibility for the audit of Parent Company Only Financial Statements" section in this report. We were independent of A Plus Biotechnology Co., Ltd. in accordance with the Norms of Professional Ethics for Certified Public Accountants and fulfilled all other responsibilities thereunder. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters refer to, based on our professional judgment, the most important matters for auditing the 2024 Parent Company Only Financial Statements of A Plus Biotechnology Co., Ltd. Such matters were addressed during the overall audit of the Parent Company Only Financial statements and the process of forming the audit opinions, and thus we did not provide opinions separately towards such matters.

Key audit matters of the 2024 Parent Company Only Financial Statements of A Plus Biotechnology Co., Ltd. are as follows:

Valuation of allowance for inventory valuation loss

Description

For the accounting policies relating to inventories, please refer to Note IV(XI) of the

Parent Company Only Financial Statements. For significant accounting estimates and assumptions, please refer to Note V(II). For details of the inventory and allowance for decline in value, please refer to Note VI(IV).

The products of A Plus Biotechnology Co., Ltd. primarily comprise bone graft materials and other medical devices. As these medical devices are produced in small quantities and in a wide variety, and given the rapid pace of technological advancements in the medical industry—which may result in slower-than-expected turnover—together with price volatility driven by government policy, the risk of inventory impairment and obsolescence is relatively high. Inventories are measured at the lower of cost and net realizable value. For inventories exceeding a specific aging threshold or individually identified as obsolete, net realizable value is determined based on historical experience of inventory turnover. The above matters also exist in the indirect wholly-owned Subsidiary, A Plus (Shanghai) Trading Co., Ltd.

Because the determination of the net realizable value of obsolete and outdated inventories by A Plus Biotechnology Co., Ltd. and its subsidiaries (investments accounted for using the equity method) often involves significant subjective judgment and uncertainty, and considering that inventories and their related allowance for write-downs have a material impact on the Financial Statements, we have identified the assessment of the allowance for inventory write-downs as one of the key audit matters for the current year.

The corresponding audit procedures:

The principal audit procedures we performed in relation to the above key audit matter are summarized as follows:

1. Assessed the reasonableness and consistency of the Company's policy and procedures for recording the allowance for inventory valuation losses, taking into account the characteristics of the industry.
2. Obtained an understanding of the Company's warehouse management processes, reviewed its annual stocktaking plan, and participated in the year-end physical inventory count to evaluate the effectiveness of management's identification and control of obsolete inventories.
3. Verified the accuracy of the aging reports used for identifying obsolete inventories, including confirming that inventory movements were recorded in the appropriate aging categories, and obtained supporting documentation for management's assessment of obsolete products to confirm the reasonableness of the related allowance.

4. Reviewed the appropriateness of the basis used to estimate net realizable value, including sampling to verify the accuracy of sales and purchase prices, and recalculated the allowance for inventory valuation losses to assess its reasonableness.

Responsibility of the management and governance unit for the Parent Company Only Financial Statements

The management was responsible for preparation of the Parent Company Only Financial Statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and maintaining the necessary internal control related to the preparation of the Parent Company Only Financial Statements to ensure that the Parent Company Only Financial Statements were free of material misstatements due to fraud or errors.

During preparation of the Parent Company Only Financial Statements, the management was also responsible for evaluating A Plus Biotechnology Co., Ltd.'s ability to continue as a going concern, disclosure of relevant matters and application of the going concern basis of accounting unless the management intended to make A Plus Biotechnology Co., Ltd. enter into liquidation or terminate its operations, or there was no other actual and feasible solutions other than liquidation or termination of its operations.

Those charged with governance (including number of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

CPA's responsibility for the audit of the financial statements

We audited the Parent Company Only Financial Statements for the purpose of obtaining reasonable assurance about whether the Parent Company Only Financial Statements were free of material misstatements due to fraud or errors and issuing an audit report. Reasonable assurance is a high level of assurance, but is not a guarantee that and audit conducted in accordance with the accounting principles will always detect a material misstatement in the Parent Company Only Financial Statements when it exists. Misstatements can arise from fraud or error. If an individual or total amount misstated was reasonably expected to have a impact on the economic decision-making of users of the Parent Company Only Financial Statements, the misstatements were deemed as material.

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

1. We identified and evaluated the risk of any misstatements in the Parent Company Only Financial Statements due to fraud or errors, designed and implemented applicable response measures for the evaluated risks, and acquired sufficient and

appropriate audit evidence to base our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

2. We understood the internal control related to the audit to an extent necessary to design audit procedures applicable to the current circumstance; however, the purpose of such work was not to express opinions towards the internal control effectiveness of A Plus Biotechnology Co., Ltd.
3. Evaluate the appropriateness of accounting policies used and the reasonability of accounting estimates and related disclosures made by the management.
4. Conclude the appropriateness of the management's adoption of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on A Plus Biotechnology Co., Ltd.'s ability to continue as a going concern. If any material uncertainty was deemed to exist in such event or circumstance, we must provide a reminder in the Parent Company Only Financial Statements for the users to pay attention to relevant disclosure therein, or amend our audit opinions when such disclosure was inappropriate. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or circumstances might result in a situation where A Plus Biotechnology Co., Ltd.'s would no longer have the ability of going concern.
5. We evaluated the overall presentation, structure and contents of the Parent Company Only Financial Statements (including relevant notes), and whether the Parent Company Only Financial Statements presented relevant transactions and events fairly.
6. We acquired sufficient and appropriate audit evidence with respect to the financial information of the entities comprising A Plus Biotechnology Co., Ltd. to provide opinions towards the Parent Company Only Financial Statements. We are responsible for the direction, supervision and execution of individual audit engagements, and for forming an audit opinion on the Parent Company Only Financial Statements.

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

From the matters communicated with those charged with governance, we determine



the key audit matters for the audit of the Company's 2024 Parent Company Only Financial Statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

PricewaterhouseCoopers Taiwan

Huang, Chin-Lien

CPA

Hsu, Ming-Chuan

Approval No. from the Financial Supervisory Commission:

Jin-Guan-Zheng-Shen-Zi No. 1100348083

Jin-Guan-Zheng-Shen-Zi No. 1050029449

February 13, 2025


A Plus Biotechnology Co., Ltd.
Parent Company Only Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousand

Assets		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current assets						
1100	Cash and Cash Equivalents	VI(I)	\$ 277,643	25	\$ 246,792	24
1136	Financial assets at	VI(I) (II), VIII and IX				
	amortized cost - current		31,000	3	1,000	-
1150	Net notes receivable	VI(III)	5,569	-	-	-
1170	Net accounts receivable	VI(III)	156,932	14	129,957	13
1180	Net accounts receivable –	VI(III) and VII				
	related parties		25,049	2	23,723	2
1220	Current tax assets		-	-	2,086	-
130X	Inventory	VI(IV)	156,347	14	143,270	14
1410	Prepayments		26,473	2	16,591	2
1470	Other current assets	VIII	4,153	-	4,488	-
11XX	Total current assets		683,166	60	567,907	55
Non-current assets						
1550	Investment under Equity	VI(V)				
	Method		180,093	16	170,341	16
1600	Property, plant, and	VI(VI) and VIII				
	equipment		236,866	21	244,389	24
1755	Right-of-use assets	VI(VII)	6,577	1	9,240	1
1780	Intangible assets	VI(VIII)	6,506	-	8,241	1
1840	Deferred tax assets	VI(XXV)	12,661	1	31,235	3
1900	Other non-current assets	VIII	7,247	1	1,176	-
15XX	Total non-current assets		449,950	40	464,622	45
1XXX	Total assets		\$ 1,133,116	100	\$ 1,032,529	100

(continued)


A Plus Biotechnology Co., Ltd.
Parent Company Only Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousand

Liabilities and equity		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current liabilities						
2130	Contract liabilities – current	VI(XVII)	\$ 166	-	\$ 232	-
2150	Notes payable		5	-	100	-
2170	Accounts payable		39,396	4	28,804	3
2200	Other payables	VI(IX)	69,097	6	47,839	5
2220	Other payables - related parties	VII	2,897	-	-	-
2230	Current tax liabilities		2,384	-	18,499	2
2280	Lease liabilities - current	VI(VII)	3,781	-	3,539	-
2320	Long-term liabilities due within one year or one operating cycle	VI(X), VII and VIII	4,721	1	4,775	-
2399	Other current liabilities - others		621	-	316	-
21XX	Total current liabilities		123,068	11	104,104	10
Non-current liabilities						
2540	Long-term loan	VI(X), VII and VIII	87,199	8	93,830	9
2550	Liability reserve - non-current		936	-	934	-
2570	Deferred tax liabilities	VI(XXV)	8	-	-	-
2580	Lease liabilities - non-current	VI(VII)	2,860	-	5,718	1
25XX	Total non-current liabilities		91,003	8	100,482	10
2XXX	Total liabilities		214,071	19	204,586	20
Equity						
Capital Stock		VI(XIII)				
3110	Capital stock - common shares		304,710	27	304,710	29
Capital surplus		VI(XIV)				
3200	Capital surplus		307,679	27	360,006	35
Retained earnings		VI(XV)				
3310	Legal reserve		30,197	3	27,081	3
3350	Unappropriated earnings		269,851	24	149,954	14
Other Equity Interest		VI(XVI)				
3400	Other Equity Interest		6,608	-	345	-
3500	Treasury stock	VI(XIII)	-	-	(14,153)	(1)
3XXX	Total equity		919,045	81	827,943	80
Significant contingent liabilities and unrecognized contractual commitments		IX				
Significant Subsequent Events		XI				
3X2X	Total liabilities and equity		\$ 1,133,116	100	\$ 1,032,529	100

The enclosed notes to the parent company only statements are an integral part of this parent company only financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke



A Plus Biotechnology Co., Ltd.
Parent Company Only Statement of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

(except earnings (losses) per share expressed in NTD)

	Items	Notes	2024		2023	
			Amount	%	Amount	%
4000	Operating revenue	VI(XVII) and VII	\$ 668,495	100	\$ 595,904	100
5000	Operating cost	VI(IV)(XVII)(XXIII) (XXIV)	(213,620)	(32)	(210,026)	(36)
5900	Gross profit		454,875	68	385,878	64
5910	Unrealized gains on sales	VI(V)	(9,396)	(1)	(7,146)	(1)
5920	Realized gains on sales	VI(V)	7,146	1	11,233	2
5950	Operating gross profit		452,625	68	389,965	65
	Operating expenses	VI(VIII) (XXIII)(XXIV) and VII				
6100	Selling expenses		(126,506)	(19)	(107,567)	(18)
6200	Administrative expense		(94,058)	(14)	(61,869)	(10)
6300	R&D expenses		(53,345)	(8)	(59,538)	(10)
6000	Total operating expenses		(273,909)	(41)	(228,974)	(38)
6900	Operating profit		178,716	27	160,991	27
	Non-operating income and expenses					
7100	Interest income	VI(XIX)	2,126	-	1,518	-
7010	Other revenue	VI(XX)	1,413	-	265	-
7020	Other profits and losses	VI(V) (XXI)	960	-	(164,436)	(28)
7050	Financial costs	VI(XXII)	(2,094)	-	(2,413)	-
7070	Share of profit or loss of subsidiaries, associates and joint ventures under equity method	VI(V)	5,739	1	5,427	1
7000	Total non-operating income and expenses		8,144	1	(159,639)	(27)
7900	Net profit before tax		186,860	28	1,352	-
7950	Income tax expense	VI(XXV)	(35,804)	(5)	(12,657)	(2)
8200	Net (losses) profits for current term		<u>\$ 151,056</u>	<u>23</u>	<u>(\$ 11,305)</u>	<u>(2)</u>
	Other comprehensive income					
	Titles that could be reclassified as profit (loss) accounts in the future					
8361	Exchange differences from translation of foreign operations' Financial Statements	6(16)	\$ 6,263	1	(\$ 3,276)	-
8300	Other comprehensive income (net)		<u>\$ 6,263</u>	<u>1</u>	<u>(\$ 3,276)</u>	<u>-</u>
8500	Total Amount of Comprehensive Income for current period		<u>\$ 157,319</u>	<u>24</u>	<u>(\$ 14,581)</u>	<u>(2)</u>
	(Losses) earnings per share	VI(XXVI)				
9750	Basic (losses) earnings per share		<u>\$ 4.99</u>		<u>(\$ 0.37)</u>	
9850	Diluted (losses) earnings per share		<u>\$ 4.97</u>		<u>(\$ 0.37)</u>	

The enclosed notes to the parent company only statements are an integral part of this parent company only financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke




 A Plus Biotechnology Co., Ltd.
 Parent Company Only Statement of Changes in Equity
 January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

	Notes	Capital surplus				Retained earnings		Exchange differences from translation of foreign operations' financial statements	Treasury stock	Total
		Capital stock - common shares	Capital surplus - issuance premium	Capital surplus - Treasury stock transfer	Capital surplus - Difference between the actual acquisition or disposal price and the carrying amount of subsidiary	Capital surplus - Employee stock option	Legal reserve	Unappropriated earnings		
<u>2023</u>										
Balance as of January 1, 2023		\$ 304,710	\$ 358,548	\$ -	\$ 1,458	\$ -	\$ 22,511	\$ 186,957	\$ 3,621	\$ 877,805
Net losses for current term		-	-	-	-	-	-	(11,305)	-	(11,305)
Other comprehensive income in the current period	VI(XVI)	-	-	-	-	-	-	-	(3,276)	(3,276)
Total Amount of Comprehensive Income for current period		-	-	-	-	-	-	(11,305)	(3,276)	(14,581)
2022 Appropriation and Distribution of Earnings	VI(XV)									
Legal Reserve		-	-	-	-	-	4,570	(4,570)	-	-
Cash dividends		-	-	-	-	-	-	(21,128)	-	(21,128)
Repurchase of treasury stock	VI(XIII)	-	-	-	-	-	-	-	(14,153)	(14,153)
Balance as of December 31, 2023		\$ 304,710	\$ 358,548	\$ -	\$ 1,458	\$ -	\$ 27,081	\$ 149,954	\$ 345	\$ 827,943
<u>2024</u>										
Balance on January 1, 2024		\$ 304,710	\$ 358,548	\$ -	\$ 1,458	\$ -	\$ 27,081	\$ 149,954	\$ 345	\$ 827,943
Net profits for current term		-	-	-	-	-	-	151,056	-	151,056
Other comprehensive income in the current period	VI(XVI)	-	-	-	-	-	-	-	6,263	6,263
Total Amount of Comprehensive Income for current period		-	-	-	-	-	-	151,056	6,263	157,319
2023 Appropriation and Distribution of Earnings	VI(XV)									
Legal Reserve		-	-	-	-	-	3,116	(3,116)	-	-
Cash dividends		-	-	-	-	-	-	(28,043)	-	(28,043)
Distribution of cash dividends from Capital surplus	VI(XIV)(XV)	-	(53,451)	-	-	-	-	-	-	(53,451)
Repurchase of treasury stock	VI(XIII)	-	-	-	-	-	-	-	(16,250)	(16,250)
Share-based payment	VI(XII)(XIII)(XIV)	-	-	-	-	1,203	-	-	-	1,203
Employee share option exercise	VI(XIII)(XIV)	-	-	1,124	-	(1,203)	-	-	30,403	30,324
Balance as of December 31, 2024		\$ 304,710	\$ 305,097	\$ 1,124	\$ 1,458	\$ -	\$ 30,197	\$ 269,851	\$ 6,608	\$ 919,045

The enclosed notes to the parent company only statements are an integral part of this parent company only financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke




A Plus Biotechnology Co., Ltd.
Parent Company Only Statement of Cash Flow
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

	Notes	2024	2023
<u>Cash flows from operating activities</u>			
Net profit before tax for the period		\$ 186,860	\$ 1,352
Adjustments			
Income and expenses			
Unrealized profit on inter-affiliate accounts	VI(V)	9,396	7,146
Realized profit on inter-affiliate accounts	VI(V)	(7,146)	(11,233)
Depreciation expense	VI(VI)(VII)(XXIII)	18,224	16,889
Amortization expenses	VI(VIII)(XXIII)	3,074	3,924
Property, Plant and Equipment reclassified as Overheads	VI(VI)	804	-
Share-based payment for remuneration cost	VI(XII)	1,203	-
Share of profit or loss of associates and joint ventures under equity method	VI(V)	(5,739)	(5,427)
Impairment loss	VI(V)(XXI)	-	164,464
Interest income	VI(XIX)	(2,126)	(1,518)
Interest expenditure	VI(XXII)	2,094	2,413
Changes in operating assets/ liabilities			
Net changes in assets related to operating activities			
Notes receivable		(5,569)	31
Accounts receivable		(26,975)	(6,875)
Accounts receivable – related parties		(1,326)	30,804
Inventory		(21,327)	12,986
Prepayments		(9,882)	2,944
Other current assets		335	614
Other non-current assets		2,460	-
Net changes in liabilities related to operating activities			
Contract liabilities – current		(66)	232
Notes payable		(95)	(108)
Accounts payable		10,592	(10,481)
Other payables		22,392	1,140
Other payables - Related parties		2,897	-
Other current liabilities - others		305	72
Cash inflow from operating activities		180,385	209,369
Interest received		2,126	1,518
Interest paid		(3,092)	(2,402)
Income tax refund		2,086	957
Income tax paid		(33,337)	(33,116)
Net cash inflow from operating activities		148,168	176,326

(continued)


A Plus Biotechnology Co., Ltd.
Parent Company Only Statement of Cash Flow
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

	Notes	2024	2023
<u>Cash flows from investing activities</u>			
Acquisition of financial assets at amortized cost		(\$ 30,000)	\$ -
Acquisition of property, plant, and equipment	VI(XXVII)	(7,203)	(8,477)
Acquisition of intangible assets	VI(VIII)	(265)	(425)
Increase in prepayments for equipment		(1,500)	(707)
Decrease in refundable deposits		145	4,843
Net cash outflow from investing activities		(38,823)	(4,766)
<u>Cash flow from financing activities</u>			
Repayments of long-term borrowings	VI(XXVIII)	(6,685)	(25,663)
Lease principal repayment	VI(XXVIII)	(4,389)	(4,341)
Payment of cash dividends	VI(XV)	(81,494)	(21,128)
Cost of repurchasing treasury stock	VI(XIII)	(16,250)	(14,153)
Employee share option exercise	VI(XIII)	30,324	-
Net cash outflow from financing activities		(78,494)	(65,285)
Increase in cash and cash equivalents in the current period		30,851	106,275
Cash and cash equivalents balance – beginning of period		246,792	140,517
Cash and cash equivalents balance – end of period		\$ 277,643	\$ 246,792

The enclosed notes to the parent company only statements are an integral part of this parent company only financial report. Please refer to the notes.

Chairperson: Sih-Ming Li



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke



A Plus Biotechnology Co., Ltd.
2024 Earnings Distribution Table

Attachment IX

Unit: NT\$

Items	Amount	Remark
Undistributed earnings at the beginning of the period	118,794,635	(Note)
Add: Net loss after tax for 2024	151,056,181	
Less: Provision for legal reserve of 10%	(15,105,618)	
Distributable earnings available for the current period	254,745,198	
Distribution Item		
Common Stock Cash Dividend (NT\$4 per share)	(121,884,000)	
Unappropriated Retained Earnings	132,861,198	

Notes:

- (1) The Company's paid-in capital is NT\$304,710,000, and the number of shares issued and outstanding is 30,471,000.
- (2) If the number of outstanding shares is affected by the repurchase of the Company's shares, transfer of treasury stocks, subscription of employee stock options, or subscription of common stock, and the dividend rate of shareholders is changed accordingly, or if the Regulator determines that it is necessary to change the dividend rate of shareholders, the Chairperson is proposed to handle the change of dividend rate of shareholders.
- (3) The above-mentioned sources of earnings distribution: NT\$121,884,000 from the Company's 2024 after-tax earnings.

Responsible Person: Sih-Ming Lin



Manager: Hsiang-Wei Lo



Accounting Supervisor: Pei-Jun Ke



A Plus Biotechnology Co., Ltd.

Amendment Comparison Table of the Company's "Articles of Incorporation"

After Amendment	Before Amendment	Description
<p>Article 18</p> <p>If the Company has profits in a fiscal year, not less than <u>2%</u> shall be allocated as employee remuneration <u>(of which not less than 1% shall be distributed to entry-level employees)</u> and no more than 5% as director remuneration. However, if the Company has accumulated losses, such losses shall first be covered. The aforementioned employee compensation may be distributed in cash or stock and may include employees of the Company and employees of its subsidiaries who meet certain criteria.</p> <p><u>The preceding two paragraphs shall be implemented by a special resolution of the Board of Directors and reported to the Shareholders' Meeting.</u></p>	<p>Article 18</p> <p>If the Company records a profit in a given year, no less than 1% shall be allocated as employee compensation and no more than 5% as director remuneration. However, if the Company has accumulated losses, such losses must be covered first. The aforementioned employee compensation may be distributed in cash or stock and may include employees of the Company and employees of its subsidiaries who meet certain criteria. All matters regarding the distribution of employee and director remuneration shall comply with relevant laws and regulations and must be approved by the Board of Directors.</p>	<p>Amended to comply with Paragraph 6, Article 14 of the Securities and Exchange Act</p> <p>Text adjustment</p>
<p>Article 18-1</p> <p>If the Company has earnings in a fiscal year, such earnings shall first be used to pay taxes and to offset accumulated losses. 10% of the remaining earnings shall be set aside as legal reserve, unless the legal reserve has already reached the Company's paid-in capital. A special reserve may also be set aside or reversed in accordance with laws or operational needs. Any remaining earnings, together with undistributed earnings from prior years, shall serve as the basis for distribution proposals. If dividends are to be distributed in the form of new shares, such proposals shall be submitted to the Shareholders' Meeting for approval before distribution. If dividends are to be distributed in cash, the proposal shall be approved by the Board of Directors and then reported to the Shareholders' Meeting.</p> <p><u>The Company's dividend policy shall be based on the overall operating environment and industry characteristics, considering the Company's future financial structure and capital budget, and taking into account profitability, undistributed earnings, and capital surplus, to formulate an appropriate dividend distribution.</u></p> <p>However, the total amount of dividends distributed in the year shall not be less than 5% of the distributable surplus.</p>	<p>Article 18-1</p> <p>If the Company has earnings in a fiscal year, such earnings shall first be used to pay taxes and to offset accumulated losses. Ten percent of the remaining earnings shall be set aside as legal reserve, unless the legal reserve has already reached the Company's paid-in capital. A special reserve may also be set aside or reversed in accordance with laws or operational needs. Any remaining earnings, together with undistributed earnings from prior years, shall serve as the basis for distribution proposals. If dividends are to be distributed in the form of new shares, such proposals shall be submitted to the Shareholders' Meeting for approval before distribution. If dividends are to be distributed in cash, the proposal shall be approved by the Board of Directors and then reported to the Shareholders' Meeting.</p> <p><u>The Company considers its industry characteristics, operational growth, future capital needs, long-term financial planning, and shareholder demand for cash inflow when determining its dividend distribution. Based on annual earnings and after considering overall development, financial planning, funding needs, and industry conditions, dividends may be distributed in the form of cash or stock, subject to Shareholders' Meeting approval.</u></p> <p>However, the total amount of dividends</p>	<p>Dividend policy statement simplified and itemized list adjusted.</p>

A Plus Biotechnology Co., Ltd.

Amendment Comparison Table of the Company's "Articles of Incorporation"

After Amendment	Before Amendment	Description
The proportion of cash dividends shall not be less than 10% of the total dividends distributed in the year.	distributed in the year shall not be less than 5% of the distributable surplus. The proportion of cash dividends shall not be less than 10% of the total dividends distributed in the year.	
<u>Article 19</u> <u>The Company may, in accordance with Article 241 of the Company Act, authorize the Board of Directors, by special resolution, to distribute all or part of the legal reserve and capital surplus in cash and report to the Shareholders' Meeting; or to distribute by issuing new shares, subject to resolution of the Shareholders' Meeting.</u>		Newly added Added based on the Company's operations and capital planning.
Article 20 For business needs, the Company may provide external guarantees. Article 20-1 The Company may make external investments exceeding 40% of its paid-in capital, which shall be executed by the Board of Directors. Article 21 Matters not provided for herein shall be handled in accordance with the Company Act and other relevant laws and regulations.	Article 19 For business needs, the Company may provide external guarantees. Article 19-1 The Company may make external investments exceeding 40% of its paid-in capital, which shall be executed by the Board of Directors. Article 20 Matters not provided for herein shall be handled in accordance with the Company Act and other relevant laws and regulations.	Articles renumbered
Article 22 These Articles of Incorporation were established on August 23, 2009. Amendments from the 1st to the 16th are omitted The seventeenth amendment was made on November 18, 2022. The eighteenth amendment was made on June 27, 2024. <u>The nineteenth amendment was made on June 30, 2025.</u>	Article 21 These Articles of Incorporation were established on August 23, 2009. Amendments from the 1st to the 16th are omitted The seventeenth amendment was made on November 18, 2022. The eighteenth amendment was made on June 27, 2024.	Articles renumbered Amendment dates added.

Directors Candidates List

Name	Ho-Ming Investment Co., Ltd. Representative: Sih-Ming Li	Weikai International Limited Representative: Hsiang-Wei Lo	Jing Hong Capital Co., Ltd. Representative: Yu-Hung Chen	Kai-Hsing Wu
Academic background	Department of Medical Laboratory Science and Biotechnology, Central Taiwan University of Science and Technology	Department of Food Science, Yuanpei University of Medical Technology	MBA, University of Notre Dame, USA	EMBA, National Taiwan University Master's of Biomedical Engineering, Chung Yuan Christian University
Experience	Chairperson, Excelsior Medical Co., Ltd.	Business Manager, Zimmer Biomet Taiwan Co. Ltd.	L.C. Equity Research Corporation/ Manager	General Manager of Greater China, Zimmer, Inc.
Concurrent positions in the Company and in other companies	Chairperson, A Plus (Cayman) Holding Inc. Chairperson, A Plus (Shanghai) Trading Co., Ltd. Chairperson, Ho-Ming Investment Co., Ltd. Director, New Best Hearing International Trade Co., Ltd. Executive Supervisor, Taipei Medical Devices Commercial Association Director, Taiwan Federation of Medical Devices Commercial Association	General Manager of the Company, Supervisor of A Plus (Shanghai) Trading Co., Ltd., Chairperson of Weikai International Limited. Executive Director of Taiwan Medical Device Innovation and Development Association	Chairperson of QUAN WEI CORP. Director and Partner, Triple H Capital Co., Ltd. Chairperson of Jing Hong Capital Co., Ltd. Chairperson of WITH U Technology CO., LTD. Director of Bin Yang Investment Co., Ltd. Chairperson (Corporate Representative) of Tian Ji Investment Co., Ltd., Zhongli Fa Ye Co., Ltd., Taoyuan Fa Ye Co., Ltd., Tian Ji Nankao Co., Ltd., Tian Ji Zhubei Co., Ltd., and Tian Ji Yongkang Co., Ltd.	General Manager of A Plus (Shanghai) Trading Co., Ltd.
Number of shares held in A Plus Technology	311,000 shares	1,373,809 shares	335,000 shares	4,140,679 shares

Independent Directors Candidates List

Name	Wen-Chun Hung	Hsiao-Wen Wang	Kuo-Chi Lin
Academic background	College of Law, National Chung Hsing University	Ph.D., Department of Accounting, National Taiwan University	EMBA, National Chiao Tung University
Experience	Passed the Judicial Yuan's lawyer-to-judge transition selection exam DALDEWOLF Law Firm	Full-Time Associate Prof., Institute of Accounting, National Central University	Special Assistant to the General Manager, Golden Arrow Printing Technology Co., Ltd. Deputy Assistant General Manager, Capital Markets Division, Cathay Securities Co., Ltd. Manager, Underwriting Department, Yuanta Securities Co., Ltd.
Concurrent positions in the Company and in other companies	Attorney at Law, Jiupin Law Firm Member of the Audit Committee and Remuneration Committee of the Company	Full-time Professor, Institute of Accounting, National Central University Member of the Audit Committee and Remuneration Committee of the Company	Member of the Audit Committee and Remuneration Committee of the Company
Number of shares held in A PlusTechnology	0 shares	0 shares	0 shares
Number of other companies where the person serves as a director	None	None	None



List of Directors Removed from Non-Competition Restrictions

Title of the Company	Name	Name and position of other companies
Corporate Director	Ho-Ming Investment Co., Ltd. Representative: Sih-Ming Li	Director, NEW BEST HEARING INTERNATIONAL TRADE CO., LTD.
		Director, Triple H Capital Co., Ltd. (Corporate Representative)
		Chairperson, QUAN WEI Co., Ltd. (Corporate Representative)
		Chairperson, Tian Ji Investments Co., Ltd. (Corporate Representative)
		Chairperson, Zhongli Fa Ye Co., Ltd. (Corporate Representative)
Corporate Director	Jing Hong Capital Co., Ltd. Representative: Yu-Hung Chen	Chairperson, Taoyuan Fa Ye Co., Ltd. (Corporate Representative)
		Chairperson, Tian Ji Nan Gao Co., Ltd. (Corporate Representative)
		Chairperson, Tian Ji Zhubei Co., Ltd. (Corporate Representative)
		Chairperson, Tian Ji Yongkang Co., Ltd. (Corporate Representative)
		Chairperson, WITH U Technology Limited.
		Director, Bin Yang Investment Co., Ltd.

A Plus Biotechnology Co., Ltd.

Ethical Corporate Management Procedure and Code of Conduct

Article 1 Purpose and Scope of Application

- I. This Corporation engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Ethical Management and Guidelines for Conduct (hereinafter, "Procedures and Guidelines") are adopted pursuant to the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and the applicable laws and regulations of the places where this Corporation and its business groups and organizations operate, with a view to providing all personnel of this Corporation with clear directions for the performance of their duties.
- II. The scope of application of these Procedures and Guidelines includes the subsidiaries of this Corporation, any incorporated foundation in which this Corporation's accumulated contributions, direct or indirect, exceed 50 percent of the total funds of the foundation, and other group enterprises and organizations, such as institutions or juristic persons, substantially controlled by this Corporation.

Article 2 Applicable Subjects

- I. For the purposes of these Procedures and Guidelines, the term "personnel of this Corporation" refers to any director, supervisor, managerial officer, employee, mandatary or person having substantial control, of this Corporation or its group enterprises and organizations.
- II. Any provision, promise, request, or acceptance of improper benefits by any personnel of this Corporation through a third party will be presumed to be an act by the personnel of this Corporation.

Article 3 Unethical conduct

- I. For the purposes of these Procedures and Guidelines, "unethical conduct" means that any personnel of this Corporation, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits.
- II. The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, persons having substantial control, or other interested parties.

Article 4 Types of benefits

For the purposes of these Procedures and Guidelines, the term "benefits" means any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name.

Article 5 Responsible unit and duties

The Company shall establish a General Administration Office, allocate sufficient resources and appoint appropriate personnel, to be responsible for the amendment, implementation, interpretation, consultation services, reporting registration, record-keeping, and supervision of execution of these

A Plus Biotechnology Co., Ltd.

Ethical Corporate Management Procedure and Code of Conduct

Procedures and Code of Conduct, and shall report regularly (at least once annually) to the Board of Directors. Its principal duties include the following:

- I. Assisting in incorporating ethical and moral values into the Company's business strategies, and formulating anti-corruption measures in compliance with laws and regulations to ensure ethical management.
- II. Regularly analyzing and assessing risks of dishonest conduct within the business scope, and establishing prevention programs accordingly, including formulating relevant standard operating procedures and codes of conduct for business operations.
- III. Planning the internal organization, staffing, and responsibilities, and establishing mechanisms of mutual supervision and checks and balances for operating activities with higher risk of dishonest conduct.
- IV. Promoting and coordinating training in ethical policy.
- V. Planning the whistleblowing system and ensuring effective implementation.
- VI. Assisting the Board of Directors and management in auditing and assessing whether the preventive measures established for ethical management are effectively functioning, and regularly evaluating compliance in relevant business processes and preparing reports.
- VII. Producing and properly preserving documented information concerning the ethical corporate management policy, compliance declarations, implementation commitments, and implementation status.

Article 6 Prohibition on Offering or Accepting Improper Benefits

When Company personnel directly or indirectly provide, accept, promise, or request benefits as prescribed in Article 4, except under any of the following circumstances, they shall comply with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and these Procedures and Code of Conduct, and handle in accordance with relevant procedures before proceeding:

- I. Conducted for business purposes, during domestic or foreign visits, hosting foreign guests, promoting business, and coordinating communication, in accordance with local etiquette, custom, or practice.
- II. Participation in or invitation to normal social activities conducted for social etiquette, business purposes, or fostering relationships.
- III. Inviting clients or being invited to specific business activities or plant visits required by business needs, where cost-sharing, number of participants, lodging arrangements, and duration have been clearly stipulated.
- IV. Participation in publicly held folk festivals open to the general public.
- V. Rewards, assistance, condolences, or relief provided by supervisors.
- VI. Provision or receipt of money, property, or other benefits to or from persons other than relatives or frequent friends, or gifts to the majority of Company personnel, in conformity with general social norms or customary etiquette.
- VII. Receipt of gifts due to engagement, marriage, childbirth, moving, assumption of office, promotion, retirement, resignation, departure, or injury or death of oneself, spouse, or lineal relatives, in conformity with general social norms or customary etiquette.

A Plus Biotechnology Co., Ltd.

Ethical Corporate Management Procedure and Code of Conduct

VIII. Other circumstances in compliance with Company rules.

Article 7 Procedures for Handling Improper Benefits Received

- I. In the event that the personnel of the Company directly or indirectly provides or promises to give benefits specified in Article 4, other than the circumstances described in the preceding Articles, they shall proceed as follows:
 - (I) If the provider or promisor has no conflict of interest with the personnel's duties, the personnel shall report to his or her immediate supervisor within three days of receipt, and notify the designated unit if necessary.
 - (II) If the provider or promisor has a conflict of interest with the personnel's duties, the benefit shall be returned or refused, and reported to the immediate supervisor and notified to the designated unit; if it cannot be returned, it shall be delivered to the designated unit within three days of receipt for handling.
- II. A conflict of interest referred to in the preceding paragraphs means a person under any of the following circumstances:
 - (I) Those who have business dealings, command and supervision, or reimbursement (award) for expenses.
 - (II) Those who are seeking, in progress, or have entered into a contracting, trading, or other contractual relationship.
 - (III) The decision, execution or non-execution of the Company's business that will be beneficial or detrimental to the situation.

The designated unit shall, depending on the nature and value of the benefit, propose appropriate handling measures such as return, reimbursement, allocation to the Company, donation to a charitable institution, or other appropriate actions, and submit to the General Manager for approval before execution.

Article 8 Prohibition on Facilitation Payments and Handling Procedures

- I. The Company shall not provide or promise any facilitation payment.
- II. If Company personnel provide or promise facilitation payments under threat or intimidation, the process shall be recorded, reported to their immediate supervisor, and notified to the designated unit.
- III. The designated unit shall immediately address the matter, review related circumstances, and reduce the risk of recurrence. Immediately report to the judiciary if any illegal activity is found.

Article 9 Procedures for Handling Political Contributions

When the Company provides political contributions, the following rules shall be observed. After reporting to the Chairperson for approval and notifying the Company's designated unit, and after approval in accordance with the level of authority, the matter shall be submitted to the Board of Directors for resolution before execution:

- I. It shall be confirmed that such contributions comply with the political contribution laws of the recipient's country, including limits on the amount and forms of contributions.
- II. Decision making shall be made in writing.

A Plus Biotechnology Co., Ltd.

Ethical Corporate Management Procedure and Code of Conduct

- III. Political contributions shall be recorded in accordance with laws and accounting procedures.
- IV. When providing political contributions, the Company shall avoid engaging in commercial dealings, applying for permits, or handling other matters involving the Company's interests with relevant government agencies.

Article 10 Procedures for Charitable Donations or Sponsorships

When the Company provides charitable donations or sponsorships, the following matters shall be complied with. After submission to the General Manager for approval and notification of the Company's designated unit, and after approval in accordance with the authority of approval, it shall be submitted to the Board of Directors for approval before implementation:

- I. Shall comply with the laws and regulations of the place of operation.
- II. Decision making shall be made in writing.
- III. The recipient of a charitable donation shall be a charitable organization, and such donation shall not be made in the guise of bribery.
- IV. The benefits obtained from sponsorship shall be clear and reasonable, and the recipient shall not be a counterparty in business dealings with the Company nor a person having an interest with the Company's personnel.
- V. After making a charitable donation or sponsorship, it shall be confirmed that the use of funds is consistent with the donation purpose.

Article 11 Recusal

- I. The directors, managers and other stakeholders attending or attending the board of directors of the company have an interest in themselves or the legal person they represent. The Board of Directors shall explain the important content of their interests. If they are harmful to the interests of the Company, they shall not participate in the discussion and voting, and shall recuse themselves during the discussion and voting, and shall not exercise their voting rights on behalf of other directors. Directors should also be self-disciplined and have no choice but to support each other.
- II. Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting, such director shall be deemed to have a personal interest in the matter.
- III. If the personnel of the Company discover that there is a conflict of interest with themselves or the juristic person they represent when performing the business of the Company, or may enable themselves, spouse, parents, children or their interested parties to receive improper benefits, they shall report the relevant situation to their immediate supervisor and the dedicated unit of the Company, and the supervisor shall provide appropriate guidance.
- IV. The personnel of the Company shall not use the Company's resources for any other business activities, and shall not participate in any other business activities other than the Company's business activities, and shall not be affected thereby in their performance at work.

Article 12 Confidentiality Mechanism Organization and Responsibilities

A Plus Biotechnology Co., Ltd.

Ethical Corporate Management Procedure and Code of Conduct

- I. The Company shall establish a designated unit responsible for the management, preservation, and confidentiality of the Company's trade secrets, trademarks, patents, copyrights, and other intellectual property, and shall regularly review the effectiveness of its implementation to ensure ongoing validity.
- II. Company personnel shall comply with relevant rules and shall not disclose Company trade secrets, trademarks, patents, copyrights, or other intellectual property obtained through their duties, nor seek or collect such information unrelated to their duties.

Article 13 Prohibition on Unfair Competition

In conducting business, the Company shall comply with the Fair Trade Act and applicable competition laws, and shall not engage in price fixing, bid rigging, limiting production or quotas, or allocating customers, suppliers, territories, or types of business to share or divide markets.

Article 14 Prevention of Harm to Stakeholders from Products or Services

- I. The Company shall collect and understand applicable laws and international standards for products and services provided, and summarize and announce points for attention, to ensure transparency and safety of product and service information throughout development, procurement, manufacture, provision, and sale.
- II. The Company shall establish and disclose on its website a policy for protection of consumer and stakeholder rights, to prevent direct or indirect harm to their interests, health, or safety.
- III. When media reports or sufficient evidence indicate that the Company's products or services may pose a hazard to consumers or stakeholders, the Company shall in principle recall the batch of products or suspend services immediately, investigate the facts, and propose review and improvement measures.
- IV. The designated unit shall report to the Board of Directors on the matter, handling methods, and subsequent review and improvements.

Article 15 Prohibition of Insider Trading and Confidentiality Agreements

- I. Company personnel shall comply with the Securities and Exchange Act and shall not engage in insider trading by using undisclosed information obtained, nor disclose such information to others.
- II. Institutions or personnel participating in mergers, spin-offs, acquisitions, share transfers, important memoranda, strategic alliances, other business cooperation projects, or important contracts with the Company shall sign confidentiality agreements, undertake not to disclose Company trade secrets or material information obtained, and shall not use such information without Company consent.

Article 16 Compliance with and Declaration of Ethical Corporate Management Policy

- I. The Company shall require directors and senior management to sign declarations of compliance with the ethical corporate management policy, and require employees to comply as a condition of employment.
- II. The Company shall disclose its ethical corporate management policy in internal regulations,

A Plus Biotechnology Co., Ltd.

Ethical Corporate Management Procedure and Code of Conduct

annual reports, the Company website, or other publications, and declare it in external events such as product launches and investor briefings, so that suppliers, customers, and other business counterparts are fully aware of the Company's philosophy and standards.

Article 17 Ethical Management Evaluation Before Establishing Business Relationships

- I. Before establishing business relationships, the Company shall evaluate the legality, ethical management policies, and records of unethical conduct of agents, suppliers, customers, or other business counterparts, to ensure that their business practices are fair, transparent, and free from demands for, offers of, or acceptance of bribes.
- II. When conducting the preceding evaluation, the Company may undertake appropriate due diligence procedures to examine its business counterparts with respect to the following matters in order to understand their ethical management status:
 - (I) The nationality of the enterprise, principal place of business, organizational structure, business policies, and place of payment.
 - (II) Whether the enterprise has established ethical management policies and the status of their implementation.
 - (III) Whether the location of the enterprise's operations is in a country with a high risk of corruption.
 - (IV) Whether the enterprise operates in an industry with a high risk of bribery.
 - (V) The long-term operational status and reputation of the enterprise.
 - (VI) Opinions of the enterprise's business partners regarding the enterprise.
 - (VII) Whether the enterprise has records of involvement in bribery, illegal political contributions, or other unethical conduct.

Article 18 Disclosure of Ethical Management Policies to Business Counterparties

During the course of business activities, Company personnel shall explain the Company's ethical management policies and related rules to counterparties, and shall expressly refuse to directly or indirectly offer, promise, request, or accept any improper benefits in any form or under any name.

Article 19 Avoidance of Transactions with Unethical Counterparties

Company personnel shall avoid engaging in business transactions with agents, suppliers, customers, or other counterparties involved in unethical conduct. Upon discovering that a business partner or counterparty has engaged in unethical conduct, the Company shall immediately terminate business dealings with such party and list it as a prohibited counterparty, in order to implement the Company's ethical management policies.

Article 20 Stipulation of Ethical Management in Contracts

When the Company enters into contracts with others, it shall fully understand the ethical management status of the other party and include compliance with the Company's ethical management policies as contractual terms. The contract shall at minimum expressly provide the following:

- I. If either party becomes aware of a breach of the contractual terms prohibiting the receipt of

A Plus Biotechnology Co., Ltd.

Ethical Corporate Management Procedure and Code of Conduct

commissions, kickbacks or other improper benefits, it shall immediately inform the other party of the identity of such personnel, the manner, amount or other improper benefits offered, promised, demanded or received, provide relevant evidence and cooperate with the other party's investigation.

- II. In the event of unethical conducts in business activities by either party, the other party may terminate or cancel the contract at any time unconditionally.
- III. Clear and reasonable payment terms shall be stipulated, including the place and method of payment and compliance with applicable tax laws and regulations.

Article 21 Handling of Unethical Conduct by Company Personnel

- I. The Company encourages internal and external persons to report unethical or improper conduct. Internal personnel who make false reports or malicious accusations shall be subject to disciplinary action, and dismissal in serious cases.
- II. The Company shall establish and announce an independent internal whistleblowing mailbox and hotline on the Company website and intranet, or engage independent external institutions to provide such reporting channels, for use by internal and external persons.
The whistleblower shall provide at least the following information:
 - (I) The whistleblower's name and identification number (anonymous reporting is also permitted), and contact information such as address, telephone number, or email.
 - (II) The name of the reported person or other information sufficient to identify the reported person.
 - (III) Specific factual evidence available for investigation.
- III. The Company shall keep the identity of the whistleblower and the content reported confidential in a written statement by the relevant personnel handling the report, and the Company undertakes to protect the whistleblower from improper disposal as a result of the report. The Company's designated unit shall handle whistleblowing matters in accordance with the following procedures:
 - (I) Where the matter involves general employees, it shall be reported to the department supervisor; where it involves directors or senior executives, it shall be reported to independent directors.
 - (II) The designated unit and the supervisors or personnel to whom the report is submitted shall promptly ascertain the relevant facts, with assistance from compliance or other relevant departments when necessary.
 - (III) If the reported person is confirmed to have violated relevant laws or the Company's ethical management policies and regulations, the reported person shall immediately be required to cease the misconduct, be subject to appropriate disposition, and where necessary, the matter shall be reported to the competent authority, referred to judicial authorities for investigation, or legal proceedings shall be initiated for damages, in order to safeguard the Company's reputation and rights.
 - (IV) The acceptance of a report, the investigation process, and the results of the investigation shall be kept in writing and retained for 5 years, which can be retained in electronic means. Before the expiry of the retention period, in case of a lawsuit related to the content of the

A Plus Biotechnology Co., Ltd.

Ethical Corporate Management Procedure and Code of Conduct

report, the relevant information shall be kept until the end of the lawsuit.

- (V) For the alleged incidents proven to be substantiated, the responsible department of the Company shall review the relevant internal control system and operating procedures, and propose corrective measures to prevent the recurrence of the same behavior.
- (VI) The Company's designated unit shall report the whistleblowing matters, handling methods, and subsequent review and improvement measures to the Board of Directors.

Article 22 Handling of Unethical Conduct by External Parties

Where Company personnel encounter unethical conduct directed against the Company, and such conduct involves illegality, the Company shall notify judicial and prosecutorial authorities of the relevant facts; where public agencies or public officials are involved, the Company shall additionally notify government integrity agencies.

Article 23 Internal Promotion, Establishment of Reward, Penalty, Complaint Systems, and Disciplinary Measures

- I. The Company's designated unit shall periodically conduct internal promotion activities and arrange for the Chairperson, President, or senior management to convey the importance of integrity to directors, employees, and appointees.
- II. The Company shall incorporate ethical management into employee performance evaluations and human resources policies, and establish clear and effective reward, penalty, and complaint systems.
- III. For serious violations of ethical conduct by Company personnel, the Company shall dismiss or discharge such personnel in accordance with relevant laws or the Company's personnel regulations.
- IV. The Company shall disclose on its intranet the title, name, date of violation, nature of violation, and handling of personnel who violate ethical conduct.

Article 24 Implementation

- I. These Procedures and Guidelines shall be implemented upon approval by the Board of Directors and reported to the shareholders' meeting; the same shall apply in the case of amendments.
- II. When these Procedures and Guidelines are submitted to the Board of Directors for discussion, the opinions of independent directors shall be fully considered, and any objections or reservations shall be recorded in the minutes of the Board of Directors meeting; if an independent director cannot attend the Board meeting in person to express objection or reservation, except for justifiable reasons, a written opinion shall be issued in advance and recorded in the minutes of the Board of Directors meeting.
- III. These Procedures were established on April 10, 2023.

A Plus Biotechnology Co., Ltd.

Articles of Incorporation

Chapter 1 General Provisions

Article 1

The Company is organized in accordance with the Company Act and is named “A Plus Biotechnology Co., Ltd.”

Article 2

The business of the Company is as follows:

- I. F108031 Wholesale of Medical Devices.
- II. F108040 Wholesale of Cosmetics.
- III. F401010 International Trade.
- IV. CF01011 Medical Devices Manufacturing.
- V. ZZ99999 Except for the licensed business, the Company may conduct business that is not prohibited or restricted by law.

Article 3

The Company has its Headquarters in New Taipei City, and may establish branches domestically and overseas if necessary by resolution of the Board of Directors.

Article 4

The Company's announcement method is handled in accordance with Article 28 of the Company Act and the regulations of the Regulator.

Chapter 2 Shares

Article 5

The total capital of the Company is NT\$800 million, divided into 80 million shares, at a par value of NT\$10 per share. The unissued shares are authorized to be issued in installments by the Board of Directors.

The Company may issue employee stock warrants, and within the total number of shares referred to in the preceding paragraph, five million shares may be reserved for issuance of employee stock warrants, which may be issued in installments according to the resolution of the Board of Directors.

The Company's shares are registered in the name of the holder and signed or sealed by directors representing the Company, and issued after lawful certification. The Company may be exempted from printing share certificates, issuing other securities in physical form, but shall register with a centralized securities depository organization, issuing other securities in the same manner.

Article 5-1

If the Company issues employee stock warrants at an exercise price lower than the closing price of the Company's common stock on the date of issuance, the issuance shall require the presence of shareholders representing more than half of the total number of issued shares and the consent of at least two-thirds of the voting rights of the shareholders present.

If the Company transfers repurchased shares to employees at a price lower than the average repurchase price, such transfer shall require the presence of shareholders representing more than half of the total number of issued shares and the consent of at least two-thirds of the voting rights of the shareholders present at the most recent shareholders' meeting.

Article 5-2

The repurchase of treasury stocks, the issuance of employee stock warrants, the issuance of new shares for cash capital increase, and the issuance of new restricted employee shares by the Company may be transferred or issued to employees of controlled or subsidiary companies that meet certain criteria. The specific criteria shall be determined by the Board of Directors.

Article 6

Changes in the shareholders register shall not be made within 60 days prior to a regular shareholders' meeting, 30 days prior to a special shareholders' meeting, or 5 days prior to the record date fixed by the Company for distribution of dividends, bonuses, or other interests.

Article 6-1

The Company's stock affairs should be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" and other relevant laws and regulations issued by the competent authority.

Chapter 3 Shareholders' Meeting

Article 7

Shareholders' meetings are of two types: regular and special. A regular shareholders' meeting shall be convened at least once a year by the Board of Directors within six months after the end of each fiscal year. Special shareholders' meetings shall be convened as necessary in accordance with the law.

Shareholders' meetings may be convened by means of video conference or other methods announced by the Ministry of Economic Affairs.

Notices of regular shareholders' meetings shall be given 30 days in advance, and notices of special shareholders' meetings shall be given 15 days in advance, stating the date, place, and purpose of the meeting. Notices may be given in writing or by

electronic means, provided that shareholders holding less than 1,000 registered shares may be notified by public announcement.

Article 8

A shareholder may appoint a proxy to attend a shareholders' meeting by issuing a power of attorney printed by the Company, specifying the scope of authorization. The use of such proxies shall be governed by Articles 177 and 177-2 of the Company Act.

Except as provided in Articles 177, 177-2 of the Company Act and Article 25-1 of the Securities and Exchange Act, the use of proxies shall be conducted in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies."

Article 9

Each shareholder of the Company is entitled to one vote per share held, except as otherwise restricted by the Company Act and relevant laws and regulations.

Article 10

Unless otherwise provided by the Company Act, resolutions at a shareholders' meeting shall be adopted by a majority of the shareholders present, who represent more than half of the total number of issued shares, and shall be executed based on the majority of the voting rights of the attending shareholders.

Resolutions at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the Chairman of the meeting and shall be distributed to all shareholders of the company within twenty days after the close of the meeting.

The aforementioned distribution of the minutes of meeting on record may be made by public announcement.

The minutes shall state the year, month, day, place of the meeting, the name of the chairperson, the method of resolution, the substance of the proceedings, and the results, and shall be permanently preserved during the existence of the Company.

The attendance book and proxy forms shall be kept for at least one year. However, if a shareholder initiates a lawsuit in accordance with Article 189 of the Company Act, the recording shall be kept until the end of the lawsuit.

Article 11

After the Company's shares are listed on the Emerging Market, electronic means shall be included as one of the channels for shareholders to exercise voting rights. Shareholders may exercise voting rights electronically, and the method of exercise shall be specified in the notice of the shareholders' meeting.

Chapter 4 Directors and Audit Committee

Article 12

The Company shall have between five and nine Directors, with a term of three years. The election system shall be based on a candidate nomination system in accordance with Article 192-1 of the Company Act, whereby the Shareholders' Meeting shall elect Directors from the list of candidates. Directors are eligible for re-election. In addition, pursuant to Articles 14-2 and 14-4 of the Securities and Exchange Act, no less than three Independent Directors shall be appointed from the aforementioned number of Directors, representing no less than one-fifth of the total number of Directors. The qualifications, nomination and election methods of independent directors and other matters to be followed shall be handled in accordance with the regulations of the Securities Regulator.

Article 12-1

The Company has established an Audit Committee in accordance with the Securities and Exchange Act. The Audit Committee shall consist of all Independent Directors.

The duties and other compliance matters of the Audit Committee shall be handled in accordance with the Company Act, the Securities and Exchange Act, and other relevant laws and regulations and the Company's regulations.

The Company may establish various functional committees, and the organizational rules thereof shall be determined by the Board of Directors in accordance with relevant laws and regulations.

Article 13

The Board of Directors shall be organized by the Directors. With the attendance of more than two-thirds of the Directors and the consents of more than half of the Directors present, the Chairperson shall be elected among the Directors. The Chairman shall represent the Company externally.

Article 13-1

Unless otherwise provided by the Company Act, the Board of Directors shall be convened by the Chairperson. The convening of the Board of Directors shall state the reasons and shall notify each director seven days in advance. In case of emergency, the meeting may be called at any time. If the Board of Directors is held via video conference, directors participating in the video conference shall be deemed to have attended the meeting in person.

The Board of Directors may be notified in writing, by fax, or by e-mail.

Article 13-2

Unless otherwise provided by the Company Act, resolutions of the Board of

Directors shall require the attendance of a majority of directors and the consent of a majority of the attending directors. A director unable to attend may appoint another director as proxy by issuing a power of attorney specifying the scope of authorization. Each director may accept only one such proxy.

Article 14

When the Chairperson is on leave or is otherwise unable to perform his/her duties, a proxy shall act on his/her behalf in accordance with Article 208 of the Company Act.

Article 15

The remuneration of all directors, regardless of operating profit or loss, shall be determined by the Board of Directors based on their participation in operations and the value of their contributions.

The Company shall establish a Remuneration Committee to evaluate the performance and remuneration of directors and managers, and submit the results to the Board of Directors for discussion.

Article 15-1

During their term of office, the Company may purchase liability insurance for directors to cover liabilities arising from the scope of their duties. The Board of Directors is authorized to handle insurance matters.

Chapter 5 Managers

Article 16

The Company may have managerial officers, whose appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 17

The fiscal year of the Company begins on January 1 and ends on December 31 of each year. At the end of each fiscal year, the Board of Directors shall prepare a business report, financial statements, and proposals for earnings distribution or loss appropriation, which shall be submitted to the regular shareholders' meeting for approval.

Article 18

If the Company records a profit in a given year, no less than 1% shall be allocated as employee compensation and no more than 5% as director remuneration. However, if the Company has accumulated losses, such losses must be covered first. The aforementioned employee compensation may be distributed in cash or stock and may include employees of the Company and employees of its subsidiaries who meet

certain criteria. All matters regarding the distribution of employee and director remuneration shall comply with relevant laws and regulations and must be approved by the Board of Directors.

Article 18-1

If the Company has earnings in a fiscal year, such earnings shall first be used to pay taxes and to offset accumulated losses. 10% of the remaining earnings shall be set aside as legal reserve, unless the legal reserve has already reached the Company's paid-in capital. A special reserve may also be set aside or reversed in accordance with laws or operational needs. Any remaining earnings, together with undistributed earnings from prior years, shall serve as the basis for distribution proposals. If dividends are to be distributed in the form of new shares, such proposals shall be submitted to the Shareholders' Meeting for approval before distribution. If dividends are to be distributed in cash, the proposal shall be approved by the Board of Directors and then reported to the Shareholders' Meeting.

The Company considers its industry characteristics, operational growth, future capital needs, long-term financial planning, and shareholder demand for cash inflow when determining its dividend distribution. Based on annual earnings and after considering overall development, financial planning, funding needs, and industry conditions, dividends may be distributed in the form of cash or stock, subject to Shareholders' Meeting approval. However, the total amount of dividends distributed in the year shall not be less than 5% of the distributable surplus. The proportion of cash dividends shall not be less than 10% of the total dividends distributed in the year.

Article 19

For business needs, the Company may provide external guarantees.

Article 19-1

The Company may make external investments exceeding 40% of its paid-in capital, which shall be executed by the Board of Directors.

Chapter 7 Supplementary Provisions

Article 20

Any matters not provided for herein shall be governed by the Company Act and other applicable laws.

Article 21

These Articles of Incorporation were established on August 23, 2009.

The first amendment was made on January 15, 2010.

The second amendment was made on August 16, 2010.

The third amendment was made on September 27, 2010.

The fourth amendment was made on December 24, 2010.
The fifth amendment was made on April 28, 2011.
The sixth amendment was made on October 24, 2011.
The seventh amendment was made on November 22, 2011.
The eighth amendment was made on December 8, 2011.
The ninth amendment was made on June 7, 2012.
The tenth amendment was made on April 12, 2013.
The eleventh amendment was made on June 26, 2013.
The twelfth amendment was made on June 26, 2014.
The thirteenth amendment was made on June 18, 2015.
The fourteenth amendment was made on June 22, 2016.
The fifteenth amendment was made on June 30, 2020.
The sixteenth amendment was made on June 30, 2021.
The seventeenth amendment was made on November 18, 2022.
The eighteenth amendment was made on June 27, 2024.

A Plus Biotechnology Co., Ltd.

Chairperson: Sih-Ming Li

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

Article I. Goal

In order to establish a sound governance system for shareholders' meetings, enhance supervisory functions, and strengthen management capabilities, these Rules are established in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article II. Scope

The shareholders' meeting of the Company shall be conducted in accordance with these rules of procedure unless otherwise provided in laws and regulations or the Articles of Incorporation.

Article III. Convening of Shareholders' Meeting and Notice of Meeting

- I. Unless otherwise provided by law, the Company's shareholders' meeting shall be convened by the Board of Directors.

Where the Company convenes a shareholders' meeting by video conference, unless otherwise provided by the Regulations Governing the Administration of Shareholder Services of Public Companies, this shall be expressly provided in the Articles of Incorporation and resolved by the Board of Directors. The holding of a video shareholders' meeting shall require the attendance of more than two-thirds of the directors and the approval of a majority of the attending directors.

- II. Any change in the method of convening a shareholders' meeting shall be resolved by the Board of Directors, and such change shall be made at the latest before the notice of the shareholders' meeting is dispatched.
- III. The Company shall upload the notice of the general meeting, the proxy form, motions for ratification, discussion, election or discharge of directors, and relevant explanatory materials to the Market Observation Post System (MOPS) at least 30 days before the general meeting or at least 15 days before an extraordinary meeting. The Company shall upload the shareholders' meeting handbook and supplementary materials in electronic form to the Market Observation Post System (MOPS) at least 21 days before a regular shareholders' meeting or at least 15 days before an extraordinary shareholders' meeting. However, if the Company's paid-in capital as of the end of the most recent fiscal year reaches NT\$10 billion or more, or if the total shareholding ratio of foreign and Mainland Chinese investors recorded in the shareholder register for the most recent regular shareholders' meeting exceeds 30%, the

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

electronic files shall be uploaded at least 30 days before the regular shareholders' meeting. At least 15 days before the general meeting, the Company shall prepare the meeting handbook and supplementary materials, making them available for shareholders to review at any time. These materials shall also be displayed at the Company and the professional stock agency appointed by the Company.

- IV. On the day of the shareholders' meeting, the Company shall provide shareholders with the handbook and supplementary materials in the following manner:
- (I) When a physical shareholders' meeting is convened, such materials shall be distributed on-site.
 - (II) When a video-assisted shareholders' meeting is convened, such materials shall be distributed on-site and transmitted electronically to the video conference platform.
 - (III) When a video shareholders' meeting is convened, such materials shall be transmitted electronically to the video conference platform.
- V. The notice and announcement shall specify the reasons for convening the meeting. With the consent of the recipient, the notice may be given by electronic means.
- VI. The election or discharge of directors, amendments to the Articles of Incorporation, capital reduction, application for termination of public offering, approval of directors' competition with the Company, capitalization of earnings, capitalization of reserves, dissolution, merger, spin-off, or any matter under Article 185, paragraph 1 of the Company Act, as well as matters under Article 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set forth in the notice of the reasons for convening and their essential contents explained. Such matters shall not be proposed as extempore motions.
- VII. If the reasons for convening specify a full re-election of directors and specify the date of assumption of office, the date of assumption may not be changed by extempore motion or other means after the re-election is completed at that meeting.
- VIII. Shareholders holding one percent or more of the total number of issued shares may propose in writing to the Company a proposal for discussion at a regular shareholders meeting, provided that only one matter shall be included

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

in each shareholder's meeting, and no proposal containing more than one matter shall be included in the meeting. If a shareholder proposal falls under any of the circumstances set forth in Article 172-1, paragraph 4 of the Company Act, the Board of Directors may exclude it from the agenda.

- IX. Shareholders may submit proposals urging the Company to promote public interests or fulfill corporate social responsibility. The procedures shall follow Article 172-1 of the Company Act, and only one item may be submitted. Any proposal exceeding one item shall not be included in the agenda.
- X. The Company shall announce the motions proposed by the shareholders, the written or electronic means of accepting the motions, and the location and time period for accepting the motions before the book closure date before the convention of a regular session of the Shareholders Meeting; the period for accepting the motions shall not be less than ten days.
- XI. The motions proposed by the shareholders shall be limited to 300 words. Any motion exceeding 300 words will not be included in the agenda. The shareholders shall attend the general meeting in person or entrust a third party to attend the general meeting and participate in the discussion of the motions.
- XII. The Company shall notify the proposing shareholder of the result of the decision before the notice day of the shareholders' meeting, and list the proposals that conform to the provisions of this article in the meeting notice. For proposals not included in the agenda, the Board of Directors shall explain the reasons at the shareholders' meeting.

Article IV. Number of attendances

- I. A shareholder may appoint a proxy to attend a shareholders' meeting by issuing a power of attorney printed by the Company, specifying the scope of authorization.
- II. Each shareholder may execute only one proxy form and appoint only one agent. The proxy form shall be delivered to the Company five days before the date of the meeting. Where multiple proxy forms are submitted, the one first delivered shall prevail. However, if a declaration of revocation of the prior proxy is made, this shall not apply.
- III. After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or exercise voting rights in writing or electronically, the shareholder shall notify the Company in writing of the revocation of the proxy at least two days before the meeting. If the notice of

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

revocation is submitted after the deadline, the voting rights exercised by the proxy shall prevail.

- IV. After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting by video conference, the shareholder shall notify the Company in writing of the revocation at least two days before the meeting. If the notice of revocation is submitted after the deadline, the voting rights exercised by the proxy shall prevail.

Article V. Principle for the Location and Time of the Shareholders' Meeting

- I. The venue for a shareholders' meeting shall be the premises of the Company, or a place convenient for shareholders' attendance and suitable for the meeting. The meeting shall not commence earlier than 9:00 a.m. or later than 3:00 p.m. The determination of the venue and time shall fully consider the opinions of the Independent Directors.
- II. The location of a shareholders' meeting of the Company held by video conference is not limited by the preceding paragraph.

Article VI. Preparation of Attendance Books and Related Documents

- I. The Company shall specify in the notice of meeting the time and place for shareholders, solicitors, and proxies (hereinafter referred to as shareholders) to register attendance, as well as other matters requiring attention.
- II. The time for shareholders to register attendance shall begin at least thirty minutes before the meeting. The registration location shall be clearly marked, and sufficient and appropriate personnel shall be assigned to handle registration. For shareholders' meetings convened by video conference, registration shall be conducted on the video conference platform beginning thirty minutes before the meeting. Shareholders who complete registration shall be deemed to have attended in person.
- III. Shareholders shall attend the meeting with an attendance certificate, sign-in card, or other proof of attendance. The Company may not arbitrarily require additional documents beyond those presented. Any solicitor of proxies shall also bring identification documents for verification.
- IV. The Company shall prepare a signature book for attending shareholders to sign, or attending shareholders may submit a sign-in card in lieu of signing.
- V. The Company shall provide shareholders attending the meeting with the handbook, annual report, attendance certificate, speaking slips, ballots, and

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

- other meeting materials. Where there is an election of directors, ballots shall also be provided.
- VI. Where the shareholder is a government agency or legal person, there is no limit to the number of representatives attending. Any corporate entity that has been designated as a proxy can only appoint one representative to attend the shareholder meeting.
- VII. Shareholders, requesting parties, or proxies who wish to participate in a shareholders' meeting via video conference must submit an application to the Company for registration no later than two days prior to the meeting.
- VIII. If a shareholders' meeting is convened by video conference, the Company shall upload the agenda handbook, annual report and other relevant materials to the shareholders' meeting video conference platform at least 30 minutes before the start of the meeting, and keep the disclosure until the end of the meeting.

Article VI-I Matters to be Specified in the Notice of a Video Shareholders' Meeting

Where the Company convenes a shareholders' meeting by video conference, the notice of meeting shall specify the following matters:

- I. Methods by which shareholders may participate in the video conference and exercise their rights.
- II. Methods for handling disruptions of the video conference platform or participation by video due to natural disasters, incidents, or other force majeure, including at least the following:
 - (I) The time at which the disruption cannot be eliminated and the meeting must be postponed or continued, and the date of postponement or continuation.
 - (II) Shareholders who did not register to attend the original shareholders' meeting by video shall not participate in the postponed or continued meeting.
 - (III) Where a video-assisted shareholders' meeting cannot continue by video conference, and after deducting the number of shares represented by shareholders attending via video conference the remaining shares still meet the statutory quorum, the meeting shall continue. The shares represented by shareholders attending via video conference shall be included in the total number of shares represented, and those shareholders shall be deemed to have abstained from all proposals of the meeting.

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

- (IV) The handling method where all proposals have already been resolved but extempore motions have not been addressed.
- III. Where the Company convenes a video shareholders' meeting, appropriate alternative measures shall be provided for shareholders who encounter difficulty in participating by video. Except as otherwise provided under Paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide shareholders with connection equipment and necessary assistance, and specify the application period and other matters requiring attention.

Article VII. Chairperson and Attendees

- I. Where the shareholders' meeting is convened by the Board of Directors, the Chairman shall be the Chairman of the Board. Where the Chairman is on leave or unable to exercise his duties, he shall designate a director to act in his place; if no proxy is designated, the directors shall elect one among themselves to act as chairperson.
- II. Where the Chairman is a proxy director, such director must have served for more than six months and be familiar with the Company's financial and business affairs. The same applies where the Chairman is the representative of a legal person director.
- III. Where the shareholders' meeting is convened by the Board of Directors, it is advisable that the Chairman personally preside. A majority of the directors, at least one independent director, and at least one member from each functional committee shall attend in person. Attendance shall be recorded in the minutes of the shareholders' meeting.
- IV. If the shareholders' meeting is convened by a person with the power to convene other than a member of the board of directors, the convener shall be the Chairman of the meeting. If there are two or more conveners, one of them shall be elected to be the Chairman.
- V. The Company may designate the attorney-at-law, CPA or related personnel appointed by it to be present at a shareholders' meeting.

Article VIII. Recording of the Shareholders' Meeting

- I. The Company shall make continuous audio and video recordings of the entire process beginning with shareholders' registration, through the proceedings of the meeting, and the voting and counting process.

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

- II. The aforementioned audiovisual data shall be retained for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, the records shall be preserved until the conclusion of the lawsuit.
- III. If a shareholders' meeting is convened by videoconference, the Company shall keep records of shareholders' registration, attendance, questioning, voting, and the Company's vote counting results, and the videoconference shall be audio and video recorded throughout the entire process.
- IV. The information and audio recordings referred to in the preceding paragraph shall be properly kept by the Company during the period of existence, and the audio and video recordings shall be provided to the entrusted person handling the video conference affairs for their preservation.

Article IX. Legal Shareholder Attendance Shares

- I. Attendance at the shareholders' meeting shall be calculated on the basis of the number of shares held. Attendance at shareholders' meetings shall be calculated based on number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.
- II. The Chairman shall call the meeting to order at the appointed meeting time, and at the same time announce the number of non-voting shares and the number of shares attending the meeting.
- III. The Chairman shall call the meeting to order at the specified meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the Chairman may announce a meeting postponement, provided that the number of such postponements is no more than two, and the total time no more than one hour. If after two postponements the shareholders present still represent less than one-third of the total issued shares, the Chairman shall declare the meeting adjourned. Where the meeting is convened by video conference, the Company shall also announce the adjournment on the video platform.
- IV. Where after two postponements the shareholders present represent at least one-third of the total issued shares but less than a majority, a tentative

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

resolution may be adopted in accordance with Article 175, paragraph 1 of the Company Act. The tentative resolution shall be notified to all shareholders, and another shareholders' meeting shall be convened within one month. Shareholders wishing to attend the reconvened meeting by video must re-register with the Company pursuant to Article 6.

- V. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the Chairman may resubmit the tentative resolution for voting at the shareholders' meeting pursuant to Article 174 of the Company Act.

Article X. Discussion of Motions

- I. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The relevant motions (including extempore motions and amendments to original motions) shall be put to a vote, and the meeting shall proceed in accordance with the scheduled agenda, which shall not be changed without a resolution of the shareholders' meeting.
- II. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.
- III. The Chairman may not declare the meeting adjourned prior to completion of the meeting agenda (including extraordinary motions) of the preceding two paragraphs except by a resolution of the shareholders' meeting. If the Chairman declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new Chairman in accordance with statutory procedures, and then continue the meeting based on the agreement of a majority of the votes represented by the attending shareholders.
- IV. The Chairman shall allow sufficient explanation and discussion of proposals, amendments, and extempore motions raised by shareholders. When the Chairman deems that discussion has reached the point at which a resolution can be made, the Chairman may declare the discussion closed and call for a vote, providing sufficient time for voting.

Article XI. Shareholder Statements

- I. Shareholders who wish to speak during the meeting must first produce an

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

- opinion slip detailing the topic and shareholder account number (or conference pass serial number). The order of shareholders' comments shall be determined by the chairperson.
- II. An attending shareholder who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
 - III. Without the consent of the Chairman, each shareholder who speaks on the same motion shall not speak more than twice, and the speech each time shall not exceed five minutes. If the shareholder's speech violates the rules above or exceeds the scope of the agenda item, the Chairman may terminate the speech.
 - IV. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the Chairman and the speaking shareholder; the Chairman shall stop any violation.
 - V. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
 - VI. An attending shareholder has spoken, the Chairman may respond in person or direct relevant personnel to respond.
 - VII. If a shareholders' meeting is convened by video conference, shareholders participating by way of video conference may ask questions in text form on the video conference platform of the shareholders' meeting after the Chairman calls the meeting to order. Each question may not be asked more than twice for each proposal, no more than 200 words. The preceding paragraph does not apply.

Article XII. Calculation of Voting Shares and Abstention System

- I. Voting at a shareholders' meeting shall be calculated based on the number of shares.
- II. Shares held by shareholders without voting rights shall not be counted in the total number of issued shares when calculating resolutions of the shareholders' meeting.
- III. Where a shareholder has a personal interest in any agenda item that may be detrimental to the Company, such shareholder shall not participate in voting,

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

nor may such shareholder act as proxy to exercise voting rights on behalf of another shareholder.

- IV. The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be counted in the total number of voting rights represented by attending shareholders.
- V. Except for trust enterprises or stock agencies approved by the competent securities authority, where one person simultaneously acts as proxy for two or more shareholders, the voting rights represented by such proxy shall not exceed three percent of the total voting rights of issued shares. Any excess shall not be counted.

Article XIII. Exercise of Voting Rights and Resolutions

- I. Each share shall carry one voting right, except for restricted shares or shares without voting rights as set forth in Article 179, paragraph 2 of the Company Act.
- II. When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence; when voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. Shareholders who exercise voting rights in writing or electronically shall be deemed to have attended the meeting in person. However, for extempore motions or amendments to original proposals at that meeting, such shareholders shall be deemed to have abstained. The Company is therefore advised to avoid proposing extempore motions or amendments to original proposals.
- III. Where voting rights are exercised in writing or electronically, the expression of intent shall be delivered to the Company no later than two days before the meeting. In case of duplicate submissions, the earliest one received shall prevail. However, where a declaration of revocation of the earlier submission is made, this limitation shall not apply.
- IV. After exercising voting rights in writing or electronically, if a shareholder intends to attend the meeting in person or by video, the shareholder shall revoke the earlier submission using the same method no later than two days before the meeting. Failure to revoke by the deadline shall result in the written or electronic voting rights prevailing. Where voting rights are exercised in writing or electronically and a proxy is also appointed to attend

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

the meeting, the voting rights exercised by the proxy at the meeting shall prevail.

- V. The voting of the motion shall be passed with the approval of a majority of the voting rights of the shareholders present, unless otherwise stipulated in the Company Act and the Articles of Incorporation of the Company. When voting, the chairperson or a designated person shall first announce the total number of voting rights represented by attending shareholders for each proposal. Shareholders shall then vote item by item. On the same day as the meeting, the results of votes for, against, and abstained shall be input into the Market Observation Post System (MOPS).
- VI. If there is an amendment or substitute to the same proposal, the Chairman shall determine the order of voting together with the original proposal. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- VII. The vote monitoring and counting personnel for the motion voting shall be appointed by the chair, provided that the monitoring personnel shall be shareholders.
- VIII. The counting of votes for motions or elections at the shareholders' meeting shall be conducted publicly within the meeting venue, and the voting results, including the statistical weighting of the votes, shall be announced on the spot upon completion of the count, and a record shall be kept.
- IX. When the Company holds a video conference, shareholders participating via video conference shall vote on each motion and the election of directors through the video conference platform after the Chairman announces the meeting's commencement. Voting shall be completed before the Chairman announces the close of voting. Shareholders failing to vote within the specified timeframe will be deemed to have waived their votes.
- X. If the shareholders' meeting is convened by video conference, the votes shall be counted in one lump sum and the voting and election results shall be announced after the Chairman announces the close of voting.
- XI. When the Company holds a video conference shareholders' meeting, shareholders who have registered to attend via video conference in accordance with Article 6, and wish to attend the physical meeting in person, must revoke their registration using the same method as the original registration no later than two days before the meeting. Any revocation made after this deadline will result in attendance being limited to the video

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

conference session only.

- XII. A shareholder who exercises his/her right to vote by way of a written or electronic means without revoking his/her declaration of intent and participates in the shareholders' meeting by video conferencing shall not exercise its voting right on the original proposal, propose any amendment to the original proposal, or exercise voting rights on an amendment to the original proposal except for extempore motions.

Article XIV. Elections

- I. If an election of directors is held at a shareholders' meeting, the election results, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of those not elected as directors and the numbers of votes with which they were not elected, shall be announced on the spot in accordance with the applicable election and appointment rules adopted by the Company.
- II. The ballots shall be sealed and signed by the scrutineers, properly kept, and preserved for at least one year.
However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, the records shall be preserved until the conclusion of the lawsuit.

Article XV. Shareholders' Meeting Minutes

- I. Resolutions at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the Chairman of the meeting and shall be distributed to all shareholders of the company within twenty days after the close of the meeting. The preparation and distribution of meeting minutes may be effected electronically.
- II. Distribution of the meeting minutes may also be effected by announcement through the Market Observation Post System (MOPS).
- III. The minutes shall faithfully record the year, month, day, place of meeting, name of the chairperson, method of resolution, the essential points of the proceedings, and the voting results (including numbers of votes). Where directors are elected, the number of votes obtained by each candidate shall be disclosed. It shall be retained for the duration of the existence of the Company.
- IV. If the shareholders' meeting is convened by video conference, the minutes of

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

the meeting shall be prepared in accordance with the preceding paragraph, and shall also record the start and end time of the meeting, the method of convening, the name of the Chairman and the secretary, and the handling method and handling situation in the event of natural disasters, changes in circumstances, or other force majeure events that cause difficulties in using the video conference platform or participating via video conference.

- V. In addition to the provisions of the preceding paragraph, the Company shall also specify in the minutes of the video shareholders' meeting the substitute measures provided by shareholders who have difficulty attending the meeting via video.

Article XVI. Announcement to the Public

- I. Disclosure of the number of shares obtained through solicitation, shares represented by proxy agents, and shares represented by shareholders present in writing or electronically shall be included in a statistical table compiled by the Company on the day of the shareholders' meeting and in the format specified. The shareholders' meeting location shall feature a conspicuous display of this table. The aforementioned information shall be uploaded to the video conferencing platform for shareholders' meetings conducted via video conference by the Company a minimum of 30 minutes prior to the commencement of the meeting. The Company shall further disclose the information until the conclusion of the meeting.
- II. At the opening of a video shareholders' meeting, the total number of shares represented shall be disclosed on the video platform. Where, during the meeting, statistics of the number of shares and voting rights represented by shareholders are updated, such information shall likewise be disclosed.
- III. If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (Taipei Exchange) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article XVII. Maintenance of Order at the Meeting Venue

- I. Staff handling affairs of the shareholders' meeting shall wear identification badges or armbands.
- II. The chair may direct the proctors or security personnel to help maintain the

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

order of the meeting venue. Proctors or security personnel shall wear armbands or badges clearly indicating "Proctor."

- III. If the meeting place is equipped with sound amplifying equipment, the chair may terminate any shareholder's speech unless the shareholder is using the equipment set up by the company.
- IV. If a shareholder violates the rules of procedure and is not willing to be ordered by the chair to take corrective action, the chair may direct the picket or security personnel to escort the shareholder from the meeting venue.

Article XVIII. Recess and Continuation of Session

- I. During a shareholders' meeting, the chair may announce a break at his/her discretion. During a force majeure event, the chair may suspend the meeting temporarily and announce the meeting continued at his or her discretion.
- II. Where the venue cannot continue to be used before completion of the agenda (including extempore motions), the shareholders' meeting may resolve to reconvene at another venue.
- III. The shareholders' meeting may resolve, in accordance with Article 182 of the Company Act, to postpone or continue within five days.

Article XIX. Information Disclosure for Video Conferences

Upon the conclusion of the voting period on a video conferencing platform used for a shareholders' meeting, the Company is obligated to expeditiously disclose the outcomes of the vote as well as the results of each agenda item's election. After the Chairman declares the meeting adjourned, this disclosure must continue for a minimum of 15 minutes.

Article XX. Location of Chairperson and Record-keeper at Video Shareholders' Meetings

When the Company convenes a video shareholders' meeting, the Chairman and the recording personnel should be at the same location within the country. The Chairman should also announce the address of the location at the beginning of the meeting.

Article XXI. Handling of Disruptions

- I. Where a video shareholders' meeting is interrupted for thirty minutes or longer due to natural disaster, incident, or other force majeure before adjournment is declared, the meeting shall be postponed or continued within

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

- five days. Article 182 of the Company Act shall not apply.
- II. In the event of the aforementioned meeting that should be adjourned or adjourned, shareholders who have not registered to participate in the original shareholders' meeting by video conference shall not participate in the adjourned or adjourned meeting.
 - III. Regarding the meeting that ought to be adjourned or postponed in accordance with the stipulations outlined in paragraph 1, the number of shares represented, the number of voting rights exercised, and the number of shares attended while the shareholder who was unable to participate in the adjourned or postponed meeting via video conference did so. The voting rights of shareholders present at the adjourned or postponed meeting shall be factored into the total number of shares, voting rights, and voting rights.
 - IV. When a shareholders' meeting is adjourned or resumed in accordance with paragraph 1, it is not necessary to rediscuss or resolve a proposal for which the voting has been completed and votes counted, and the voting results or the slate of elected directors have been announced.
 - V. If a video conference is convened by the Company and the video conference cannot be held under the circumstance specified in paragraph 1, if the total number of shares represented by the shareholders still reaches the legal limit determined by the video conference after deducting the number of shares attending the video conference. It is not necessary to postpone or continue the meeting in accordance with paragraph 1.
 - VI. If a shareholder participates in the shareholders' meeting by way of video conference on any matter that should be proceeded with the meeting in the preceding paragraph, the number of shares in attendance shall be counted in the total number of shares held by the shareholders in attendance, but the votes shall be deemed as their abstention on all proposals at the shareholders' meeting.
 - VII. Where the Company postpones or continues a meeting pursuant to the first paragraph, preparatory procedures shall be handled in accordance with Paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, based on the original meeting date and applicable provisions.
 - VIII. The periods prescribed in Article 12, latter part; Article 13, paragraph 3 of the Rules for the Use of Proxies at Shareholders' Meetings of Public Companies; and Paragraph 2, Article 44-5; Article 44-5; and Paragraph 1,

A Plus Biotechnology Co., Ltd.

Rules and Procedures of Shareholders' Meeting

Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies shall be based on the postponed or continued meeting date.

Article XXII. Handling of Digital Divide

When the Company convenes a shareholders' meeting via video conferencing, appropriate alternative measures shall be provided for shareholders who have difficulty attending the meeting virtually. Except as otherwise provided under Paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide connection equipment and necessary assistance, and specify the application period and other relevant matters.

Article XXIII. Implementation

- I. The Rules shall be enforced upon approval by a shareholders' meeting. The same shall apply where the Rules are amended.
- II. These Rules were established on June 18, 2015.
The 1st amendment was made on November 18, 2022.
The 2nd amendment was made on June 30, 2023.

A Plus Biotechnology Co., Ltd.

Regulations for Election of Directors

Article I

In order to ensure the fair, just, and open election of directors, these Regulations are enacted with reference to Articles 21 and 41 of the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.”

Article II

Unless otherwise provided by law or the Articles of Incorporation, the election of the Company’s directors shall be conducted in accordance with these Regulations.

Article III

The election of the Company's directors shall be based on the overall composition of the Board of Directors. The composition of the Board of Directors shall emphasize diversity. A diversity policy shall be established based on the Company’s operations, business model, and developmental needs, and should include, but not be limited to, the following two dimensions:

- I. Basic qualifications and values: balancing gender, age, nationality, and cultural background.
- II. Professional knowledge and skills: ensuring inclusion of directors from different professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), with relevant expertise and industry experience.

The final decision shall be based on the strengths of each candidate and the contributions they can provide to the Board.

The members of the Board of Directors shall have the knowledge, skills and literacy required to perform their duties, and shall have the following abilities:

- I. Operational judgment.
- II. Accounting and financial analysis ability.
- III. Business management ability.
- IV. Crisis management.
- V. Industry knowledge.
- VI. An international market perspective.
- VII. Leadership ability.
- VIII. Decision-making ability.

More than half of the directors shall not have spousal or second-degree kinship relations with one another.

The Company’s Board of Directors shall consider performance evaluation results when adjusting the composition of the Board.

A Plus Biotechnology Co., Ltd.

Regulations for Election of Directors

Article IV

The qualifications of the independent directors of the Company shall comply with the provisions of Article 2, Article 3 and Article 4 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.”

The election of independent directors shall comply with Articles 5 through 9 of the same Regulations, and shall also be conducted in accordance with Article 24 of the “Corporate Governance Best Practice Principles.”

Article V

The election of the Company’s independent directors shall be conducted in accordance with the candidate nomination system prescribed in Article 192-1 of the Company Act. The qualifications, educational and professional background, and whether any of the circumstances listed in Article 30 of the Company Act apply, shall be reviewed. No additional qualification documents may be arbitrarily required. The review results shall be provided to shareholders for their reference, in order to facilitate the election of suitable independent directors.

After the Company’s shares are listed on TWSE/TPEX, all directors shall be elected in accordance with the candidate nomination system described above.

If the number of directors falls below five due to dismissal or resignation, the Company shall hold a by-election at the next shareholders’ meeting. However, if vacancies reach one-third of the number of seats specified in the Articles of Incorporation, an extraordinary shareholders’ meeting shall be convened within 60 days of the occurrence to hold a by-election.

If the number of independent directors falls below the minimum required under Article 14-2, paragraph 1 of the Securities and Exchange Act, the Company shall hold a by-election at the next shareholders’ meeting. If all independent directors are dismissed, an extraordinary shareholders’ meeting shall be convened within 60 days to hold a by-election.

Article IV

The election of directors shall adopt the cumulative voting system. Each share carries voting rights equal to the number of directors to be elected, which may be concentrated for one candidate or allocated among several candidates.

Article VII

The Board of Directors shall prepare ballots equal in number to the directors to be

A Plus Biotechnology Co., Ltd.

Regulations for Election of Directors

elected, with the number of votes printed on each ballot, and distribute them to the shareholders attending the shareholders' meeting. The shareholder's attendance card number printed on the ballot may substitute for the voter's name.

Article VIII

The number of directors shall be as specified in the Articles of Incorporation. Independent and non-independent directors shall be elected separately. Those receiving the highest number of votes shall be elected in order until all positions are filled. If two or more candidates receive the same number of votes and exceed the number of available seats, the result shall be determined by drawing lots; absent candidates shall have lots drawn by the chair on their behalf.

Article IX

Before the election begins, the Chairman shall designate a certain number of scrutineers and vote counters from among the shareholders to perform the relevant duties. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the scrutineers before voting commences.

Article X

If the candidate is a shareholder, the voter shall mark down the candidate's account name and shareholder account number in the candidate column on the ballot. If the candidate is not a shareholder, mark down the candidate's name and ID card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

Article XI

A ballot is invalid under any of the following circumstances:

- I. The ballot is not prepared by the Board of Directors.
- II. A blank ballot is placed in the ballot box.
- III. The writing is unclear and indecipherable or has been altered.
- IV. If the filled-in electee is a shareholder, the account name and shareholder account number are not consistent with the records in the shareholders' register;

A Plus Biotechnology Co., Ltd.

Regulations for Election of Directors

if the filled-in electee is not a shareholder, the name and uniform number are verified to be inconsistent.

- V. Other words or marks are entered in addition to the account name (name) or shareholder account number (ID number) and the number of votes allocated to the candidate.
- VI. The name of the candidate is the same as that of other shareholders but the shareholder account number or ID number is not filled in for identification.

Article XII

After voting ends, ballots shall be opened immediately and the chair shall publicly announce the results, including the list of directors elected and the number of votes each received.

The ballots shall be sealed and signed by the scrutineers, properly kept, and preserved for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, the records shall be preserved until the conclusion of the lawsuit.

Article XIII

The Company's Board of Directors shall issue notifications of election results to those elected as directors.

Article XIV

Miscellaneous

- I. These Regulations shall take effect after approval by the Board of Directors and adoption by the shareholders' meeting. The same shall apply to any amendments.
- II. These Regulations were established on June 18, 2015.
The 1st amendment was made on November 18, 2022.

Shareholding of Directors

Directors' individual and aggregate shareholding status as of the book closure date (May 2, 2025) prior to this shareholders' meeting is as follows:

Job title	Name	Number of shareholdings	Shareholding Percentage
Chairman	Sih-Ming Li	2,234,045	7.33
Director	Kai-Hsing Wu	4,140,679	13.59
Director	Hsiang-Wei Lo	819,166	2.69
Director	Yu-Hung Chen	1,133,000	3.72
Independent Director	Wen-Chun Hung	0	0
Independent Director	Hsiao-Wen Wang	0	0
Independent Director	Kuo-Chi Lin	0	0
Number of shares held by all directors		8,326,890	27.33

Note 1: Total shares issued on May 2, 2025, were 30,471,000 shares.

Note 2: The minimum shareholding requirement for all directors is 3,600,000 shares, and as of May 2, 2025, all directors held 8,326,890 shares.

