TWSE Stock Code: 6469

Great Tree Pharmacy Co., Ltd.

2025

Annual Report

The inquiry website for this annual report: Market Observation Post System (MOPS) at http://mops.twse.com.tw/
The designated information reporting website by the Securities and Futures Institute: same as above
The website for inquiries related to the Company's annual report: same as above

Published on March 31, 2026

I. Spokesperson: Shang-Feng Lu Title: Deputy General Manager
Phone: (03) 433-3123
E-mail：stock@greattree.com.tw
Acting Spokesperson: Shu-Yi Wu Title: Assistance Manager of the Finance Department and Corporate Governance Manager
Phone: (03) 433-3123
E-mail：stock@greattree.com.tw

II. Company and Factory Address and Telephone Number:

Name	Address	Telephone Number:
Head Office	18F., No.186, Fuxing Road, Taoyuan District, Taoyuan City	(03)433-3123
Gangshan Branch Office	No. 136, Gangshan Road, Gangshan District, Kaohsiung City	(07)621-9477
Kinmen Branch Office	No. 20-5, Jinshan Road, Jincheng Township, Kinmen County	(082)312832

III. Entity handling shares transfer:
Name: Taishin Securities Co., Limited Stock Affairs Department
Address: B1, No. 96, Section 1, Jianguo North Road, Taipei City
Phone: (02) 2504-8125
Website: www.tssco.com.tw/

IV. Certified Public Accountant (CPA) for the most recent annual financial report:
Name: Cheng Ching-piao, Chang Chih-Ming
Name of firm: Ernst & Young
Address: 9th Floor, No. 333, Section 1, Keelung Road, Taipei City
Website: www.ey.com.tw
Phone: (02) 2757-8888

V. Name of the trading venue for the listing and trading of overseas securities and the method for inquiring about information on such overseas securities: None.

VI. Company website: www.greattree.com.tw

Chapter 1 Report to Shareholders

Dear Shareholders,

First, we warmly welcome everyone to attend this year's Annual Meeting despite your busy schedules. On behalf of the Company, we would like to express our highest gratitude for the support and encouragement from all shareholders. The Company's 2025 operational performance and future outlook are summarized as below:

I. 2025 Business Report

(I) Achievements from the implementation of the 2025 Business Plan

In 2025, the Company's consolidated net operating revenue amounted to NT$18,895,916 thousand, representing an increase of 9.39% compared to 2024. Consolidated profit before tax was NT$743,988 thousand, a decrease of 12.14% from 2024. The revenue growth was primarily driven by the addition of 42 new store locations in 2025, bringing the total number of stores to over 428. However, due to the aggressive store expansion and rising rental and labor costs, profit before tax declined in 2025.

Furthermore, in response to the declining birthrate and aging population, which have led to increased demand for companionship, the company has ventured into the pet food and medical care market. By the end of 2025, we had established 11 stores, continuing to increase revenue.

In addition to continuously expanding distribution channels, the Great Tree team consistently differentiates its market positioning, enhances service capabilities, and extends category development to provide consumers with a comprehensive shopping environment for health products. At the same time, we are striving for higher service standards and satisfaction. We hope that, through feedback and the optimization of services, all consumers and colleagues can have a strong sense of mission.

(II) Budget implementation status: The Company has not disclosed its financial forecast for 2025, so there is no need to disclose any budget execution.

(III) Financial Revenue/Expense and Profitability Analysis

Unit: NT$1,000

Item	2025	2024
Cash flow from operating activities	1,165,793	1,138,673
Cash flow from investing activities	(880,712)	(881,373)
Cash flow from financing activities	(409,631)	(499,079)
Return on assets (%)	5.02	6.35
Return on equity (%)	15.21	19.43
Ratio of net profit before tax to paid-in capital	49.61	64.02
Net profit margin	3.08	3.94
Earnings per share (NT$)	4.01	4.57

Note: The financial information entered above is consolidated information based on the adoption of IFRS.

(IV) Research and development (R&D) status: The Company, belonging to the chain pharmacy industry, does not have a dedicated research and development department, but based on the service of the vast consumer demand, the commodity marketing department is still actively involved in product development-related services.

II. Outline of 2026 Business Plan

The Company's latest five-year plan (from 2026 to 2030), with the following main business directions as planned specifically:

(I) Management policy and important production and marketing policies

1) Continuous Expansion of Stores: The Company continues to expand its store network, becoming Taiwan's largest health pharmacy channel. In the future, we will continue to expand our store presence through three different types of stores: large stores in commercial districts, small community stores, and hypermarkets, in order to enhance our overall market penetration.

2) Project 30415:

A. 4,000 Precision Health Trading Platform: Personalized Experience for Thousands—Utilizing OMO pharmacy integration of online and offline channels to achieve personalized health needs analysis and build individual health databases; Thousands of Manufacturers and Stores—Intelligent matching on the supply chain side.

B. 1,000 Overseas Franchise Stores: In 2025, the Company established five overseas stores. It will continue to replicate Great Tree's successful experience to expand and optimize its store network, aiming to reach a scale of 1,000 franchised pharmacy stores by 2030.

C. Five Proprietary Brands: In 2022, the Company established an overseas trading company in Malaysia and has continued to collaborate with other partners to develop and distribute a diverse range of products. The Company plans to build five proprietary brands and actively enter the supply chains of five countries.

(II) Expected Sales Volume and Basis

The Company is a channel of chain pharmacy. Due to large variety of products sold and in different quantity units, it is not possible to provide the expected sales quantity. In addition, according to the relevant statistics of "wholesale, retail and catering turnover" from the Ministry of Economy (from NT$172.2 billion in 2015 to NT$216 billion in 2025), the annual compound growth rate is 2.29% and generally speaking, the domestic pharmaceutical and cosmetic retail market has maintained a moderate and optimistic growth trend. The Company is actively opening up new stores and expanding its business scale and expects to maintain stable revenue growth.

III. Sustainability

In the development process, the Company has always adhered to the spirit of "the most trustworthy pharmacy" and expects to benefit its employees, suppliers and shareholders, and the whole society and fulfill its corporate social responsibilities.

The Company has long been concerned about socially disadvantaged groups. Since 2022, it has participated annually in the Cathay Bank Foundation's Big Trees Project, calling attention to the equal education rights of school kids and promoting the development of grass-roots education. Regarding environmental protection, the Company actively cooperates with suppliers engaged in energy conservation and carbon reduction and intends to list the supplier's carbon footprint and carbon reduction performance as major indicators while procuring products and/or services.

IV. Future Company development strategies

Our company will implement an aggressive yet prudent growth strategy, simultaneously recruiting professional talent while actively developing new products and markets to establish industry leadership. We aspire for Great Tree Pharmacy to become customers' first choice for their health product consumption needs.

Since its establishment, the Company has deeply rooted in the pharmaceutical industry of Taiwan and has met the shareholders' expectations to become the largest pharmacy in Taiwan. Next, it shall reach other fields and even other countries. In new areas, in addition to finding the most helpful strategic partners for business, the Company shall also strictly control risks and expect to create higher value for shareholders.

The Company shall continue to innovate through all-member brainstorming, to change the past pharmacy consumption behavior, and to let everyone see that Great Tree Pharmacy shall not only be a pharmacy.

V. Impacts from external competitive environment, legal environment, and overall operating environment

The Company shall continue provide education and training for its employees, thereby establishing its professional brand value. It shall adhere to the principles of "professionalism and integrity" and provide consumers with a full range of services. Through the innovative senior management core team, it shall improve the threshold of services and quickly replicate successful experiences to expand its business map and widen its differences with competitors.

While pursuing corporate growth, in addition to maximizing the interests of shareholders, the Company also puts much emphasis on the implementation of environmental, social, and corporate governance (ESG) values in daily operations, and actively follows various indicators guided by the competent authorities, so as to meet the expectations of all stakeholders.

The transparent corporate governance accepts the shareholders' inspection. The shareholders' equity is the foremost, and making profits is still the Company's main objective. All colleagues shall uphold a high sense of responsibility, unity, and cooperation, form a competitive edge for the Company with better business performance, and create value for shareholders.

Finally, we would like to sincerely thank all shareholders and dedicated colleagues for their long-term support and encouragement of the Company. We extend our highest respect to each of you.

Wishing you good health and all the best in your endeavors.

Chairman: Ming-Lung Cheng
General Manager: Ming-Lung Cheng
Accounting Manager: Shu-Yi Wu

Chapter 2 Corporate Governance Report

I. Information on directors, supervisors, general managers, deputy general managers, associate managers, heads of departments and branches

(I) Information on directors and supervisors

March 31, 2026 (book closure date); Unit: shares

Title	Nationality or place of registration	Name	Gender/ Age	Date of appointment	Term	Date first elected	Shares held when elected		Current shareholding		Shares held by spouse and minor children		Shares held in others' names		Work/ Education experiences	Titles currently held at the Company and other companies	Other Supervisor or Director roles held by spouse or second degree relations			Remark
							Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio			Title	Name	Relations	
Chairman	Republic of China	Zhen Han Investment Co., Ltd.	—	2023.05.31	3 years	2014.05.30	9,885,264	10.99	16,046,499	10.69	—	—	—	—	—	—	—	—	—	Note
	Republic of China	Representative: Ming-Lung Cheng	Male/ 51-60 years old	2023.05.31	3 years	2014.05.30	2,314,867	2.57	3,757,663	2.50	—	—	15,262,677 (Note 1)	10.17	Bachelor's Degree, Shih Chien University General Manager of the Company	General Manager of the Company Director of Treetop Molecular Biotechnology Co., Ltd. Chairman of Da Yu Property Management Co., Ltd. Chairman of Zhen Han Investment Co., Ltd Chairman of Hao Cheng Investment Co., Ltd.	—	—	—	Note
Director	Republic of China	Top Taiwan XI Venture Capital Co., Ltd.	—	2023.05.31	3 years	2020.06.17	433,403	0.48	448,196	0.30	—	—	—	—	—	Director of TaiHao Medical Inc. Director of Trust Bio-sonics Inc.	—	—	—	—
	Republic of China	Representative: Li-Ping Shen	Male/ 41-50 years old	2023.05.31	3 years	2020.06.17	91,896	0.10	149,171	0.10	—	—	—	—	Master of Business Administration, National Chung Cheng University Bachelor's Degree, Department of Finance, National Central University Auditor of KPMG Taiwan Professional Assistant Manager of	Representative of Corporate Director, Great Tree Pharmacy Co., Ltd. Representative Corporate Director, Zhenyu Hardware Co., Ltd. Deputy General Manager of Top Taiwan Venture Capital Co., Ltd.	—	—	—	—

Title	Nationality or place of registration	Name	Gender/ Age	Date of appointment	Term	Date first elected	Shares held when elected		Current shareholding		Shares held by spouse and minor children		Shares held in others' names		Work/ Education experiences	Titles currently held at the Company and other companies	Other Supervisor or Director roles held by spouse or second degree relations			Remark
							Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio			Title	Name	Relations	
															Mega Securities Co., Ltd. Business Manager of Taishin Securities Co., Ltd.					
Director	Republic of China	Yi-Hung Chen	Male/ 61-70 years old	2023.05.31	3 years	2020.06.17	—	—	—	—	—	—	—	—	Ph.D. in Chemistry, College of Pharmacy, China Medical University Professor, Department of Pharmacy, the Chinese Medical University	—	—	—	—	—
Director	Republic of China	Shang-Feng Lu	Male/ 41-50 years old	2023.05.31	3 years	2021.07.02	914,640	1.02	1,586,529	1.06	155,089	0.10	—	—	Bachelor’s degree from Department of Pharmacy, Chia Nan University of Pharmacy & Science Licensed Pharmacist, Advanced Professional and Technical Examination	Director and Deputy General Manager of the Company Chairman of Great Tree Pet Co., Ltd. Juridical Person Directors’ Representatives of Great Tree International Sdn., Bhd.	—	—	—	—
Director	Republic of China	Hao Cheng Investments Co., Ltd.	—	2023.05.31	3 years	2023.05.31	6,897,715	7.67	11,196,885	7.46	—	—	—	—	—	—	—	—	—	—
	Republic of China	Representative: Shih-Wei Yeh	Male/ 31-40 years old	2023.05.31	3 years	2023.05.31	384,616	0.43	688,107	0.46	229,487	0.15	—	—	Bachelor’s Degree, School of Pharmacy, China Medical University Licensed Pharmacist, Advanced Professional and Technical Examination	Associate Director, Commodity Purchasing and Marketing Department, Great Tree Pharmacy Co., Ltd. Chairman of Bai-Lin Logistics Co., Ltd. Juridical Person Directors’ Representatives of Great Tree Pets Co., Ltd.	—	—	—	—

Title	Nationality or place of registration	Name	Gender/ Age	Date of appointment	Term	Date first elected	Shares held when elected		Current shareholding		Shares held by spouse and minor children		Shares held in others' names		Work/ Education experiences	Titles currently held at the Company and other companies	Other Supervisor or Director roles held by spouse or second degree relations			Remark
							Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio			Title	Name	Relations	
Independent Director	Republic of China	Tian-Dao Liu	Male/ 51-60 years old	2023.05.31	3 years	2014.09.26	—	—	—	—	—	—	—	—	Bachelor's Degree, Business Administration, National Taiwan University Certified Public Accountant, Zhi-Dao Accounting Firm	—	—	—	—	—
Independent Director	Republic of China	Dai-Huang Kuo	Male/ 61-70 years old	2023.05.31	3 years	2020.06.17	58,725	0.07	95,325	0.06	—	—	—	—	PhD, College of Pharmacy, China Medical University Professor of the Department of Pharmacy and Institute of Pharmacy of Tajen University	—	—	—	—	—
Independent Director	Republic of China	Hsing-Wen Wang	Female/ 41-50 years old	2023.05.31	3 years	2020.06.17	—	—	—	—	—	—	—	—	Graduate Institute of Industrial Economics of NCU School of Law, Soochow University Chief Lawyer of Hsing-Wen Wang Law Firm	—	—	—	—	—
Independent Director	Republic of China	Min-Hsiung Pan	Male/ 51-60 years old	2023.05.31	3 years	2023.05.31	—	—	—	—	—	—	—	—	Ph.D., Institute of Student Chemistry, NTU Professor Institute of Food Science and Technology, NTU	—	—	—	—	—

Note: The Chairman of the Board and the General Manager are the same individual. The reasons, rationale, necessity, and corresponding measures should be explained: Due to the characteristics of the industry, having the Chairman of the Board and the General Manager as the same person is beneficial for the Company's development and efficiency. Additionally, more than half of the directors do not concurrently serve as employees or managers.

Note 1: The holder of the shares is Hao Cheng Investments Co., Ltd., and Ri-Long Investment Co., Ltd.; Hao Cheng Investments Co., Ltd.'s person in charge is the same person as Mr. Ming-Lung Cheng, the representative of Ri-Long Investment Co., Ltd.

(II) Substantial shareholders of the corporate shareholders

March 31, 2026

Name of corporate shareholder	Substantial shareholders of the corporate shareholders	Shareholding ratio %
Zhen Han Investment Co., Ltd.	Ming-Lung Cheng	77.67%
	Yung-Chen Cheng	11.16%
	Yung-Han Zhan	11.16%
Hao Cheng Investments Co., Ltd.	Ri-Long Investment Co., Ltd.	100.00%
Top Taiwan XI Venture Capital Co., Ltd.	Farglory Life Insurance Inc.	12.38%
	Taiwan Life Insurance Co., Ltd.	11.25%
	TransGlobe Life Insurance Inc.	11.25%
	Chicony Electronics Co., Ltd.	9.38%
	Chicony Power Technology Co., Ltd.	9.38%
	Taiwan Fire & Marine Insurance Co., Ltd.	7.50%
	SINBON Electronics Co., Ltd.	7.50%
	ShareHope Medicine Co., Ltd.	7.50%
	Elan Microelectronics Corp.	6.25%
	Ampire Co., Ltd.	6.25%

(III) When the substantial shareholder of a corporate shareholder is a corporate shareholder, the substantial shareholder thereof:

March 31, 2026

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
Ri-Long Investment Co., Ltd.	Chia-Lung Investment Co., Ltd.	100%

April 15, 2025

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
Farglory Life Insurance Co., Ltd.	Shin Yu Investment Ltd.	19.00%
	Fareast Land Development Co., Ltd.	12.48%
	Global View Co., Ltd.	8.91%
	Teng-Hsiung Chao	8.49%
	Harvard International Investment Co., Ltd.	6.71%
	RuiChi International Investment Co., Ltd.	6.43%
	Far Glory International Investment Co., Ltd.	6.43%
	Tungyuan Construction Co., Ltd.	5.63%
	Farglory Land Development Co., Ltd.	2.55%
	Youn Long Development Co., Ltd.	2.49%

February 28, 2025

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
Taiwan Life Insurance Co., Ltd.	CTBC Financial Holding Co., Ltd.	100%

March 31, 2025

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
TransGlobe Life Insurance Inc.	Chung Wei De Hui Co., Ltd.	100%

March 30, 2025

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
Chicony Electronics Co., Ltd.	KunTai Syu	7.45%
	Yuanta/P-shares Taiwan Dividend Plus ETF	4.95%
	The Account of Fuhua Taiwan Technology Dividend Highlight Index ETF Securities Investment Trust Fund entrusted by Taipei Fubon Commercial Bank Co., Ltd.	3.65%
	Hua Nan Commercial Bank is entrusted with the custody of the Yuanta Taiwan High Dividend Momentum ETF investment account	3.31%
	New Labor Pension	3.04%
	Unikey Electronics Co., Ltd.	2.58%
	Epoque Corporation	2.01%
	Mega International Commercial Bank Finance Department	1.97%
	Chunghwa Post Co., Ltd.	1.90%
	JP Morgan Chase Bank Taipei Branch is entrusted with the custody of the special investment account of JP Morgan Securities Co., Ltd.	1.74%

March 28, 2025

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
Chicony Power Technology Co., Ltd.	Chicony Electronics Co., Ltd.	51.90%
	Tzu-Ching Li	6.08%
	Norges Bank investment account under the custody of Citi Commercial Bank Taiwan Co., Ltd.	2.06%
	Yan-Li Lin	1.97%
	I-Ching Lin	1.97%
	Special account for entrusted trust property of Taishin International Bank Mao Kuei Lin	1.25%
	Special account for entrusted trust property of Taishin International Bank Mao Kuei Lin	1.25%
	Di Chia Investment Co., Ltd.	1.02%
	Mao-Tsun Lin	0.87%
	Kuo-Hua Tseng	0.86%

March 31, 2025

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
Taiwan Fire & Marine Insurance Co., Ltd.	Bank of Taiwan	17.84%
	Ling Hang Investments and Development Co., Ltd.	6.95%
	Yong-Hsin Development Co., Ltd.	6.67%
	Chiao-Nong Investment Co., Ltd.	3.04%
	Taichung Commercial Bank Co., Ltd.	2.94%

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
	Ling Hang Construction Co., Ltd.	2.93%
	Land Bank of Taiwan	2.83%
	Chia-Te Investment Co., Ltd.	2.20%
	Tai-Hung Lee	2.07%
	Tung Sheng Development Co., Ltd.	1.91%

March 29, 2025

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
SINBON Electronics Co., Ltd.	Deutsche Bank Taipei Branch, Germany, entrusted with the custody of the Small-sum Global Fund Company investment account.	3.40%
	Fubon Life Insurance Co., Ltd.	2.73%
	Joseph Wang	2.71%
	New Labor Pension Fund	2.52%
	Norges Bank under the custody of the Citi Commercial Bank Taiwan Co., Ltd.- external manager BlackRock Investment Management (Taiwan) Company investment account	2.42%
	Cathay Life Insurance Company, Ltd.	2.28%
	TaiE Investment Co., Ltd.	1.75%
	HSBC (Taiwan) Commercial Bank Co., Ltd. is the custodian of the Federated Hermes Global Emerging Markets Equity Fund investment account	1.64%
	Argosy Research Inc.	1.59%
	The Standard Chartered Bank International Commercial Banking Department is entrusted with the custody of the Vanguard Star Fund Company's series fund, the Vanguard Composite International Equity Index Fund investment account.	1.24%

April 18, 2025

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
ShareHope Medicine Co., Ltd.	Missioncare Co.	28.80%
	Tsai-Bi Yang Chen	1.12%
	Ching-Jung Su	0.94%
	Chih-Hui Huang	0.77%
	Hung-Jen Yang	0.74%
	Tian Yu-long	0.61%
	Yang Jheng Investment Co., Ltd.	0.56%
	Feng-cheng Fu	0.50%
	Minsheng Asset Management Co., Ltd	0.47%
	Xu Rong Yuan	0.46%

March 30, 2025

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
Elan Microelectronics Corporation	Hua Nan Commercial Bank is entrusted with the custody of the Yuanta Taiwan Value High Dividend E	4.64%
	Elan Investment Co., Ltd.	4.09%
	New Labor Pension	3.70%
	Yu-Long Investments Co., Ltd.	2.33%
	I-Ho Yeh	2.06%
	Shanghai Commercial & Savings Bank Co., Ltd.	1.71%
	Norges Bank investment account under the custody of Citi Commercial Bank Taiwan Co., Ltd.	1.51%
	JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	1.17%
	Chang Gung Medical Foundation	1.12%
	Van Garde Emerging Market Stock Index Fund account under the custody of the Chase Bank	1.07%

March 30, 2025

Name of corporate shareholder	Substantial Shareholders of the Corporate Shareholders	
	Shareholder	Shareholding ratio
Ampire Co., Ltd.	AMICCOM Electronics Corporation, Ltd.	5.49%
	STL Technology Co., Ltd.	3.70%
	IBASE Technology Inc	3.06%
	Su-Han Chieh	2.96%
	Pei Chia Investment Co., Ltd.	2.58%
	Chi-Yung Chen	2.31%
	Kuan-Wei Investments and Development Co., Ltd.	2.28%
	Chengding Venture Capital Co., Ltd.	1.69%
	Chung-Hsien Lee	1.11%
	Chen Man Investment Co., Ltd.	1.01%

(IV) Information on directors and supervisors

1. Disclosure of professional qualifications of directors and independence of independent directors:

Conditions / Name (Note 1)	Professional qualifications and experience (Note 1)	Independence situation (Note 2)	Number of other public companies where the individual concurrently serves as an Independent Director
Zhen Han Investment Co., Ltd. Representative: Ming-Lung Cheng	It shall have working experience in business, asset management, and operation management, and have the operation judgment ability required by the Company. Previous company managers, deputy general manager, general manager, and chairman of Sinyi Realty, Inc. There are no issues under Article 30 of the Company Act.	The Chairman of the Company meets the independence criteria: he is not a director, supervisor, or employee of another company controlled by the same individual who holds more than half of the voting shares or board seats of the Company; nor does he have a spousal or second-degree kinship relationship with any other director.	—
Top Taiwan XI Venture Capital Co., Ltd. Representative: Li-Ping Shen	Working experience in business, asset management, accounting, finance, and operation management. Certified auditor of KPMG, deputy manager of Mega Securities, manager of Taishin Securities, manager of Top Taiwan Venture Capital Group, and legal director representative of Olis Innovation Co., Limited. There are no issues under Article 30 of the Company Act.	Representatives serving as corporate directors meet the independence criteria: they are not directors, supervisors, or employees of other companies controlled by the same individual who holds more than half of the voting shares of the Company; they do not have spousal or second-degree kinship relationships with other directors; and they have not received compensation in the past two years for providing business, legal, financial, or accounting services to the Company or its affiliated enterprises.	—

Name (Note 1) \ Conditions	Professional qualifications and experience (Note 1)	Independence situation (Note 2)	Number of other public companies where the individual concurrently serves as an Independent Director
Yi-Hung Chen	Working experience in academic and industrial knowledge required by the Company. He has been a doctor of pharmaceutical chemistry at China University of Pharmacy, the professor of pharmacy at China University of Pharmacy, and the supervisor of the Company. There are no issues under Article 30 of the Company Act.	For individual directors, the criteria for independence are as follows: they are not directors, supervisors, or employees of another company controlled by the same person who holds more than half of the voting shares or board seats of the Company; they do not have spousal or second-degree kinship relationships with other directors; they do not hold any shares of the Company; they do not serve as directors, supervisors, or employees of companies with specific relationships to the Company; and they have not received remuneration in the past two years for providing business, legal, financial, or accounting services to the Company or its related enterprises.	—
Shang-Feng Lu	Professional and technical personnel with academic and operational management experience, who have passed the national examination required by professional pharmacists and obtained certificates. Certified purchasing manager, associate, and deputy general manager of the Company and the chairman of Great Tree Pets Co., Ltd. There are no issues under Article 30 of the Company Act.	For individual directors meeting the independence criteria: they are not directors, supervisors, or employees of another company controlled by the same person who holds more than half of the voting shares or board seats of the Company; they do not have spousal or second-degree kinship relationships with other directors; and they have not received compensation in the past two years for providing business, legal, financial, or accounting services to the Company or its affiliated enterprises.	—

Conditions / Name (Note 1)	Professional qualifications and experience (Note 1)	Independence situation (Note 2)	Number of other public companies where the individual concurrently serves as an Independent Director
Hao Cheng Investments Co., Ltd. Representative: Shih-Wei Yeh	Professional and technical personnel with academic and operational management experience, who have passed the national examination required by professional pharmacists and obtained certificates. Certified purchasing manager, assistant manager of the product purchase and marketing department of the Company and the chairman of Bai-Lin Logistics Co., Ltd. There are no issues under Article 30 of the Company Act.	Representatives serving as corporate directors meet the independence criteria: they are not directors, supervisors, or employees of other companies controlled by the same individual who holds more than half of the voting shares of the Company; they do not have spousal or second-degree kinship relationships with other directors; and they have not received compensation in the past two years for providing business, legal, financial, or accounting services to the Company or its affiliated enterprises.	—
Tian-Dao Liu	Professional and technical personnel with working experience in business, academic, asset management, accounting, and finance, who have passed the national examination required by accountants and obtained certificates. Certified Public Accountant, Zhi-Dao Accounting Firm. There are no issues under Article 30 of the Company Act.	As the independent chairman of the Company, it meets the requirements of independence: including but not limited to the fact that he, his spouse, and relatives within the second degree do not serve as directors, supervisors, or employees of the Company or its affiliated companies. The number of shares of the Company not held. Not serving as a director, supervisor, or employee of a company with a specific relationship with the Company. No remuneration was received from providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the past two years.	—

Conditions / Name (Note 1)	Professional qualifications and experience (Note 1)	Independence situation (Note 2)	Number of other public companies where the individual concurrently serves as an Independent Director
Dai-Huang Kuo	Working experience in academic and industrial knowledge required by the Company. Certified doctor of pharmaceutical chemistry at CMU and professor of the Department of Pharmacy and Institute of Pharmacy of Tajen University. There are no issues under Article 30 of the Company Act.	Previously served as an independent director, meeting the conditions of independence, including but not limited to the fact that he, his spouse, and relatives within the second degree do not serve as directors, supervisors, or employees of the Company or its affiliated companies. The number of shares of the Company held by myself, my spouse, and second-degree relatives (or in the name of others) is 95,325, accounting for 0.06% of the total issued shares. Not serving as a director, supervisor, or employee of a company with a specific relationship with the Company. No remuneration was received from providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the past two years.	—
Hsing-Wen Wang	Professional and technical personnel who have working experience in business, law, and finance and have passed the national examination required by lawyers with certificates. Certified Chief Lawyer of Hsing-Wen Wang Law Firm. There are no issues under Article 30 of the Company Act.	As the independent chairman of the Company, it meets the requirements of independence: including but not limited to the fact that he, his spouse, and relatives within the second degree do not serve as directors, supervisors, or employees of the Company or its affiliated companies. The number of shares of the Company not held. Not serving as a director, supervisor, or employee of a company with a specific relationship with the Company. No remuneration was received from providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the past two years.	—

Conditions / Name (Note 1)	Professional qualifications and experience (Note 1)	Independence situation (Note 2)	Number of other public companies where the individual concurrently serves as an Independent Director
Min-Hsiung Pan	Working experience in academic and industrial knowledge required by the Company. Former Ph.D. student in the Department of Biochemical Science at National Taiwan University and a professor of the Institute of Food Science and Technology at National Taiwan University. There are no issues under Article 30 of the Company Act.	As the independent chairman of the Company, it meets the requirements of independence: including but not limited to the fact that he, his spouse, and relatives within the second degree do not serve as directors, supervisors, or employees of the Company or its affiliated companies. The number of shares of the Company not held. Not serving as a director, supervisor, or employee of a company with a specific relationship with the Company. No remuneration was received from providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the past two years.	—

2. Independence and diversity of the Board of Directors:

The Board of Directors of the Company shall direct the Company's strategies, supervise the management and be responsible to the Company and shareholders. Procedures and arrangement relating to corporate governance shall ensure that, in exercising its authority, the Board of Directors will comply with laws, regulations, articles of incorporation, and the resolutions of shareholders' meetings of the Company. Regarding the structure of the Board of Directors of the Company, an appropriate number of the board members, which shall not be less than seven, including a minimum of three independent directors, which should not be less than one-fifth of the total number of directors. It shall be determined based on the review of the scale of corporate management and operation and the shareholding of the major shareholders and by taking into consideration of the practical needs for operation, Therefore, the Company has set the following diversified goals:

(1) The composition of the Board of Directors shall be determined by taking diversity into consideration. It is advisable that Directors concurrently serving as company officers not exceed one-third of the total number of the Board members, and that an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards:

A. Basic qualifications and value: Gender, age, nationality, and culture, etc.

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

(2) The members of the Board shall generally possess the knowledge, skills, and qualities necessary for the performance of their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:

A. Operational judgment.

B. Accounting and financial analysis ability.

C. Operation and management ability.

D. Crisis management ability.

E. Industrial knowledge.

F. International market view.

G. Leadership.

H. Decision-making ability.

The current fourth Board of Directors of the Company is composed of nine directors, including four independent directors. At present, the members of the Board of Directors have diverse backgrounds, including professional pharmacists, professors in pharmacy-related fields, certified public accountants, practicing lawyers and sages with rich business experience in various industries. The professional abilities of each director are diversified and complementary, which is sufficient to achieve the goal of diversification.

The current diversification policy and implementation of the Company's Board of Directors are as follows:

Diversified core projects / Director Name	Basic component										Industry experience				Professional ability				Core project							
				Age				Term of office and seniority of independent directors																		
	Nationality	Gender	Having employee status	Aged 31-40	Aged 41-50	Aged 51-60	Aged 61-70	Less than three years	Three to nine years	More than nine years	Bank	Operation affairs	Learning	Asset management	Accounting	Law	Finance	Operation management	Operational judgment ability	Accounting and financial analysis ability	Management ability	Crisis management ability	Industrial knowledge capability	International market capacity	Leadership	Decision-making ability
Zhen Han Investment Co., Ltd. Representative: Ming-Lung Cheng	Republic of China	Male	✓			✓						✓		✓				✓	✓	✓	✓	✓	✓	✓	✓	✓
Top Taiwan XI Venture Capital Co., Ltd. Representative: Li-Ping Shen	Republic of China	Male			✓							✓	✓	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓
Yi-Hung Chen	Republic of China	Male					✓						✓						✓				✓	✓		✓
Shang-Feng Lu	Republic of China	Male	✓		✓													✓	✓		✓	✓	✓	✓	✓	✓
Hao Cheng Investments Co., Ltd. Representative: Shih-Wei Yeh	Republic of China	Male	✓		✓														✓		✓	✓	✓	✓	✓	✓
Tian-Dao Liu	Republic of China	Male				✓				✓		✓	✓	✓	✓		✓		✓	✓	✓	✓	✓		✓	✓
Dai-Huang Kuo	Republic of China	Male					✓		✓				✓						✓		✓		✓	✓	✓	✓
Hsing-Wen Wang	Republic of China	Female			✓				✓			✓				✓	✓		✓	✓	✓		✓	✓	✓	✓
Min-Hsiung Pan	Republic of China	Male				✓		✓					✓						✓		✓	✓	✓	✓	✓	✓

The Company has nine directors with each term three years in length.The average tenure of directors is six years. Among the directors, independent directors Dai-Huang Kuo and Hsing-Wen Wang are entering their fifth years in their second terms, independent director Min-Hsiung Pan has served less than 3 years; independent director Tian-Dao Liu has served 11 years, and remaining independent directors have served fewer than three consecutive terms.

The members of the Board of Directors are of their nationality, and the component structure accounts for 44.44% of the four independent directors respectively. Three directors with working status accounted for 33.33%. The age distribution of the Board members is as follows: four directors are between 41 and 50 years old, three are between 51 and 60 years old, and two are over 61 years old.

The Company also pays attention to gender equality in the composition of the Board of Directors in addition to the above. A total of 88.89% (8) of the Board of Directors is male and 11.11% (1) are female at present. The Company will try its best to increase the number of female directors in the future. The goal is to set the proportion of female directors to be over 30%, with plans to add one female director in both the fifth and sixth session to achieve the target.

Note 1: Professional qualifications and experience: It shall state the professional qualifications and experience of independent directors and supervisors. It shall state their accounting or financial background and work experience if they are members of the audit committee and have accounting or financial expertise, and also state whether they have no circumstances under Article 30 of the Company Act.

Note 2: The independent director shall state the conditions that meet the independence, including but not limited to whether he, his spouse, and second-degree relatives are directors, supervisors, or employees of the Company or its affiliated companies. The number and proportion of shares held by myself, my spouse, and second-degree relatives (or in the name of others). Whether to serve as a director, supervisor, or employee of a company with a specific relationship with the Company (refer to Article 3, paragraph 1, subparagraphs 5-8 of the regulations on the establishment and compliance of independent directors of public companies)? The amount of remuneration received for providing business, legal, accounting, and other services to the Company or its affiliated companies in the past two years.

(V) President, Vice Presidents, Associate Managers, and Supervisors of All the Company's Divisions and Branch Units

March 31, 2026 (book closure date); Unit: shares

<table>
<tr><th rowspan="2">Title
(Note 1)</th><th rowspan="2">Name</th><th rowspan="2">Nationality</th><th rowspan="2">Gender</th><th rowspan="2">Date first elected or assumed office</th><th colspan="2">Number of shares held</th><th colspan="2">Shares held by spouse and minor children</th><th colspan="2">Shares held in others' names</th><th rowspan="2">Work/Education experience (Note 2)</th><th rowspan="2">Positions concurrently held in other companies</th><th colspan="3">Managers who have spousal or second-degree family relationships within the Company</th><th rowspan="2">Notes (Note3)</th></tr>
<tr><th>Shareholding</th><th>Shareholding ratio</th><th>Shareholding</th><th>Shareholding ratio</th><th>Shareholding</th><th>Shareholding ratio</th><th>Title</th><th>Name</th><th>Relations</th></tr>
<tr><td>General Manager</td><td>Ming-Lung Cheng</td><td>Republic of China</td><td>Male</td><td>2014.01.01</td><td>3,757,663</td><td>2.50</td><td>—</td><td>—</td><td>15,262,677</td><td>10.17</td><td>1. Bachelor’s Degree, Shih Chien University
2. Manager of Sinyi Realty Inc.
3. General Manager of the Company</td><td>1. Director of Treetop Molecular Biotechnology Co., Ltd.
2. Chairman of Da Yu Property Management Co., Ltd.</td><td>—</td><td>—</td><td>—</td><td>Note 3</td></tr>
<tr><td>Deputy General Manager</td><td>Shang-Feng Lu</td><td>Republic of China</td><td>Male</td><td>2019.10.30</td><td>1,586,529</td><td>1.06</td><td>155,089</td><td>0.10</td><td>—</td><td>—</td><td>1. Bachelor’s degree from Department of Pharmacy, Chia Nan University of Pharmacy & Science
2. Qualified for Senior Pharmacist Examination for Professional and Technical Personnel</td><td>1. Chairman of Great Tree Pet Co., Ltd.
2. Director of Enki Biotechnology Co., Ltd.
3. Chairman of SUNYAO Healthcare Co., Ltd.
4. Chairman of Senyu Biomedical Co., Ltd.</td><td>—</td><td>—</td><td>—</td><td>—</td></tr>
<tr><td>Assistant Manager at Finance and Head of Corporate Governance</td><td>Shu-Yi Wu</td><td>Republic of China</td><td>Female</td><td>2013.11.01</td><td>674,762</td><td>0.45</td><td>—</td><td>—</td><td>—</td><td>—</td><td>1. Bachelor of accounting department of Fu Jen Catholic University (FJCU)
2. Senior Manager of Ernst & Young
3. Finance Manager of Great Tree Pharmacy Co., Ltd.</td><td>1. Supervisor of Da Yu Property Management Co., Ltd.
2. Supervisor of Great Tree Pets Co., Ltd.
3. Supervisor of SUNYAO Healthcare Co., Ltd.
4. Supervisor of Senyu Biomedical Co., Ltd.
5. Supervisor of Enki Biotechnology Co., Ltd.
6. Supervisor of Dafeng Logistics Co., Ltd.</td><td>—</td><td>—</td><td>—</td><td>—</td></tr>
<tr><td>Assistant Manager of the Administration Department</td><td>Mei-Yun Liu</td><td>Republic of China</td><td>Female</td><td>2024.04.01</td><td>64,181</td><td>0.04</td><td>—</td><td>—</td><td>—</td><td>—</td><td>1. Department of Industrial Management of Chin-Min Institute of Technology (Asia-Pacific Institute of Creativity)
2. Operations Manager of Ivy Biotechnology Co., Ltd.</td><td>—</td><td>—</td><td>—</td><td>—</td><td>—</td></tr>
</table>

Assistant Manager of the Operation Department	Feng-Sheng Huang	Republic of China	Male	2019.10.30	297,000	0.20	13,715	0.01	—	—	1. Scholar of the Department of Pharmacy of Tajen University 2. Qualified for Senior Pharmacist Examination for Professional and Technical Personnel	Chairman of Ivy Biotechnology Co., Ltd.	—	—	—	—
Assistant Manager of the Product Purchase and Marketing Department	Shih-Wei Yeh	Republic of China	Male	2019.10.30	688,107	0.46	229,487	0.15	—	—	1. Bachelor's Degree, School of Pharmacy, China Medical University 2. Qualified for Senior Pharmacist Examination for Professional and Technical Personnel	1. Chairman of Bai-Lin Logistics Co., Ltd. 2. Chairman of Bai-Lin Logistics Co., Ltd.	—	—	—	—
Chief Auditor	Shu-Yi Huang	Republic of China	Female	2014.08.11	86,037	0.06	—	—	—	—	1. Bachelor of accounting department of Tunghai University 2. Manager of Ernst & Young	—	—	—	—	—

Note 1: Disclosure of information on General Manager, Vice Presidents, Assistant Managers, and Managers from all departments and branches and ranks equivalent to General Manager, Vice Presidents, and Assistant Managers, regardless of titles, shall be required.

Note 2: For the current positions in the CPA firm or affiliates in the first term mentioned above, the titles and duties of such positions should be clearly stated.

Note 3: The reasons, reasonableness, necessity and countermeasures shall be disclosed when the general manager or equivalent person (top manager) is the same person as the chairman, spouse or first-degree relative: the chairman and the general manager are the same person who is conducive to the development and efficiency of the Company based on the characteristics of the industry, and more than half of the directors are not simultaneously employees or managers.

(VI) Succession project of the Board of Directors and important management

1. Succession plan of Board of Directors members

The directors of the Company are nominated by the major shareholders and elected by the shareholders' meeting to form the Board of Directors. Members of the Board of Directors shall have a professional background (such as law, accounting, industry, finance, marketing, or technology) and professional skills (such as operation judgment ability, accounting, and financial analysis ability, operation and management ability, crisis handling ability, industrial knowledge, international market view, leadership ability, and decision-making ability). The successor directors shall also have expertise in the Company's business project and business in addition to having a professional background and professional skills.

The Company will consider selecting courses covering finance, risk management, business, business, legal affairs, accounting, corporate social responsibility, and other topics related to corporate governance beyond the scope of the directors' professional abilities or courses related to internal control systems and financial reporting responsibility to enable the members of the Board of Directors to improve their professionalism and make continuous improvement. Each person shall arrange at least six to twelve hours of refresher courses every year under the "key points for the implementation of refresher courses for directors and supervisors of listed and OTC companies" to ensure that members of the Board of Directors have a considerable degree of industrial knowledge and acquire new knowledge.

The Company implements the board diversity policy in accordance with the Corporate Governance Best-Practice Principles. Currently, there are a total of 9 directors (including 4 independent directors) who possess diverse and complementary experiences in the pharmaceutical industry, as well as professional expertise in law, finance, and accounting. Three of them concurrently serve as senior executives of the Company. In the future, the composition and background of the Company's board members will continue the current structure. In addition, board members conduct performance evaluations annually, and the evaluation results will serve as references for nominating directors for reappointment.

2. Succession project of important management

Important management successors shall have high executive power, correct values, ethicalness, sincerity, honesty, and other personality traits, take the Company concept of "professionalism, ethicalness, and sharing" as the standard, and strive to achieve the win-win goals of employee satisfaction, customer satisfaction, and shareholder satisfaction.

We usually cultivate the three skills of management knowledge, management skills, and management leadership by performing different project tasks in the training project of important management levels and exploring their gaps in the development process. Furthermore, each person is arranged with three to twelve hours of advanced courses related to corporate governance every year in terms of management functions (such as strategy, thinking, analysis, projects, execution, expression, cultivation, coordination, team, and Leadership) Professional abilities (such as operating market judgment, accounting, financial analysis, operation and management, crisis management, industrial knowledge, international market outlook) and personal development are strengthened through external professional courses. The successor selection can improve the operation and management ability and thinking through management course training and job experience, complete the preparation for taking over before the scheduled time of taking over.

II. Remuneration paid to Directors, Supervisors, General Manager, Deputy General and Managers in the Most Recent Year

(I) Remuneration of directors (including independent directors) (some disclosure of names and remuneration methods) December 31, 2025

Unit: in NT$1000

Title	Name	Remuneration of Directors								Ratio of total remunerations including A, B, C, and D to net income after tax (%) (Note 10)		Compensations paid to concurrent employees								Ratio of total remunerations including A, B, C, D, E, F, and G to net income after tax (%) (Note 10)		Whether or not the person receives remuneration from other non-subsidiary companies that this company has invested in or parent company (Note 11)
		Remuneration (A) (Note 2)		Retirement pension (B)		Directors' Remunerations (C)(Note 3)		Business execution expenses (D) (Note 4)				Salaries, bonuses and special expenses (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6)						
		The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies in the Consolidated Financial Statements (Note 7)	The Company	All companies in the Consolidated Financial Statements (Note 7)	The Company	All companies in the Consolidated Financial Statements (Note 7)	The Company	All companies in the Consolidated Financial Statements (Note 7)	The Company		All companies included in the financial statements (Note 7)		The Company	All companies in the Consolidated Financial Statements (Note 7)	
																Cash amount	Stock amount	Cash amount	Stock amount			
Chairman and General Manager	Zhen Han Investment Co., Ltd. Representative: Ming-Lung Cheng	7,135	7,135	-	-	513	513	-	-	7,648/ 1.27	7,648 /1.27	-	-	-	-	-	-	-	-	7,648 /1.27	7,648 /1.27	None
Director	Top TaiwanXI Venture Capital Co., Ltd. Representative: Li-Ping Shen	-	-	-	-	514	514	25	25	539 /0.09	539 /0.09	-	-	-	-	-	-	-	-	539 /0.09	539 /0.09	None
Director	Yi-Hung Chen	-	-	-	-	514	514	24	24	538 /0.09	538 /0.09	-	-	-	-	-	-	-	-	538 /0.09	538 /0.09	None
Directors and Deputy General Manager	Shang-Feng Lu	-	-	-	-	513	513	-	-	513 /0.09	513 /0.09	4,205	4,205	-	-	-	-	-	-	4,718/ 0.79	4,718 /0.79	None
Director and Assistant Manager of the Product Purchase and Marketing Department	Hao Cheng Investment (shares) Co., Ltd. Representative: Shih-Wei Yeh	-	-	-	-	513	513	-	-	513 /0.09	513 /0.09	3,030	3,030	-	-	-	-	-	-	3,543/ 0.59	3,543 /0.59	None
Independent Director	Tian-Dao Liu	-	-	-	-	514	514	55	55	569 /0.09	569 /0.09	-	-	-	-	-	-	-	-	569 /0.09	569 /0.09	None
Independent Director	Dai-Huang Kuo	-	-	-	-	514	514	35	35	549 /0.09	549 /0.09	-	-	-	-	-	-	-	-	549 /0.09	549 /0.09	None
Independent Director	Hsing-Wen Wang	-	-	-	-	514	514	-	-	514 /0.09	514 /0.09	-	-	-	-	-	-	-	-	514 /0.09	514 /0.09	None
Independent Director	Min-Hsiung Pan	-	-	-	-	514	514	-	-	514 /0.09	514 /0.09	-	-	-	-	-	-	-	-	514 /0.09	514/ 0.09	None

1. Please explain the compensation policy, system, standards and structure of independent directors, and explain the relevance of the amount of remuneration according to the responsibilities, risks, investment time and other factors: according to the Company's Articles of Incorporation, if there is a profit in the Company, 3% to 10% should be allocated for employee remuneration, not more than 5% for director remuneration, and the amount of director remuneration will change with the pre-tax profit, which should be reasonable.
2. In addition to the disclosures in the above table, the remuneration received by the directors of the Company for services rendered in the most recent year (such as acting as an advisor to all non-employees of the Company/Reinvestment Business in the parent company/financial report): None.

Note: In 2025, the Company's net income after tax from individual financial reports was NT$600,421 thousand.

Table of Remuneration Ranges

Table of Remuneration Ranges for Directors	Name of Director			
	Total remunerations from A to D (A+B+C+D)		Total remunerations from A to G (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies included in the financial statements (Note 9) H	The Company (Note 8)	All companies in the Consolidated Financial Statements (Note 9)I
Less than NT$1,000,000	Li-Ping Shen (Representative of Top Taiwan XI Venture Capital Co., Ltd.), Yi-Hung Chen, Shang-Feng Lu, Shih-Wei Yeh (Representative of Hao Cheng Investment Co., Ltd.), Tian-Dao Liu, Dai-Huang Kuo, Hsing-Wen Wang and Min-Hsiung Pan	Li-Ping Shen (Representative of Top Taiwan XI Venture Capital Co., Ltd.), Yi-Hung Chen, Shang-Feng Lu, Shih-Wei Yeh (Representative of Hao Cheng Investment Co., Ltd.), Tian-Dao Liu, Dai-Huang Kuo, Hsing-Wen Wang and Min-Hsiung Pan	Li-Ping Shen (Representative of Top Taiwan XI Venture Capital Co., Ltd.), Yi-Hung Chen, Tian-Dao Liu, Dai-Huang Kuo, Hsing-Wen Wang and Min-Hsiung Pan	Li-Ping Shen (Representative of Top Taiwan XI Venture Capital Co., Ltd.), Yi-Hung Chen, Tian-Dao Liu, Dai-Huang Kuo, Hsing-Wen Wang and Min-Hsiung Pan
NT$1,000,000 (inclusive) to NT$2,000,000 (exclusive)	—	—	—	—
NT$2,000,000 (inclusive) to NT$3,500,000 (exclusive)	—	—	—	—
NT$3,500,000 (inclusive) to NT$5,000,000 (exclusive)	—	—	Shang-Feng Lu, Shih-Wei Yeh (Representative of Hao Cheng Investment Co., Ltd)	Shang-Feng Lu, Shih-Wei Yeh (Representative of Hao Cheng Investment Co., Ltd)
NT$5,000,000 (inclusive) to NT$10,000,000 (exclusive)	Ming-Lung Cheng (Representative of Zhen Han Investment Co., Ltd)	Ming-Lung Cheng (Representative of Zhen Han Investment Co., Ltd)	Ming-Lung Cheng (Representative of Zhen Han Investment Co., Ltd)	Ming-Lung Cheng (Representative of Zhen Han Investment Co., Ltd)
Total	9 people	9 people	9 people	9 people

Note 1: The names of the directors shall be listed separately (the corporate shareholders shall list the names of the corporate shareholders and the representatives separately), and the general directors and independent directors shall be listed separately, and the amount of each payment shall be disclosed in an aggregate manner. This table and the following table 2 and 3 shall be filled if a Director concurrently serves as the General Manager or Vice President.

Note 2: : Refers to the remuneration of directors in 2025 (including directors' salary, job bonus, severance pay, various bonuses, awards, etc.).

Note 3: Refers to the amount of directors' remuneration distributed by the Board of Directors in 2025.

Note 4: Refers to director's business expenses in 2025 (including travel expenses, special disbursements, various allowances, dormitories and vehicles, etc.) If housing, car or other means of transportation, or personal expenses are provided, the nature and cost of the assets provided, the actual or fair market value-based rent, fuel expenses, and other payments should be disclosed. Additionally, if a driver is provided, please add a note explaining the relevant compensation paid by the Company to the driver, but do not include it in the remuneration.

Note 5: This includes remuneration received by a director concurrently serving as an employee in 2025 (including concurrently serving as general manager, deputy general manager, other managers, or employee) including salary, duty allowances, severance pay, various rewards, incentives, travel expenses, special disbursements, various allowances, dormitories and vehicles, etc If housing, car or other means of transportation, or personal expenses are provided, the nature and cost of the assets provided, the actual or fair market value-based rent, fuel expenses, and other payments should be disclosed. Additionally, if a driver is provided, please add a note explaining the relevant compensation paid by the Company to the driver, but do not include it in the remuneration. Additionally, salary expenses recognized as "share-based payment" under IFRS 2 includes the acquisition of employee share subscription warrants, new restricted shares issued to employees, and participate in employee stock options at cash capital increase, etc. should also be accounted for as remuneration.

Note 6: It refers to the remuneration (including stares and cash) obtained by the directors and employees (including the general manager, deputy general manager, other managers, and employees) in 2025. It shall disclose the amount of remuneration distributed by the Board of Directors in recent year. It shall calculate the proposed distribution amount for this year under the proportion of the actual distribution amount of last year if it is impossible to predict, and attached tables 1-3 shall be filled in.

Note 7: It shall disclose the total amount of remuneration paid by all companies (including the Company) to the directors of the Company in the consolidated report.

Note 8: It shall disclose the name of the director in the level to which he belongs for the total amount of remuneration paid by the Company to each director.

Note 9: It shall disclose the total amount of remuneration paid by all companies (including the Company) to each director of the Company in the consolidated report, and the names of the directors shall be disclosed in the level to which they belong.

Note 10: Net profit after tax refers to the net profit after tax of independent or independent financial reports in 2025.

Note 11:
a. This column shall indicate the amount of remuneration received by the Company's directors from reinvested business other than subsidiaries or the parent company (if there is no one, please fill in "None").
b. It shall incorporate the remuneration received by the director of the Company from a reinvestment business outside the subsidiary or the parent company into column I of the remuneration scale if a director of the Company receives relevant remuneration from a reinvestment business outside the subsidiary or the parent company, and change the domain name to "parent company and all reinvested business".
c. Remuneration refers to the reward, remuneration (including remuneration of employees, directors, and supervisors), and business execution expenses received by the directors of the Company as directors, supervisors, or managers of reinvestment business other than subsidiaries or parent companies.

* The disclosed contents and amounts in this table are calculated from a concept different from the calculations of income tax. Hence the purpose of this table is solely for the purpose of information disclosure and not for tax purposes.

(II) Remuneration of the General Manager and Deputy General Manager (summary and cooperation level distance and disclosure of names)

December 31, 2025 Unit: NT$1,000

Title	Name	Salary (A) (Note 2)		Retirement Pension (B)		Bonus and Allowance (C) (Note 3)		Employee Compensation (D) (Note 4)				Ratio of total remunerations including A, B, C, and D to net income after tax (%) (Note 8)		Whether or not the person receives remuneration from other non-subsidiary companies that this company has invested in or parent company (Note 9)
		The Company	All companies included in the financial statements (Note 5)	The Company	All companies included in the financial statements (Note 5)	The Company	All companies included in the financial statements (Note 5)	The Company		All companies included in the financial statements (Note 5)		The Company	All companies included in the financial statements (Note 5)	
								Cash amount	Stock amount	Cash amount	Stock amount			
General Manager	Ming-Lung Cheng	11,685	11,685	0	0	0	0	1,957	0	1,957	0	13,642/ 2.27	13,642 /2.27	None
Deputy General Manager	Shang-Feng Lu													
Assistant Manager	Shu-Yi Wu													

* Disclosure is required for ranks equivalent to General Manager, Vice Presidents, and Assistant Managers, regardless of titles in the Company.
Note: In 2025, the Company's net income after tax from individual financial reports was NT$600,421 thousand.

Table of Remuneration Ranges

Ranges of remunerations paid to General Manager and Vice Presidents of the Company	Name of General Manager and Vice Presidents	
	The Company (Note 6)	All companies in the Consolidated Financial Statements (Note 7) E
Less than NT$1,000,000	—	—
NT$1,000,000 (inclusive) to NT$2,000,000 (exclusive)	—	—
NT$2,000,000 (inclusive) to NT$3,500,000 (exclusive)	Shu-Yi Wu	Shu-Yi Wu
NT$3,500,000 (inclusive) to NT$5,000,000 (exclusive)	Shang-Feng Lu	Shang-Feng Lu
NT$5,000,000 (inclusive) to NT$10,000,000 (exclusive)	Ming-Lung Cheng	Ming-Lung Cheng
Total	3 persons	3 persons

Note 1: The names of the general manager and the deputy general manager shall be listed separately, and the payment amount shall disclose in the form of a summary. This table and the table above (1) shall be filled if a Director concurrently serves as the General Manager or Vice President.

Note 2: It shall fill in the salary, job bonus, and severance pay of the general manager and deputy general manager in 2025.

Note 3: It shall fill in various rewards, incentives, travel expenses, special disbursements, various allowances, dormitories and vehicles and other remuneration of the general manager and deputy general manager in 2025. If housing, car or other means of transportation, or personal expenses are provided, the nature and cost of the assets provided, the actual or fair market value-based rent, fuel expenses, and other payments should be disclosed. Additionally, if a driver is provided, please add a note explaining the relevant compensation paid by the Company to the driver, but do not include it in the remuneration. Additionally, salary expenses recognized as "share-based payment" under IFRS 2 includes the acquisition of employee share subscription warrants, new restricted shares issued to employees, and participate in employee stock options at cash capital increase, etc. should also be accounted for as remuneration.

Note 4: It refers to the amount of employee remuneration (including shares and cash) distributed to the general manager and deputy general manager through the Board of Directors in 2025. It shall calculate the proposed distribution amount for this year under the proportion of the actual distribution amount of last year if it is impossible to predict, and attached tables 1-3 shall be filled in.

Note 5: It shall disclose the total amount of remuneration paid by all companies (including the Company) to the general manager and deputy general manager of the Company in the consolidated report.

Note 6: It shall disclose the total amount of remuneration paid by the Company to each general manager and deputy general manager and the names of the general manager and deputy general manager in the level to which they belong.

Note 7: It shall disclose the total amount of remuneration paid by all companies (including the Company) to each general manager and deputy general manager of the Company in the consolidated report, and the names of the general manager and deputy general manager at the level to which they belong.

Note 8: Net profit after tax refers to the net profit after tax of independent or independent financial reports in 2025.

Note 9:
a. This column shall indicate the amount of relevant remuneration received by the general manager and deputy general manager of the Company from reinvestment business outside the subsidiary or the parent company (if not, please fill in "None").
b. If the general manager and vice manager of the Company receive remuneration from invested companies other than subsidiaries or parent company, the remuneration received by the president and vice presidents of the Company from invested companies other than subsidiaries or parent company shall be included in Column E in the Remuneration Range Table, and the column heading shall be changed to "Parent Company and All Invested Companies."
c. Remuneration in this case refers to remuneration, bonuses (including employee, director, or supervisor bonuses), and allowances received by the general manager and vice manager of the Company as the directors, supervisors, or managerial officers of invested companies other than subsidiaries or parent company.

* The disclosed contents and amounts in this table are calculated from a concept different from the calculations of income tax. Hence the purpose of this table is solely for the purpose of information disclosure and not for tax purposes.

(III) Names of Managers and the Distribution of Employee's Profit-sharing Bonus

December 31, 2025 Unit: in NT$1,000

	Title	Name	Stock amount	Cash amount	Total	Percentage of total compensations on the net income after tax (%)
Managers	General Manager	Ming-Lung Cheng	0	3,127	3,127	0.52
	Deputy General Manager	Shang-Feng Lu				
	Assistant Manager at Finance Department	Shu-Yi Wu				
	Assistant Manager of the Administration Department	Mei-Yun Liu				
	Assistant Manager of the Operation Department	Feng-Sheng Huang				
	Assistant Manager of the Product Purchase and Marketing Department	Shih-Wei Yeh				

Note 1: It shall disclose independent names and professional titles, but the profit distribution can be disclosed in the form of a summary.

Note 2: It refers to the amount of employee remuneration (including shares and cash) distributed to the manager through the Board of Directors in recent year. It shall calculate the proposed distribution amount for this year under the proportion of the actual distribution amount of last year if it is impossible to predict. Net income after tax refers to the net income after tax in recent year; for those who have adopted International Financial Reporting Standards, net income after tax refers to the net income after tax in the parent company only financial statements in recent year.

Note 3: The scope of application of the manager is as follows under the regulation of the FSC's Letter No. 0920001301 dated March 27, 2003:

(1) General manager and equivalent
(2) Deputy general manager or equivalent
(3) Associate and equivalent
(4) Head of Finance Department
(5) Head of the Accounting Department
(6) Other persons who have the right to manage affairs and sign for the Company

Note 4: This form shall be filled out in addition to attached tables 1-2 if directors, general managers, and deputy general managers receive employee remuneration (including shares and cash).

(IV) Analysis of the ratio of remunerations paid by the Company and all companies in the Consolidated Financial Statements to Company Directors, Supervisors, General Manager, and Vice President in the most recent two years on the net income after tax and explanation of policy, standards and mix of remunerations, procedures in setting remunerations and correlations to management performance and future risks:

Title	2024				2025			
	Total compensations (in NT$1,000)		Percentage on the income after tax (%)		Total compensations (in NT$1,000)		Percentage on the income after tax (%)	
	The Company	All companies in the Consolidated Financial Statements	The Company	All companies in the Consolidated Financial Statements	The Company	All companies in the Consolidated Financial Statements	The Company	All companies in the Consolidated Financial Statements
Director	18,747	18,747	2.76	2.76	19,132	19,132	3.19	3.19
Supervisors	-	-	-	-	-	-	-	-
General Manager and Vice President	14,009	14,009	2.06	2.06	13,642	13,642	2.27	2.27

Note: After-tax net profit refers to the after-tax net profit in the financial reports of 2024 and 2025

The Company's remunerations for Directors are handled in accordance with the Company's Articles of Incorporation. Since managers have the obligations to carry out both Company management and operations, compensations for managers include pay, bonus, and employee bonus, and are carried out in accordance with the Company's remuneration system and in consideration of individual manager's seniority, experiences, management performance, and levels of contribution. Future risk is evaluated and remunerations are paid out in reference to industry standards.

III. Status of Company's Corporate Governance

(I) Board of Directors: The meetings of the Board of Directors totaled six and two in the most recent year (2025) and 2026 as of the printing date of this year's newspaper. Therefore, the Board of Directors has held eight meetings (a) in recent year. The attendance of directors is as follows:

Title	Name (Note 1)	Actual attendance (B)	Times of proxy attendance	Actual attendance rate (%) (B/A) (Note 2)	Remark
Chairman	Zhen Han Investment Co., Ltd. Representative: Ming-Lung Cheng	8	0	100.00%	Attendance: 8 times, re-election, re-election date: May 31, 2023, elected as the fourth chairman of the Board of Directors on May 31, 2023
Director	Top Taiwan XI Venture Capital Co., Ltd. Representative: Li-Ping Shen	8	0	100.00%	Attendance: 8 times, re-elected, re-election date: May 31, 2023
Director	Yi-Hung Chen	8	0	100.00%	Attendance: 8 times, re-elected, re-election date: May 31, 2023
Director	Shang-Feng Lu	8	0	100.00%	Attendance: 8 times, re-elected, re-election date: May 31, 2023
Director	Hao Cheng Investment (shares) Co., Ltd. Representative: Shih-Wei Yeh	7	1	87.50%	Attendance: 8 times, newly elected, election date: May 31, 2023
Independent Director	Tian-Dao Liu	8	0	100.00%	Attendance: 8 times, re-elected, re-election date: May 31, 2023
Independent Director	Dai-Huang Kuo	8	0	100.00%	Attendance: 8 times, re-elected, re-election date: May 31, 2023
Independent Director	Hsing-Wen Wang	8	0	100.00%	Attendance: 8 times, re-elected, re-election date: May 31, 2023
Independent Director	Min-Hsiung Pan	7	0	87.50%	Attendance: 8 times, newly elected, election date: May 31, 2023

Other required disclosure:

I. The date of the board meeting, the term, content of the proposals, opinion of all Independent Directors, and the Company's handling of the opinion of Independent Directors shall be recorded under the following circumstances in the operations of the Board of Directors meeting:

(I) Items listed in Article 14-3 of Securities and Exchange Act.

	Date	Number of meeting	Content of proposal	All Independent Directors' opinion and the reaction toward Independent Directors' opinions by the Company shall be specified
	2025.02.27	The 11th Meeting of the 4th session	Define the scope of "entry level employees" as referred to in the Company's "Articles of Incorporation"	Passed by all Independent Directors without dissent.
			To amend some of the articles in Company's "Articles of Incorporation"	Passed by all Independent Directors without dissent.
			Independence of Certified Public Accountants of the Company and appraisal assessments	Passed by all Independent Directors without dissent.
			To reconfirm the Company's "Non-Assurance Services Pre-Approval Policy"	Passed by all Independent Directors without dissent.
			Change in the source of debt repayment for the Company's second domestic unsecured conversion of corporate bonds during their term	Passed by all Independent Directors without dissent.
			In response to financial and business needs, the Company intends to sign a financing and line of credit agreement with Cathay United Bank.	Passed by all Independent Directors without dissent.
			The Company intends to issue the third domestic unsecured conversion of corporate bonds	Passed by all Independent Directors without dissent.
			The Company's 2024 Distribution Project of Remunerations for Employees, Directors, and Supervisors.	Passed by all Independent Directors without dissent.
			2024 Appropriation of Net Income	Passed by all Independent Directors without dissent.
			The case of converting surplus into capital increase and releasing new shares	Passed by all Independent Directors without dissent.
			The Company's 2024 Statement of Internal Control	Passed by all Independent Directors without dissent.
			The Company released 2025 employee stock option certificates and share subscription measures	Passed by all Independent Directors without dissent.
			The Company will not continue to hold private placement of ordinary shares and/or private placement of domestic unsecured convertible corporate bonds approved at the 2024 shareholders' meeting.	Passed by all Independent Directors without dissent.
			Proposal for private placement of ordinary shares and/or private placement of domestic unsecured convertible corporate bonds	Passed by all Independent Directors without dissent.
	2025.05.09	The 12th Meeting of the 4th Session	In response to financial and business needs, the Company intends to sign a financing and line of credit agreement with Bank of Taiwan.	Passed by all Independent Directors without dissent.

	2025.07.01	The 13th Meeting of the 4th Session	The Company intends to authorize the chairman to participate in land bidding cases handled by government	Passed by all Independent Directors without dissent.
	2025.08.08	The 14th Meeting of the 4th Session	Preparation of the Company's 2024 ESG Report	Passed by all Independent Directors without dissent.
			Application for Investment Quota from Mainland China	Passed by all Independent Directors without dissent.
			Ratification of the Company's remuneration adjustment for managers	Passed by all Independent Directors without dissent.
	2025.11.10	The 15th Meeting of the 4th Session	Amendments to Certain Provisions of the Company's Internal Control System	Passed by all Independent Directors without dissent.
			In response to the investment plan for constructing warehouses and other facilities at Taoyuan Aerotropolis, the Company applied to Bank of Taiwan for a loan under the "Accelerated Investment Loan Program for Enterprises Rooted in Taiwan."	Passed by all Independent Directors without dissent.
			To expand its business in mainland China, the Company proposed to reinvest in Greattree Sugi Pharmacy Hong Kong Limited and establish a company in mainland China through this offshore company.	Passed by all Independent Directors without dissent.
			Propose Annual Audit Plan for 2026	Passed by all Independent Directors without dissent.
	2025.12.12	The 16th Meeting of the 4th Session	The Company applied for a credit line from CTBC Bank Co., Ltd.	Passed by all Independent Directors without dissent.
			In 2022, the Company successfully acquired the "Taoyuan Aerotropolis Project Priority Industry Special Zone Land - Base B" through a public tender. The Company plans to construct warehouse and factory facilities for operational use via an open tender process.	Passed by all Independent Directors without dissent.
			The Company plans to revise the "Guidelines for Sustainable Development Practices" and establish a Corporate Value Enhancement Plan.	Passed by all Independent Directors without dissent.
			Ratification of the equity investment project for the fourth quarter of 2025.	Passed by all Independent Directors without dissent.
			The Company's Proposal for Directors' Remuneration Distribution for 2024	Passed by all Independent Directors without dissent.
			Reviewed the year-end performance bonus allocation project for the Company's managers.	Passed by all Independent Directors without dissent.
	2026.02.26	The 17th Meeting of the 4th Session	Independence of Certified Public Accountants of the Company and appraisal assessments	Passed by all Independent Directors without dissent.
			To reconfirm the Company's "Non-Assurance Services Pre-	Passed by all Independent Directors without dissent.

		Approval Policy"	
		The Company's 2025 Distribution Project of Remuneration for Employees, Directors, and Supervisors	Passed by all Independent Directors without dissent.
		2025 Appropriation of Net Income	Passed by all Independent Directors without dissent.
		The case of converting surplus into capital increase and releasing new shares	Passed by all Independent Directors without dissent.
		The Company's 2025 Statement of Internal Control	Passed by all Independent Directors without dissent.
		The Company's Employee Stock Option Certificates and Stock Subscription Plan for 2026	Passed by all Independent Directors without dissent.
		Proposal on re-election of all Directors.	Passed by all Independent Directors without dissent.
		Proposal for private placement of ordinary shares and/or private placement of domestic unsecured convertible corporate bonds	Passed by all Independent Directors without dissent.
2026.03.13	The 18th Meeting of the 4th Session	List of Nomination of Directors and Independent Director Candidates and Procedure for Reviewing the Qualifications of Independent Director Nominee	Passed by all Independent Directors without dissent.
		Proposal to release the newly elected Directors and their representatives from non-competition restrictions	Passed by all Independent Directors without dissent.

(II) Other than the matters mentioned above, other resolutions decided by Board of Directors on which the Independent Directors have dissenting opinions or qualified opinions: None.

II. In regards to the recusal of Directors from voting due to conflict of interests, the name of the Directors, the proposal, reasons for recusal due to conflict of interests and voting outcomes should be stated:

(I) The 14th Meeting of the 4th Board of Directors was held on August 8, 2025
Resolution: Ratification of the Company's remuneration adjustment for managers.

Status of recusal: When voting on this motion, interested parties (General Manager Ming-Lung Cheng, Deputy General Manager Shang-Feng Lu, Hao Cheng Investment Co., Ltd. Representative Shih-Wei Yeh and Associate of Finance Department Shu-Yi Wu) are invited to leave first, and the remaining attending directors unanimously approved the motion.

(III) The 16th Meeting of the 4th Board of Directors was held on December 12, 2025.
Resolution: Reviewed the year-end performance bonus allocation plan for the Company's managers.

Status of recusal: When voting on this motion, interested parties (General Manager Ming-Lung Cheng, Deputy General Manager Shang-Feng Lu, Hao Cheng Investment Co., Ltd. Representative Shih-Wei Yeh and Associate of Finance Department Shu-Yi Wu) are invited to leave first, and the remaining attending directors unanimously approved the motion.

III. The evaluation cycle, period, scope, method and content of the Board of Directors' self (or peer) evaluation:
In order to implement corporate governance and enhance the functions of the Board of Directors, as well as to establish performance objectives to improve the operational efficiency of the Board, the Company has formulated the "Performance Evaluation Measures for the Board of Directors" in accordance with the "Corporate Governance Best-Practice Principles for TSEC/TPEx Listed Companies". In addition to conducting the following internal self-assessments on an annual basis, an external professional independent organization or a team of external experts and scholars will conduct an evaluation every three years. The most recent external evaluation was conducted in January 2025 (covering the period from

January 2024 to December 2024) by an independent external professional organization with no business relations with the Company—Diwan Financial Advisory Services Co., Ltd. The assessment focused on five key dimensions of the Board of Directors' performance (engagement in company operations, quality of board decision-making, board composition and structure, director selection and ongoing education, internal controls), six key dimensions of individual board members' performance (understanding of company goals and mission, awareness of director responsibilities, level of participation in company operations, internal relationship management and communication, professional expertise and continuing education, internal controls), and five key dimensions of the Functional Committees' performance (engagement in company operations, understanding of Functional Committee responsibilities, quality of Functional Committee decision-making, Functional Committee composition and member selection, internal controls). The evaluation was conducted through questionnaires and on-site visits. According to the independent external professional organization's assessment, the Company's Board of Directors has established relevant policies and procedures for its operations in accordance with applicable laws and corporate governance guidelines. Work assignments are made based on different areas of expertise and experience. Both the Board of Directors and the Functional Committees operate effectively. The overall evaluation result was rated as excellent.

The Company's Board of Directors for the year 2025 (including functional committees) conducted self-assessments and peer evaluations among board members. The consolidated results of these assessments are summarized in the table below:

Evaluation cycle	Period of Evaluation	Scope	Evaluation methods	Assessment Content
Executed every year	From January 1, 2025 to December 31, 2025	Performance evaluation of Board of Directors, individual directors and functional committee	Internal self-evaluation of Board of Directors, self-evaluation of board members and peer evaluation	(1) Board performance evaluation: A. Participation in the operation of the Company B. Improve the decision-making quality of the Board of Directors C. Composition and structure of the Board of Directors D. Selection and continuing education of directors E. Internal control (2) Performance evaluation of directors: A. Mastery of company objectives and tasks B. Cognition of directors' responsibilities C. Participation in the operation of the Company D. Internal relationship management and communication E. Professional and continuing education of directors F. Internal control (3) Remuneration Committee performance evaluation: A. Participation in the operation of the Company B. Responsibility Awareness of the Remuneration Committee

				C. Quality of Remuneration Committee Decision-making D. Composition and Member Selection of the Remuneration Committee E. Internal control (4) Audit Committee performance evaluation: A. Participation in the operation of the Company B. Responsibility Awareness of the Remuneration Committee C. Quality of Remuneration Committee Decision-making D. Composition and Member Selection of the Remuneration Committee E. Internal control

The maximum score for the Company's self-assessment performance evaluations is 5 points. For the year 2025, the Board of Directors' performance evaluation, individual director performance evaluation, Remuneration Committee performance evaluation, and Audit Committee performance evaluation scored 4.77, 4.79, 4.94, and 4.94, respectively. These results indicate effective interaction between the Board and the management team, with overall operations functioning well and in compliance with corporate governance requirements. The performance evaluation outcomes will be considered as part of the directors' reappointment process.

IV. Measures taken to strengthen the functions of the Board (for example, establishing an Audit Committee and enhancing information transparency) for the current year and the most recent year and the implementation:

(I) In terms of strengthening the functions of the Board of Directors: the Company has established the "Rules of Procedure for Board of Directors Meetings" and "Rules for Performance Evaluation of Board of Directors," and subsequent operations, evaluation, and assessment of the Board will be handled in accordance with relevant rules. In addition, at the Shareholder's Meeting on May 31, 2023, the Company elected four external independent directors and established a Remuneration Committee and an Audit Committee to enhance corporate governance.

(II) In terms of improving information transparency: the Company has a spokesperson and acting spokesperson to respond to the inquiries of external personnel and set up a company website (www.greattree.com.tw), which includes: corporate governance, corporate organization, financial information, shareholder column, stakeholder area, etc.

(III) In compliance with regulatory requirements, the Company arranged two director training courses organized by the Taiwan Corporate Governance Association on May 9 and November 10, 2025, respectively, to ensure that directors meet the annual continuing education hour requirements.

Note 1: It shall disclose the name of the legal person shareholder and the name of its representative if a director or supervisor is a legal person.

Note 2:

(1) In case any Director or Supervisor has been released of his/her duty before year end, the date of turnover shall be recorded in the Remarks column. Actual attendance rate (%) shall be calculated based on the number of Board of directors meetings convened and his/her actual attendance during his/her term of service.

(2) In case any seat of Director or Supervisor has been re-elected before year end, both the previous and current Director/Supervisor shall be filled, and Remarks should indicate whether a Director/Supervisor was from a previous term, newly appointed, re-appointed, and the date of re-election. Actual attendance rate (%) shall be calculated using the number of board of Directors' Meetings convened and actual attendance during the term of service.

(II) Operation of the Audit Committee: The meetings of the Audit Committee are divided into five and one in recent year (2025) and 2026 as of the printing date of this year's newspaper. Therefore, the Audit Committee has held six meetings (A) in recent years. The attendance of directors is as follows:

Title	Name	Actual attendance (B)	Times of proxy attendance	Actual attendance rate (%) (B/A) (Note)	Remark
Convener	Tian-Dao Liu	6	0	100.00%	Attendance: 6 times, re-elected, re-election date: May 31, 2023
Member	Dai-Huang Kuo	6	0	100.00%	Attendance: 6 times, re-elected, re-election date: May 31, 2023
Member	Hsing-Wen Wang	6	0	100.00%	Attendance: 6 times, re-elected, re-election date: May 31, 2023
Member	Min-Hsiung Pan	5	0	83.33%	Attendance: 6 times, newly elected, election date: May 31, 2023

Other required disclosure:

I. If any of the following situations occur in the operation of the Audit Committee, the date of the Audit Committee meeting, the term, the content of the proposals, the dissenting opinions of independent directors, qualified opinions or content of significant recommendations, the resolution results of the Audit Committee, and the Company's handling of the opinions of the Audit Committee shall be stated:

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

Meeting and date	Proposal	Matters that have not been approved by the Audit Committee but have been agreed by more than two-thirds of all directors	The Company's Response	Resolution
The ninth Audit Committee of the 2nd session (2025.02.27)	Independence of Certified Public Accountants of the Company and appraisal assessments	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	To reconfirm the Company's "Non-Assurance Services Pre-Approval Policy"	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	The Company intends to issue the third domestic unsecured conversion of corporate bonds	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	2024 annual business report and financial statement	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	2024 Appropriation of Net Income	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	The case of converting	None	Not	After the chairman consulted all

		surplus into capital increase and releasing new shares		applicable	the members present, the case was passed without objection.
		The Company's 2024 Statement of Internal Control	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
		The Company will not continue to hold private placement of ordinary shares and/or private placement of domestic unsecured convertible corporate bonds approved at the 2024 shareholders' meeting.	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
		Proposal for private placement of ordinary shares and/or private placement of domestic unsecured convertible corporate bonds	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	The 10th Meeting of the 2nd Audit Committee (2025.05.09)	Consolidated financial statements of the Company for the first quarter of 2025.	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	The 11th Meeting of the 2nd Audit Committee(2025.08.08)	The Company’s consolidated financial statements for the second quarter of 2025	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
		Application for Investment Quota from Mainland China	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	The 12th Meeting of the 2nd Audit Committee (2025.11.10)	The Company's consolidated financial statements for the third quarter of 2025	None	Not applicable	After the chairman consulted all the members present, the proposal was passed without objection.
		Amendments to Certain Provisions of the Company's Internal Control System	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
		To expand its business in mainland China, the Company proposed to reinvest in Greattree Sugi Pharmacy Hong Kong Limited and establish a company in mainland China through this offshore company.	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
		Propose Annual Audit Plan for 2026	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	The 13th Meeting of the 2nd Audit Committee (2025.12.12)	In 2022, the Company successfully acquired the "Taoyuan Aerotropolis Project Priority Industry Special Zone Land - Base B" through a public tender. The Company plans to construct warehouse and factory	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.

	facilities for operational use via an open tender process.			
	The Company plans to revise the "Guidelines for Sustainable Development Practices" and establish a Corporate Value Enhancement Plan.	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	Ratification of the equity investment project for the fourth quarter of 2025.	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
The 14th Meeting of the 2nd Audit Committee (2026.02.26)	Independence of Certified Public Accountants of the Company and appraisal assessments	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	To reconfirm the Company's "Non-Assurance Services Pre-Approval Policy"	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	2025 Business Report and Financial Statements.	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	2025 Appropriation of Net Income	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	The case of converting surplus into capital increase and releasing new shares	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	The Company's 2025 Statement of Internal Control	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.
	Proposal for private placement of ordinary shares and/or private placement of domestic unsecured convertible corporate bonds	None	Not applicable	After the chairman consulted all the members present, the case was passed without objection.

(II) Except for the matters mentioned above, other matters that have not been approved by the Audit Committee but have been agreed by more than two-thirds of all directors: none.

II. The implementation status of independent director’s avoidance of interested proposals, which shall state the name of independent director, the content of the proposals, the reasons for the avoidance of interests, and the circumstances of participation in voting: none.

III. The communications between the independent director and the internal audit supervisor and accountant (including major issues, methods and results of communication regarding the Company’s financial and business status).

(I) The head of accounting and audit of the Company regularly provides the accounting and audit reports of the Company to the independent directors, and reports the latest accounting and audit information through the Audit Committee. If the independent directors have any questions about the internal control, accounting or audit operations of the Company, they can immediately communicate with the head of the relevant unit for a review and improvement.

(II) Summary of previous communication between Independent Directors and the Chief Audit Executive and CPAs:

Date	Venue	Content of the communication	Results
2025.02.27	Meeting room of the Company	1. The accountant communicates with the corporate governance unit for the consolidated financial report of 2024 2. Update of Securities Regulatory Act 3. Update of Tax Act 4. General audit report	Independent Directors have no objection to the content of the report.
2025.12.12	Meeting room of the Company	1. Communication Between the Accounting Firm and the Corporate Governance Unit 2. Update of Securities Regulatory Act 3. Update of Tax Act 4. General audit report	Independent Directors have no objection to the content of the report.
2026.02.26	Meeting room of the Company	1. The auditor communicated with the corporate governance unit regarding the consolidated financial statements for 2025. 2. Update of Securities Regulatory Act 3. Update of Tax Act 4. General audit report	Independent Directors have no objection to the content of the report.

(III) The operation status of corporate governance and the differences between it and the "code of practice for corporate governance" of listed and OTC companies and the reasons

Items for evaluation	State of Operations			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
I. Does the Company formulate and disclose the code of corporate governance practices under the "code of corporate governance practices for listed and OTC companies"?	Yes		To establish a fair corporate governance system, the Company's Board of Directors has already approved of and implemented "Corporate Governance Best Practice Principles" on March 20, 2015.	No major deviations
II. Ownership structure and shareholders' equity of the Company				
(I) Whether the Company has established internal operating procedures to deal with shareholders' suggestions, doubts, disputes, and litigation, and implement them under the procedures?	Yes		(I) The Company has formulated the rules of procedure of the shareholders' meeting, established a spokesperson and acting spokesperson system under the regulations, and set up a special person to deal with investor relations and shareholder-related issues.	No major deviations
(II) Whether the Company has a list of the major shareholders who control the Company and the ultimate controllers of the major shareholders?	Yes		(II) It shall update regularly the list of principal shareholders of the Company and the list of principal shareholders of the Company.	No major deviations
(III) Does the Company establish the relationship between firewall and risk control mechanism?	Yes		(III) It bases on the principle of mutual independence for all financial and business matters between the Company and its affiliated companies. It formulates the operating procedures for the management of transactions between the parent company, and shall establish relevant management measures such as "Regulations on Financial Transactions Among Related Parties".	No major deviations
(IV) Whether the Company has internal regulations to prohibit insiders from trading securities by using unpublished information on the market?	Yes		(IV) The Company has formulated the "Procedures for Ethical Management and Guidelines for Conduct" and the "Management Procedures to Prevent Insider Trading". Relevant internal personnel shall abide by the related laws and internal operation procedures, and shall not use the known unpublished information to engage in insider transactions or disclose it to others, to prevent others from using the unpublished information to engage in insider transactions. The relevant implementation of insider trading prohibition has been disclosed on the Company's website (www.greattree.com.tw/article-page/Insider).	No major deviations
III. Component and responsibilities of the Board of Directors				
(I) Does the Board of Directors formulate a diversified policy on the component of members and implement it?	Yes		(I) The Board of Directors actively considers candidates with diversified backgrounds and views from candidates with appropriate backgrounds, industry, or relevant knowledge and experience through a just, fair, and open director selection procedure. To enable the members of the Board of Directors to maintain an appropriate range and balance in terms of skills, experience, knowledge, and personality. Please refer to pages 15 to page 17 of the information of directors and supervisors in this annual report for the implementation of diversification by the relevant Board of Directors.	No major deviations

Items for evaluation	State of Operations			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
(II) Does the Company voluntarily set up other functional committees in addition to setting up a salary and Remuneration Committee and audit committee by law?		No	(II) The Company will set up other function committees for the needs of practical operation in the future.	Explanation on the left (2)
(III) Whether the Company has formulated the performance evaluation measures and evaluation methods of the Board of Directors, conducted performance evaluation every year and regularly, and submitted the results of performance evaluation to the Board of Directors for reference to the salary and remuneration of independent directors and a nomination for renewal?	Yes		(III) The Board of Directors adopted the "measures for self-evaluation or peer evaluation of the Board of Directors" on March 20, 2015, and the relevant evaluation shall be carried out every year under the measures. Currently, Board of Directors will conduct self-evaluation then receive anonymous evaluation from their peers at the end of the year, and results of which will be used toward performance review. The internal evaluation shall be conducted annually at the end of each fiscal year in accordance with these procedures. The performance assessment criteria for the Company's Board of Directors are detailed on pages 30–32 of this Annual Report under the section on Board Operations. The evaluation is carried out by the Finance Department using an internal questionnaire. For the year 2025, the directors' self-assessment scores ranged from 4.77 to 4.94, indicating a satisfactory performance. The evaluation results were submitted to the Board of Directors meeting held on February 26, 2026. These performance outcomes will serve as a reference for the selection or nomination of directors. The most recent external evaluation was conducted in January 2025 (covering the period from January 2024 to December 2024) by an independent external professional organization with no business relationship with the Company—Diwan Financial Advisory Services Co., Ltd.. Diwan issued the Board Performance Evaluation Report on January 24, 2025. The evaluation concluded that the Company's Board of Directors has established relevant policies and procedures for board operations in accordance with applicable laws and domestic corporate governance guidelines, and has allocated work based on different expertise and experience. Both the Board and its functional committees operate effectively. The overall evaluation result was excellent. The Company reported the results of the evaluation and the direction in which it will continue to strengthen in 2025 at the Board meeting held on February 27, 2025 Recommendations for the Board of Directors and the Functional Committee, along with the actions the Company plans to take for improvement are as follows: (1) Enhancing the diversity of the Board of Directors' composition: The Company plans to appoint at least two female directors when forming the next board.	No major deviations

Items for evaluation	State of Operations			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			(2) Establishment of the "Sustainable Development and Ethical Corporate Management Committee" as a Functional Committee: The Company will present a governance framework to the Board of Directors aimed at promoting sustainable development in response to international trends. (3) Enhancing the level of the "Information Security Risk Management Framework": The Company will elevate the level of the Information Security Management Committee, plan and establish policies related to information security, and develop specific response strategies. Additionally, regular reports on the implementation status of information security management will be provided to the Board of Directors. (4) Establishment of risk management policies and procedures approved by the Board of Directors: The Company will submit revised risk management practices to the Board of Directors, adding provisions to report on the Company's relevant risk control status to the Board and implementing them accordingly.	
(IV) Does the Company regularly evaluate the independence of certified public accountants?	Yes		(IV) Each year, in accordance with Article 29 of the Listed Company Governance Code of Practice, the Company reports to the Board of Directors for assessment of the independence of accountants. The Finance Department of the Board of Directors first determines the content of the assessment on Article 47 of the Accountants Act and the Accountants' Code of Professional Ethics Gazette No. 10 as follows: (1) As of the last visa application, it has not been replaced for seven years. (2) There is no significant financial interest in the client. (3) Avoid any inappropriate relationship with the client. (4) Accountants should ensure that their assistants are honest, impartial and independent. (5) The financial statements of the service institution within the two years prior to practice shall not be checked for visas. (6) The name of the accountant may not be used by others. (7) Not hold any shares in the Company or its affiliates. (8) No money and loans have been made to the Company or its affiliates. (9) No co-investment or benefit-sharing relationship with the Company or its affiliates. (10) No employed by the Company or affiliates with regular salary. (11) No involve in the management functions of the Company or affiliates to make decisions. (12) No involve in the businesses that may lose independence.	No major deviations

<table>
<tr><th rowspan="2">Items for evaluation</th><th colspan="3">State of Operations</th><th rowspan="2">Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>(13) No relationship with the Company's management personnel as spouses, direct blood relatives, direct blood relatives, or collateral blood relatives within the second degree.
(14) No commissions were received in connection with the business.
(15) So far, there has been no punishment or damage to the principle of independence.
Both EY Taiwan CPAs, Mr. Cheng Ching-Piao and Mr. Chang Chih-Ming, appointed for the years 2024 and 2025, fully met the Company’s independence assessment criteria. They obtained independence declarations and Audit Quality Indicators (AQIs) issued by EY Taiwan, which were respectively submitted to the Board of Directors on February 27, 2025, and February 26, 2026, confirming their qualifications to serve as the Company’s certified public accountants.</td><td></td></tr>
<tr><td>IV. Does the Company allocate a competent and appropriate number of corporate governance personnel and appoint a corporate governance director to be responsible for matters related to corporate governance (including but not limited to providing data required by directors and supervisors to carry out business, assisting directors and supervisors to comply with regulations, handling matters related to meetings of the Board of Directors and shareholders by law, making minutes of meetings of the Board of Directors and shareholders, etc.)?</td><td>Yes</td><td></td><td>The Company, through the resolution of the Board of Directors on March 28, 2019, designated Shu-Yi Wu of the Finance Department as an associate corporate governance officer to protect the rights and interests of shareholders and strengthen the functions of the Board of Directors. Associate Manager Shu-Yi Wu has a public releasing company with more than five years of experience in accounting, finance, and other management of public companies.
1. The main responsibilities are to provide the data required by Directors (including independent directors) and supervisors to carry out their business, assist directors (including independent directors) to comply with regulations, and handle matters related to functional committees of the Board of Directors and shareholders' meetings by law.
2. For the execution status in 2025, please refer to the sections titled "Board of Directors’ Operations," "Audit Committee Operations," and "Compensation Committee Operations" in this Annual Report.
3. Continuing Education of the Company’s Corporate Governance Officers in 2025: In 2025, the Company’s corporate governance officers completed at least 12 hours of continuing education and reported the courses to the Market Observation Post System as required. The course titles are as follows:
(1) How Companies Prevent Corruption – Case Study – 3 Hours
(2) Trends and Challenges in Information Security Governance - 3 Hours
(3) Integration of ESG Reporting in Annual Reports with Compliance to Sustainable Disclosure Regulations - 6 Hours</td><td>No major deviations</td></tr>
</table>

Items for evaluation	State of Operations			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
V. Does the Company establish communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up stakeholder zones on the Company's website, and properly respond to important corporate social responsibility issues concerned by stakeholders?	Yes		The Company respects the rights and interests of stakeholders, identifies the stakeholders of the Company, understands their reasonable expectations and needs through appropriate communication methods and the participation of stakeholders, has set up a Chinese enterprise website to disclose the Company's financial business and other relevant information in detail, and has also set up a special area for investors to disclose relevant information (www.greattree.com.tw/article-page/investor), and properly respond to the important corporate social responsibility issues concerned by stakeholders, and each department shall be responsible for the communication of stakeholders: (I) Shareholders and Investors 1. A Shareholders' Meeting is convened in each year and resolutions for proposals are achieved through vote one by one. Shareholders can also exercise their voting rights through electronic voting to fully participate in the process of proposal resolution. 2. Annual Report for the Shareholders' Meeting is prepared in each year, and Investor Conference is held from time to time in each year to report on Company operating status to facilitate in investors' decision-making. 3. Revenues from the previous month is announced on the MOPS and the Company website on a monthly basis. (II) Employees Employee relations conference is held regularly, and store manager meeting is convened along with educational training in each month. (III) Customers and consumers Consumers can join the Company's membership to receive members' privileges and to immediately provide relevant feedback and opinions for revisions to store personnel while shopping. They can also provide concerns and feedback to the Company via customer service hotline. (IV) Suppliers The Company ensures that suppliers are in full compliance with national laws regarding human rights, environmental protection and food safety through visits and organizing supplier evaluation and review, and that suppliers do not use child labor or abnormal materials during production processing, thus helping to supervise and assist suppliers to strengthen compliance to various laws.	No major deviations
VI. Does the Company appoint a professional stock affairs agency to handle the affairs of the shareholders' meeting?	Yes		The Company has entrusted the stock Affairs Agency Department of Taishin Securities Co., Ltd. to handle stock affairs and shareholders' meeting affairs.	No major deviations

Items for evaluation	State of Operations			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
VII. Public disclosure of information (I) Does the Company set up a website to disclose financial business and corporate governance information?	Yes		(I) The Company has set up a website with a special area for investors. Shareholders and investors can inquire about the Company's financial business and corporate governance. (https://www.greattree.com.tw/article-page/investor)	No major deviations
(II) Does the Company implement other ways of information disclosure (such as setting up an English website, appointing a special person to be responsible for the collection and disclosure of the Company's information, implementing the spokesman system, placing the Company's website during the legal person briefing, etc.)?	Yes		(II) The Company has established an English version of the investor section (https://www.greattree.com.tw/article-page/investor-en), and has designated a person responsible for collecting and disclosing the Company's information and updating it in a timely manner on the investor section. The Company has appointed Deputy General Manager Shang-Feng Lu as the spokesperson and Assistant Manager Shu-Yi Wu as the acting spokesperson to represent the Company in external communications, ensuring timely and accurate disclosure of information. If the Company holds its own corporate briefing, the presentation materials and audiovisual information will be disclosed in the investor section of the Company's website.	No major deviations
(III) Does the Company announce and report the financial report within two months after the end of the fiscal year, and announce and report the financial report of the first, second, and third quarters and the operation of each month before the specified time limit?		No	(III) The Company is a retail channel industry. The Company should announce and report the financial report within two months after the end of the accounting year to cooperate with the time difference in the reply of financial information of each store due to the distribution of franchise stores all over the country. However, financial reports for the first, second, and third quarters have not been released ahead of schedule as required, but the announcement are completed within the reporting time limit required by regulations.	We will integrate the group's financial and accounting work and discuss the audit schedule with the CPAs.
VIII. Whether the Company has other important information that is helpful to understanding the operation of corporate governance (including but not limited to employee rights and interests, employee care, investor relations, supplier relations, rights of interested parties, further education of directors and supervisors, implementation status of risk management policies and risk measurement standards, implementation status of customer policies, purchase of liability insurance for directors and supervisors, etc.)?	Yes		(I) Employee Rights and Interests: The Company shall handle under the regulation of the Labor Standards Act. Please refer to the labor relations chapter of Chapter V operation overview for relevant employee welfare measures, further training, and the retirement system. (II) Employee care: The Company is committed to providing a safe and healthy work environment for employees, and regularly organizes company-wide employee health checkups each year to protect the health and wellness of all employees. (III) Investor relations: The Company has also established a point of contact for investor relations to be responsible for information disclosure and maintenance of investor relations to enhance Company transparency in addition to disclosing Company operations or financial information on the MOPS under the law. (IV) Supplier relation: The Company continues to promote "traceability management" and requires suppliers to provide inspection reports to guarantee that their products comply with relevant regulations. (V) Rights of interested parties: The Company has set up online announcement	No major deviations

Items for evaluation	State of Operations			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			procedures for public information announcements and has designated personnel to be responsible for the collection and disclosure of Company information to ensure that information that may affect shareholders' and stakeholders' decision-making can be disclosed on a timely and appropriate basis. (VI) Further education of directors and supervisors: The Company's Directors and Supervisors are all equipped with relevant professional knowledge and have taken continuing studies courses under relevant regulations. Required hours of such studies have also been met. Please see "MOPS/Corporate Governance/Directors' and Supervisors' attendance of Board of directors meetings and continuing studies" for more details. (VII) Implementation status of risk management policies and risk measurement standards: Each department of the Company will review each other from time to time and internal auditors will also conduct either scheduled audits or as needed. Finally, Directors' and Supervisors' reviews are also carried out. In other words, It adopts layers of prevention and comprehensive risk control that involve everyone in the organization. (VIII) Implementation status of consumer or customer protection policies: The Company actively collects customer feedback, analyzes customer needs, enhances service quality, and proposes suitable solutions, and customer satisfaction is incorporated into ISO standards to strengthen management, enhance efficiency and quality control, and at the same time, an inspection and follow-up mechanism have also established. (IX) Purchase of liability insurance for directors: The Company purchases liability insurance for all directors annually. The insured amount for directors' liability insurance is USD 10 million in 2025 (from October 21, 2025, to October 21, 2026). This measure is expected to effectively reduce and disperse significant damages to the Company and its shareholders caused by negligent actions of directors and key managers, thereby strengthening the protection of shareholder interests.	

Items for evaluation	State of Operations			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	

IX. <u>Please explain the improvement of the corporate governance evaluation results released by the corporate governance center of Taiwan Stock Exchange Corporation in recent year, and put forward priority strengthening matters and measures for those that have not been improved.</u>

The Company's 12th Corporate Governance Evaluations for the year 2025 identified the following unscored items and corresponding improvements:

Type of indicator	Item without positive score	Whether improvement has been made	Explanation for improvements yet to come
I. Safeguarding shareholders' rights and interests and treating shareholders equally	1.1 Does the Company report to the directors at the ordinary shareholders' meeting the remunerations, including the remuneration policy, individual remuneration content and amount?	No	Currently, no plans have been made.
	1.19 Does the Company hold the shareholders' meeting via live streaming or upload the uninterrupted audio and video recording after the meeting?	No	Currently, no plans have been made.
II. Strengthen the structure and operation of the Board of Directors	2.3 Are the Chairman and the General Manager or any other person of equivalent title (top manager) of the Company, not the same person or spouse or direct relative of each other?	No	Due to the nature of the industry, the Chairman and the General Manager are the same person, which is beneficial to the Company's development and operational efficiency. However, to strengthen the independence of the Board of Directors, the Company has appointed four independent directors to enhance the Board's functions and supervisory capabilities. In accordance with regulatory requirements, the Company has also established an Audit Committee and a Compensation Committee. Additionally, more than half of the directors do not concurrently serve as employees or managers.
	2.14 Has the Company established a Nomination Committee consisting of no fewer than three members, with more than half being independent directors, and chaired by an independent director who also serves as the convener and meeting chair? Has the Company disclosed the committee's composition, responsibilities, and operational status?	No	The Company has set up a Remuneration Committee in accordance with laws and set up an Audit Committee according to laws in 2020.
	2.22 Does the Company have a function committee at the level of the Audit Committee or the Board of Directors (such as the Risk Management Committee) to oversee risk management and have risk management policies and procedures approved by the Board of Directors to disclose the organizational structure of risk management, risk	Yes	The Company has established the "Risk Management Best-Practice Principles"' on November 10, 2023. It intends to disclose the organizational structure of risk management, the

Items for evaluation		State of Operations (Yes / No / Summary)	Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	management procedures, and its operations, and reports to the Board of directors at least once a year?		risk management procedures, and their operation in accordance with the regulations, and report them to the Board of Directors.
	2.27 Does the Company have an intellectual property management plan linked to its operational objectives and disclose performance on the Company's website or annual report and report to the Board of directors at least annually? [If the Taiwan Intellectual Property Management System (TIPS), ISO56005 or similar intellectual property management system standards are introduced and verified or verified by a third party, an additional point will be added to the total score.]	No	No plans have been made.
III. Improving Information Transparency	3.14 Does the Company's annual report disclose the link between the performance evaluation and remuneration of directors and managers?	No	Currently, no plans have been made.
	3.21 Does the annual report of the Company voluntarily disclose the individual remuneration of the general manager and the vice manager?	No	No plans have been made.
IV. Promoting Sustainable Development	4.1 Does the Company have a dedicated (part-time) unit to promote corporate social responsibility (CSR) that assessed the environmental, social, or corporate governance risks related to its operations based on the principle of materiality and established related risk management policies or strategies which supervised by Board of Directors and disclosed them on the Company's website and in the annual report?	No	The Company has not yet established a dedicated department for sustainable development.
	4.2 Does the Company set up a dedicated (part-time) unit to promote business integrity management, which is responsible for formulating and supervising the implementation of policies and preventive plans for business integrity, and explains the operation and implementation of the unit on the Company's website and annual report, and reports to the Board of Directors at least once a year?	No	The Company has not yet established a dedicated department for ethical corporate management.
	4.4 Does the Company's ESG Report reference the SASB standards to disclose relevant ESG information?	Yes	Improvements will be made in the 2025 ESG Report.
	4.5 Is the Company's sustainability report certified by a third party?	No	The Company has voluntarily prepared the 2024 ESG Report; however, it has not been verified by a third party.
	4.11 Has the company disclosed the total water consumption and waste weight for the past two years? [If external verification has been obtained for the total water consumption or waste weight for the past two years, an additional point will be added to the total score.]	Yes	Improvements will be made in the 2025 ESG Report.

Items for evaluation	State of Operations			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	

		4.12 Does the Company have water or other waste management policy, including reduction targets, promotion measures and achievement conditions?	No	Currently, the Company does not have sufficient internal or external resources to achieve this goal.
		4.13 Has the Company established an environmental management system and disclosed its implementation status on the Company’s website, annual report, or sustainability report? If the Company implements ISO 14001 or a similar environmental management system standard and obtains third-party certification, an additional point will be awarded.]	No	Currently, the Company does not have sufficient internal or external resources to achieve this goal.
		4.18 Does the Company disclose information on the governance, strategies, risk management, indicators and targets of climate-related risks and opportunities in accordance with the Climate-related Financial Disclosure Proposal (TCFD) framework?	No	Currently, the Company does not have sufficient internal or external resources to achieve this goal.
		4.19 Has the Company invested in energy-saving or green energy-related environmentally sustainable machinery and equipment, or invested in Taiwan’s green energy industry (such as renewable energy power plants), or issued or invested in sustainable development bonds? Please disclose the investment status and specific benefits.	No	Currently, the Company does not have sufficient internal or external resources to achieve this goal.
		4.22 Has the Company invested resources to support domestic cultural development and disclosed the support methods and outcomes on the Company's website, annual report, or sustainability report?	No	Currently, the Company does not have sufficient internal or external resources to achieve this goal.
		4.23 Has the company disclosed policies linking the remuneration of senior managers with ESG-related performance evaluations?	No	Currently, the Company does not have sufficient internal or external resources to achieve this goal.
		4.25 Has the Company disclosed the Scope 1 and Scope 2 greenhouse gas emissions for the past two years? [If external verification has been obtained for the annual Scope 1 and Scope 2 greenhouse gas emissions for the past two years, an additional point will be added to the total score.]	Yes	Improvements will be made in the 2025 ESG Report.
		4.26 Does the Company have a greenhouse gas reduction management policy, including reduction targets, promotion measures and achievement conditions? If the disclosure includes the carbon reduction targets, strategies, and action plans for the year 2030, an additional point will be awarded.]	No	Currently, the Company does not have sufficient internal or external resources to achieve this goal.
		4.27 Did the Company disclose the Scope 3 categories and annual emissions of greenhouse gases for the past year?	No	Currently, the Company does not have sufficient internal or external resources to achieve this goal.

Items for evaluation		State of Operations			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
		Yes	No	Summary	
	4.28 Has the Company established an energy management plan and disclosed its implementation status on the Company’s website, annual report, or sustainability report? If the ISO 50001 or a similar energy management system standard is implemented and third-party certification is obtained, an additional point will be awarded.]		No	Currently, the Company does not have sufficient internal or external resources to achieve this goal.	
	4.29 Has the Company implemented internal carbon pricing to estimate the financial impact of climate change on its operations?		No	Currently, the Company does not have sufficient internal or external resources to achieve this goal.	
	4.31 Does the Company conduct regular employee satisfaction surveys and disclose their implementation status and improvement plans?		No	The Company has not yet conducted an employee satisfaction survey.	
	4.32 Has the Company established a personal data protection policy, and are its contents and implementation disclosed?		No	The Company has established a personal data protection policy; however, its implementation status has not yet been disclosed.	
	4.34 Has the Company established a Sustainable Development Committee at the board level, consisting of no fewer than three members with expertise and capabilities in corporate sustainability, including at least one director to participate in oversight? Has the Company disclosed the committee’s composition, responsibilities, and operational status?		No	The Company has not yet established a Sustainable Development Committee at the Board of Directors level.	

(IV) Component, Duties, and Operation of the Remuneration Committee

1. Composition of the Remuneration Committee: The Board of Directors of the Company resolved on September 25, 2014 to establish the Remuneration Committee, with the same term as the appointed Board of Directors. The current 4th session of the Compensation Committee consists of four members, all of whom are independent directors, and elected Tian-Dao Liu as the convener and chairman of the remuneration committee. Information on committee members is as follows:

Identity (Note 1)	Conditions / Name	Professional qualifications and experience (Note 2)	Independence situation (Note 3)	Number of other public companies where the individual concurrently serves as a member of the Remuneration Committee
Independent Director (Convener)	Tian-Dao Liu	Professional and technical personnel with working experience in business, academic, asset management, accounting, and finance, who have passed the national examination required by accountants and obtained certificates. Certified Public Accountant, Zhi-Dao Accounting Firm. There are no issues under Article 30 of the Company Act.	Previously served as an independent director, meeting the conditions of independence, including but not limited to the fact that he, his spouse, and relatives within the second degree do not serve as directors, supervisors, or employees of the Company or its affiliated companies. The number of shares of the Company not held. Not serving as a director, supervisor, or employee of a company with a specific relationship with the Company. No remuneration was received from providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the past two years.	0
Independent Director	Dai-Huang Kuo	Working experience in academic and industrial knowledge required by the Company. Certified doctor of pharmaceutical chemistry at CMU and professor of the Department of Pharmacy and Institute of Pharmacy of Tajen University. There are no issues under Article 30 of the Company Act.	Previously served as an independent director, meeting the conditions of independence, including but not limited to the fact that he, his spouse, and relatives within the second degree do not serve as directors, supervisors, or employees of the Company or its affiliated companies. The number of shares of the Company held by myself, my spouse, and second-degree relatives (or in the name of others) is 95,325, accounting for 0.06% of the total issued shares. Not serving as a director, supervisor, or employee of a company with a specific relationship with the Company. No remuneration was received from providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the past two years.	0

Identity (Note 1)	Conditions / Name	Professional qualifications and experience (Note 2)	Independence situation (Note 3)	Number of other public companies where the individual concurrently serves as a member of the Remuneration Committee
Independent Director	Hsing-Wen Wang	Professional and technical personnel who have working experience in business, law, and finance and have passed the national examination required by lawyers with certificates. Certified Chief Lawyer of Hsing-Wen Wang Law Firm. There are no issues under Article 30 of the Company Act.	Previously served as an independent director, meeting the conditions of independence, including but not limited to the fact that he, his spouse, and relatives within the second degree do not serve as directors, supervisors, or employees of the Company or its affiliated companies. The number of shares of the Company not held. Not serving as a director, supervisor, or employee of a company with a specific relationship with the Company. No remuneration was received from providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the past two years.	0
Independent Director	Min-Hsiung Pan	Working experience in academic and industrial knowledge required by the Company. Former Ph.D. student in the Department of Biochemical Science at National Taiwan University and a professor of the Institute of Food Science and Technology at National Taiwan University. There are no issues under Article 30 of the Company Act.	As the independent chairman of the Company, it meets the requirements of independence: including but not limited to the fact that he, his spouse, and relatives within the second degree do not serve as directors, supervisors, or employees of the Company or its affiliated companies. The number of shares of the Company not held. Not serving as a director, supervisor, or employee of a company with a specific relationship with the Company. No remuneration was received from providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the past two years.	0

2. Remuneration Committee Responsibilities: Pursuant to Article 7 of the Company's "Remuneration Committee Charter," the Committee shall exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the Board of Directors for discussion.

    (1) Formulate and regularly review the policies, systems, standards, and structures of performance evaluation and remuneration of directors, supervisors, and managers.

    (2) (2) Regularly evaluate and fix the remuneration of directors, supervisors, and managers.

3. Operational Status of the Remuneration Committee:

    (1) The Remuneration Committee of the Company consists of four members.

    (2) Term of office of the current member: From May 31, 2023 to May 30, 2026, in recent year (2025) and 2026 as of the publication date of the financial report, the

Remuneration Committee held three meetings and one meetings, respectively. Therefore, the Remuneration Committee held four meetings in recent year (A). The qualifications and attendance of the members are as follows:

Title	Name	Attendance in Person (B)	Times of proxy attendance	Actual attendance rate (%) (B/A)	Remark
Convener	Tian-Dao Liu	4	0	100.00%	Attendance: 4 times, re-elected, re-election date: May 31, 2023
Member	Dai-Huang Kuo	4	0	100.00%	Attendance: 4 times, re-elected, re-election date: May 31, 2023
Member	Hsing-Wen Wang	4	0	100.00%	Attendance: 4 times, re-elected, re-election date: May 31, 2023
Member	Min-Hsiung Pan	3	0	75.00%	Attendance: 4 times, newly elected, election date: May 31, 2023

Other required disclosure:

I. If the Board of Directors chooses not to adopt suggestions proposed by the Remuneration Committee, the date of the Board meeting, session, contents discussed, resolutions, and the Company's disposition of opinions provided by the Remuneration Committee shall be described in detail: None.

II. Resolutions of the Remuneration Committee, if members have objections or reservations and there is a record or written statement, shall state the date, date, date, content of the proposal, the opinions of all members and the treatment of the opinions of the members: None.

III. The Remuneration Committee shall exercise the due care of a good administrator and perform the following duties abide by its obligations and rights:

1. Regularly review the Organizational Procedures and propose amendments.
2. Establishing and regularly reviewing the annual and long-term performance targets and compensation policies, systems, standards and structures of the Directors, Supervisors, and managers of the Company.
3. Regularly evaluating the performance targets of the Company's Directors, Supervisors and managers, and establishing the content and amount of their remuneration.

IV. The important resolutions of the Remuneration Committee are as follows:

1. The 4th Meeting of the 4th Remuneration Committee was held on February 27, 2025

   Proposal: (a) The Company's 2024 Distribution Project of Remunerations for Employees, Directors, and Supervisors.

   Resolution results: All the members of the Remuneration Committee passed the resolution without objection.

2. The 5th Meeting of the 4th Remuneration Committee was held on August 8, 2025

   Resolution: (a) Ratification of the Company's remuneration adjustment for managers.

   Resolution results: All the members of the Remuneration Committee passed the resolution without objection.

3. The 6th Meeting of the 4th Remuneration Committee was held on December 12, 2025

   Proposal: (a) The Company's 2024 annual remuneration distribution for directors.

   (b) Reviewed the year-end performance bonus allocation plan for the Company's managers.

   Resolution results: All the members of the Remuneration Committee passed the resolution without objection.

4. The 7th Meeting of the 4th Remuneration Committee was held on February 26, 2026

   Proposal: (a) The Company's 2025 Distribution Project of Remunerations for Employees, Directors, and Supervisors.

   Resolution results: All the members of the Remuneration Committee passed the resolution without objection.

(V) Implementation status of promoting sustainable development and differences with the "code of practice for sustainable development of listed and OTC companies" and reasons

Items for evaluation	State of Operations			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx-Listed Companies" and Reasons
	Yes	No	Summary	
I. Does the Company establish a governance structure to promote sustainable development and sets up a full-time (part-time) unit to promote sustainable development, which is handled by the senior management authorized by the Board of Directors and supervised by the Board of Directors?	Yes		In terms of functions by department, the Company's Administrative Department is involved in CSR tasks, and is responsible for coordinating and planning promotions of CSR such as donations and environmental protection tasks. Subsequently, relevant departments and units will carry out the relevant actions and report their implementation results to the Board of Directors from time to time.	No major deviations
II. Does the Company conduct a risk assessment on environmental, social, and corporate governance issues related to the Company's operation under the principle of materiality, and formulate relevant risk management policies or strategies?	Yes		In terms of functions by department, the Company's Administrative Department is involved in CSR tasks, and is responsible for coordinating and planning promotions of CSR such as donations and environmental protection tasks. Subsequently, relevant departments and units will carry out the relevant actions and report their implementation results to the Board of Directors from time to time. The Company has formulated the "Corporate Social Responsibility Best Practice Principles" and has been revised as a "code of practice for sustainable development" by the Board of Directors on February 25, 2022, which emphasizes sincerity and honesty to actively practice sustainable development, comply with international development trends, promote economic, environmental and social progress, and achieve the goal of sustainable development of the enterprise. When pursuing the sustainable development and profitability, the Company takes into account environmental, social, and corporate governance factors and incorporates them into the management and operation. The management department is responsible to arrange every department to implement corporate governance, employee rights, environmental protection, and social engagement.	No major deviations
III. Environmental issues				
(I) Does the Company establish an appropriate environmental management system under its industrial characteristics?	Yes		(I) The Company operates in the drugstore retail channel and does not have production processes which produce pollutants such as wastewater or gases. Hence, the Company's actions toward environmental protection are decent.	No major deviations
(II) Is the Company committed to improving energy efficiency and using recycled materials with low impact on environmental load?	Yes		(II) In response to paperless procedures, the Company has enhanced operational efficiency and continued to promote an online-based platform for its purchases. Systematic implementation has been adopted to replace paper-based documents between front and backend, and e-invoices have been promoted in various stores. Furthermore, the decoration materials, counters, and shelves of the Company adopt environmental protection building materials with a green building materials logo and government certification, to reduce	No major deviations

Items for evaluation	State of Operations			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx-Listed Companies" and Reasons
	Yes	No	Summary	
			the harm of chemical synthetic materials and prevent secondary harm to the environment and human body.	
(III) Does the Company assess the potential risks and opportunities of climate change to enterprises now and in the future, and take relevant countermeasures?	Yes		(III) The Company pays attention to and evaluates the risks and threats of climate change to present and future supply, and expects suppliers to provide substitutes or other new technologies in response.	No major deviations
(IV) Does the Company count the greenhouse gas emissions, water consumption, and total weight of waste in the past two years, and formulate policies for greenhouse gas reduction, water reduction, or other waste management?	Yes		(IV) The main greenhouse gases produced in the Company's operation site are due to the use of lighting and air conditioning. The Company's policy is to require the store colleagues to adjust the opening and temperature of air conditioning in time, install variable frequency air conditioning devices and make good use of fans for energy conservation. In terms of lighting, T5 lamps are replaced in succession to reduce carbon emission. The purchase of relevant PP&E will be based on the purchase of environmental protection and energy conservation standards and other products, so as to reduce the impact of climate change on business activities.	No major deviations
IV. Social issues (I) Does the Company formulate relevant management policies and procedures under relevant regulations and international human rights conventions?	Yes		(I) The Company has established the "Employee Work Rules" and relevant HR Management Regulations pursuant to the Labor Standards Act. To protect employees' rights and to respect internationally-recognized basic labor and human rights, the Company has established appropriate management methods and procedures to avoid any occurrence of hazards which may infringe the basic rights of workers. In addition, the Company's recruitment policy is based on the Act of Gender Equality in Employment and provides a work environment that is fair, equal, and free from discrimination or harassment to its workers.	No major deviations
(II) Does the Company formulate and implement reasonable employee welfare measures (including salary, vacation, and other benefits), and properly reflect the business performance or results in the employee salary?	Yes		(II) The Company has established a performance appraisal method in the salary system, which evaluates the work performance of colleagues according to the Company's operation performance and management status, and adjusts the basic salary regularly according to the department's performance. In addition to adjusting the basic salary and individual performance bonus, the Company recruits and retains the professional talents needed by the Company, and improves the employees' coherence and sense of belonging to the Company. The Company also takes share bonus as a way to share business results with colleagues.	No major deviations
(III) Does the Company provide a safe and healthy working environment for employees and regularly implement safety and health education for employees?	Yes		(III) The Company regularly conducts employee health checkup to ensure employee health and well-being. According to the law and regulations of the labor safety, in order to prevent occupational injury, the Company has an overall planning for all safety items such as the inspection	No major deviations

Items for evaluation	State of Operations			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx-Listed Companies" and Reasons
	Yes	No	Summary	
			required by the occupational safety, and underwrite group insurance for employees, or strengthen the safety and health protection of employees. In 2025, the number of temporary total disability injuries among employees was 1 case involving 1 person, accounting for 0.039% of the total workforce at the end of 2025. The disability injury frequency rate was 2.75. Supervisors provided health care support until the employee’s work was stable for at least one month. All affected employees have since returned to normal work. The number of fire incidents, casualties, and ratio of casualties to total number of employees in 2025: None. The Company's relevant measures in response to the fire are as follows: 1. Fire prevention and management measures: (1) Designate areas of responsibility and appoint a person in charge of fire prevention, and assign individuals responsible for ignition sources to regularly inspect firefighting equipment and implement fire prevention measures during normal times. (2) To control the entry and exit of personnel in the headquarters, organize and remove combustible materials from the premises, install surveillance cameras and strengthen inspections of blind spots. 2. Preventive management measures: (1) To implement the maintenance and management of fire safety equipment, the Company commissioned fire safety engineers (technicians) or professional maintenance organizations to inspect and maintain the fire safety equipment annually. The inspection results are reported to the local fire department in accordance with regulations for record-keeping. (2) Establish a self-defense firefighting team and regularly conduct fire prevention and response drills to minimize damage and losses in the event of a fire or other disasters. (3) Regularly conduct fire response orientation training to enhance all employees' knowledge and capabilities in the prevention of fire and disasters.	
(IV) Does the Company establish an effective career competency development training project for employees?	Yes		(IV) In addition to the induction training for new employees, the Company implements various on-the-job training according to the department and job requirements. The Company has a complete set of education and training plan, and has complete training courses from new employees to store managers and franchised pharmacists, so as to improve the professional medical knowledge and quality of salespersons in the	No major deviations

Items for evaluation	State of Operations			Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx-Listed Companies" and Reasons
	Yes	No	Summary	
			market.	
(V) Does the Company comply with relevant regulations and international standards on issues such as customer health and safety, customer privacy, marketing and labeling of products and services, and formulate relevant policies and complaint procedures to protect the rights and interests of consumers or clients?	Yes		(V) The Company has followed the relevant laws and regulations in the marketing and labeling of its products and services. The Company operates on a membership system, and all relevant consumer rights policies are clearly stated in the membership application form, in compliance with regulations. In addition, regarding the promotional activities, the relevant procedures are also announced on the official website, DM, etc. In case of consumer disputes, consumers can file complaints through the toll-free hotline 0800-678-222 or customer service email.	No major deviations
(VI) Does the Company formulate supplier management policies to require suppliers to follow relevant norms and their implementation on environmental protection, occupational safety, and health or labor human rights?	Yes		(VI) The Company's contracts with its major suppliers do not specifically include clauses to terminate the contract at any time should the supplier violate its CSR policy, and poses material influences on the environment and the society. Nevertheless, if such circumstances occur, the Company will choose never to carry out business transactions with suppliers who do not value CSR.	No major deviations
V. Does the Company refer to the international reporting standards or guidelines to prepare Sustainability Reports and other reports that disclose the Company's non-financial information? Has the Company received assurance or certification of the aforesaid reports from a third party accreditation institution?	Yes		The Company has prepared its own sustainability report and disclosed information related to corporate social responsibility on the Company's website, but the report has not been verified by a third party unit.	No major deviations
VI. If the Company has its own sustainable development code of practice in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," please explain the difference between its operation and the established code: The Company has established the "Code of Practice for Sustainable Development," and its operation and the established code should not have major derivatives.				
VII. Other important information helpful to understanding the implementation of promoting sustainable development: 1. Environmental protection: The Company operates as a medical/pharmaceutical products retail channel and does not have production processes; hence, the Company does not lead to environmental pollution. 2. Community participation, social contribution, social service and social welfare: The Company participates in various educational, public welfare and cultural activities through donating to social organizations to fulfill corporate social responsibility. • The Company has continued to participate in the Cathay Bank Foundation’s Big Trees Project, calling attention to the equal education rights of school kids and promoting the development of grass-roots education in 2025. • The 2025 landslide lake disaster at Mataian RIver in Hualien posed significant challenges to the local residents' daily lives and medical supplies. Great Tree Pharmacy initiated support operations to provide the disaster area with the most timely medical assistance. • In 2025, the Company sponsored the Taiwan Indigenous Sports and Multicultural Arts Development Association in hosting the 2025 Gengyuan Cup National Youth and Junior Baseball Championship, actively supporting the Indigenous community’s sporting event. • In 2025, the Company donated to the Lee Mei-Jung Cancer Medical Research Foundation to promote cancer prevention education, aiming to reduce the incidence of cancer and lower mortality rates nationwide. • In 2025, the Company continued to donate to China Medical University, Tajen University, and other colleges and universities of pharmacy, as an industry-university cooperation and talent cultivation award program. • In 2025, the Company continued to sponsor student association activities of the pharmacy departments at universities and colleges, including China Medical University, Tajen University of Technology, Chia Nan University of Pharmacy and Science, and Taipei Medical University.				

<table>
<tr><th rowspan="2">Items for evaluation</th><th colspan="3">State of Operations</th><th rowspan="2">Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx-Listed Companies" and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td colspan="5">
• In 2025, sponsorship and material support were provided to the FengLang Pharmacy Service Club formed by the Department of Pharmacy at China Medical University. The club promoted health information at various long-term care institutions and educational facilities.
• In 2025, donations were made to the Taoyuan City Excellence and Friendship Care Service Association to hold various care activities. Additionally, several charity movie viewing events were held throughout the year, inviting underprivileged children and families to attend.
• In 2025, the Company continued to donate to the Taishin Charity Foundation’s "Your Vote Determines the Power of Love" campaign to support vulnerable groups.
• In 2025, the Company purchased Mid-Autumn Festival mooncakes from Kumamiya Bakery to gift to employees, supporting children with disabilities in creating stable employment opportunities, helping them build confidence and move toward independent living.
• In 2025, the Company continued our collaboration with the Taoyuan's Department of Public Health and the Taoyuan Pharmacist Association to conduct irregular health checkups and medication safety promotion activities in various communities and neighborhoods across Taoyuan City.
• In 2025, Great Tree collaborated with the Kaohsiung City Department of Substance Abuse Control and Prevention, the Kaohsiung Pharmacists Association, and the Kaohsiung First Pharmacists Association to establish the "New Community Drug Prevention Initiative" care stations, providing drug prevention information, consultation, referrals, and assistance.
• In 2025, Taiping Matzu Blessing Marathon was held combining marathon with cycling challenges. Store partners voluntarily provide participants with drinking water and supplies, and offer timely professional medical consultation and services.
• During Baishatun Matsu's tour in 2025, the shop partners spontaneously provided the devotees with drinking water and soreness relief supplies, as well as timely professional medical consultation and services.
• In 2025, donations of medical masks and other daily necessities were made to the New Taipei City Purple Lotus Charitable Foundation to assist underprivileged children and families suffering from poverty and illness.
• During each summer and winter break, internship program for Pharmacy majors from various colleges and universities is organized, building a seamless transition for students from internship, employment to entrepreneurship.
3. Customer rights: The Company has a designated toll-free 0800 customer hotline in charge of receiving customer complaints.
4. Human rights: The Company's employees receive equal treatments in all aspects including gender, religion, and political inclination. In addition, the Company also provides a fair work environment, ensuring employees are free from discrimination and harassment.
5. Safety and health: The Company complies with labor safety and health laws from the government and carries out various health and safety tasks. Relevant details are established in the Worker Safety and Health Work Rules.
</td></tr>
</table>

Climate-Related Information

1. Implementation status of the climate-related information

<table>
<tr><th>Item</th><th colspan="4">Implementation Status</th></tr>
<tr><td>1. Describe the oversight and governance of climate-related risks and opportunities by the Board of Directors and management.</td><td colspan="4">The Board of Directors of the Company serves as the highest authority for climate risk management, with the objectives of complying with regulations, overseeing the Company's overall climate-related risk management, understanding the risks faced by operations, and ensuring the effectiveness of risk management. The aforementioned climate-related actions, particularly those involving significant investments or plans, are also overseen by the Board of Directors.</td></tr>
<tr><td rowspan="4">2. Describe how the identified climate risks and opportunities impact the business, strategy, and finances of the company (short-term, medium-term, and long-term).</td><td></td><td>Risk and Opportunity</td><td>Response measures</td><td>Degree of Financial Impact</td></tr>
<tr><td>Short-term</td><td>To align with international carbon reduction policies, there may be stricter regulations on greenhouse gas emissions.</td><td>Set greenhouse gas reduction targets, increase the use of renewable energy, or purchase green power certificates.</td><td>Moderate</td></tr>
<tr><td>Mid-term</td><td>The increase in energy pricing has led to a rise in operational costs for businesses. Consumers choose low-carbon and environmentally friendly products.</td><td rowspan="2">Water and electricity conservation measures should be implemented to enhance the efficiency of resource utilization. The Company collaborates more with suppliers who focus on carbon reduction, incorporating carbon reduction performance key indicator in procurement.</td><td>High degree</td></tr>
<tr><td>Long-term</td><td>The increase in average temperatures has led to a rise in electricity from air conditioning and water consumption, resulting in higher operational costs.</td><td>High degree</td></tr>
<tr><td rowspan="3">3. Describe the impact of extreme weather and transformation actions on financial performance.</td><td>Extreme Climate Impact</td><td>Financial impact</td><td colspan="2">Transformation Actions</td></tr>
<tr><td>Personnel</td><td>The inability of personnel to attend work or casualties has resulted in the disruption of the ERP system maintenance and daily workflows, affecting the provision of operational information and leading to business losses.</td><td colspan="2">A remote backup system has been established to reduce the risk of operational disruptions and financial impact.</td></tr>
<tr><td>Asset</td><td>Damage or loss of buildings and</td><td colspan="2">Regularly assess whether the amount of insurance for</td></tr>
</table>

<table>
<tr><th>Item</th><th colspan="3">Implementation Status</th></tr>
<tr><td rowspan="4"></td><td></td><td>revenue-generating equipment has resulted in decreased revenue, leading to abnormal cash flow and deterioration of financial health.</td><td>natural disaster is sufficient.</td></tr>
<tr><td>Goods on hand</td><td>The shortage of product inventory and the surge in electricity prices have resulted in increased procurement costs, leading to a significant reduction in business profits.</td><td>Expand diversified procurement and diversify product layout to mitigate operational risks.
The Company's energy efficiency can be improved and use low-carbon products to reduce operational costs and enhance product competitiveness.</td></tr>
<tr><td>Logistics and Transportation</td><td>Due to the interruption of transportation routes, the supply of goods has been disrupted, resulting in stock shortages, leading to business losses, and a deterioration of reputation.</td><td>Implement a global supply chain strategy to diversify procurement sources across different countries and mitigate risks. Additionally, increase local procurement to shorten transportation processes and reduce carbon emissions.</td></tr>
<tr><td>Legal compliance</td><td>In response to the cost and penalties associated with climate-related regulations in various countries.</td><td>Subsidiaries are tasked with understanding and reporting local climate-related regulations to the headquarters to avoid violations due to unfamiliarity, which could lead to increased operational costs</td></tr>
<tr><td>4. Describe how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.</td><td colspan="3">The identification, assessment, and management processes of the Company's climate risks will gradually align with the requirements of the regulatory authorities and be integrated into risk management policies and procedures for implementation.</td></tr>
<tr><td>5. If scenario analysis is used to assess resilience against climate change risks, the scenarios, parameters, assumptions, analysis factors, and key financial impacts used should be explained.</td><td colspan="3">The Company has not yet adopted scenario analysis for climate change risks.</td></tr>
<tr><td>6. If there are transformation plans in response to managing climate-related risks, explain the content of these plans, as well as the indicators and targets used to identify and manage physical risks and transition risks.</td><td colspan="3">The Company assesses the potential transition risks, substantive risks, and potential opportunities associated with climate change, and takes corresponding measures. Please refer to the explanation in Item 2.</td></tr>
</table>

Item	Implementation Status
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.	The Company has not yet implemented internal carbon pricing.
8. If climate-related targets have been established, the activities covered, the scope of greenhouse gas emissions, the timeline for the plan, and the progress achieved each year should be explained. If carbon offsets or Renewable Energy Certificates (RECs) are used to meet these targets, the source and quantity of the offset carbon reduction or the number of RECs should be specified.	Based on the indicators set by the TCFD Climate Risks and Opportunities, our company has set targets and will conduct annual inventory checks in accordance with the ISO 14064-1 organizational greenhouse gas inventory standard starting in 2024.
9. Greenhouse gas inventory and assurance status, reduction targets, strategies, and specific action plans.	Please refer to 1-1 and 1-2 for details.

1.1 Greenhouse gas inventory and assurance status for the past two years

1-1-1 Information on greenhouse gas inventory for the past two years:
Data coverage: Some stores, headquarters and logistics in Taiwan

Year	2024	2025
Scope 1 (Ton CO_2e)	1,028	2,324
Scope 2 (Ton CO_2e)	9,439	9,804
Total Emission Amount (Ton CO_2e)	10,467	12,128
Density (Ton CO_2e/ million NTD) (Note1)	0.6138	0.6507

Note 1: The intensity of greenhouse gas emissions may be calculated per unit of product/service or sales, but at least the data calculated by sales (NTD million) shall be stated.

1-1-2 Information on greenhouse gas assurance for the past two years: The company has not yet exercised its greenhouse gas assertions and expects to complete its first assertion in fiscal year 2028.

1.2 Greenhouse gas reduction targets, strategies, and specific action plans

Based on the indicators set by the TCFD Climate Risk and Opportunity, our company has set targets and has been conducting annual greenhouse gas inventory checks in accordance with the ISO14064-1 organizational greenhouse gas inventory standard since 2024. We have been improving our company's greenhouse gas emissions and emission reduction measures, continuously replacing air conditioning and lighting equipment with energy-saving devices, promoting energy-saving policies, and striving to practice energy conservation.

(VI) Performance of good faith operation and differences with the code of good-faith operation of listed and OTC companies and reasons

Items for evaluation	State of Operations			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
I. Formulate ethicalness management policies and projects				
(I) Whether the Company has formulated a good-faith operation policy approved by the Board of Directors and clearly stated the policies and practices of good faith operation in the rules and external documents, and the commitment of the Board of Directors and senior management to actively implement the operation policy?	Yes		(I) The Company's highest level of management sees ethical management as a guiding principle, and corporate management is carried out to maximize the greatest interest of shareholders and employees. The Company has established a set of "Procedures for Ethical Management and Guidelines for Conduct," which was approved by the Board of Directors and clearly states the ethical corporate management policy. The Human Resource Department is in charge of establishing and supervising the implementation of the ethical corporate management policy and preventive measures, and regularly reports to the Board of Directors.	No major deviations
(II) Does the Company establish an assessment mechanism for the risk of dishonest behavior, regularly analyze and evaluate the business activities with a high risk of dishonest behavior within its operation scope, and formulate a project to prevent dishonest behavior, which at least covers the preventive measures for the behaviors in paragraph II of Article VII of the code for the good-faith operation of listed and OTC companies?	Yes		(II) The Company's work rules regulate that all employees shall conform to the Company's good faith business policies and relevant regulations in the process of engaging in business activities, and expressly refused to directly or indirectly provide, promise, require or accept any improper interests in any form or name.	No major deviations
(III) Does the Company specify the operating procedures, behavior guidelines, punishment, and appeal system for violations in the project for preventing dishonest behavior, implement it, and regularly review and amend the pre-disclosure project?	Yes		(III) This is carried out under the Company's "Procedures for Ethical Management and Guidelines for Conduct." The Procedures also clearly states that the Company and its Directors, Supervisors, managerial officers and employees are banned from bribery and accepting bribes as well as prohibited from provision of illegal political contributions. The Company's work rules specifies that all employees are not allowed to have unethical conduct. In addition to regular audits conducted by internal auditors, employees may express their opinions or complaints with the HR or management directly.	No major deviations

Items for evaluation	State of Operations			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
II. Implement Ethical Management				
(I) Does the Company evaluate the ethical record of the trading partner and specify the ethical behavior terms in the contract signed between the Company and the trading partner?	Yes		(I) Before transacting with dealers, suppliers, customers, and other counterparties, the Company will take their legality and whether records of unethical conduct exist into consideration, and also includes ethical conduct as a contractual clause.	No major deviations
(II) Has the Company set up a dedicated unit under the Board of Directors to promote ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation status of the ethical corporate management policies and prevention programs against unethical conduct?	Yes		(II) The Company has set up "Procedures for Ethical Management and Guidelines for Conduct" and designates the HR Department to be in charge of relevant procedures to ethical management including amendments, implementations, consultation, and educational training. Implementation results are regularly compiled and reported to the Board of Directors.	No major deviations
(III) Does the Company formulate policies to prevent conflicts of interest, provide appropriate presentation channels, and implement them?	Yes		(III) The Company has established employee work rules that prohibit employees from using their position, opportunities, or requesting money, goods, or other improper benefits. This is to prevent misconduct. When engaging in transactions with stakeholders, the conditions should not be more favorable than those offered to other similar parties. The Company also provides a smooth communication channel for employees to provide feedback to various levels of management and the HR department through multiple channels.	No major deviations
(IV) Has the Company established an effective accounting system and internal control system for the implementation of good-faith operation, and the internal inspection unit formulates the relevant inspection project under the evaluation results of the risk of dishonest behavior, to check the compliance of the project to prevent dishonest behavior, or entrust an accountant to carry out the inspection?	Yes		(IV) The Company has established a rigorous accounting system and designated an accounting department. All financial statements are audited or reviewed by the CPA to ensure the fairness of financial statements. The amount of each transaction is submitted to a delegated level of authority for approval, complying with relevant laws and internal processing procedures.	No major deviations
(V) Does the Company regularly hold internal and external education and training on ethical management?	Yes		(V) To promote and advocate for ethical conduct, the Company conducts educational training for "Ethical Corporate Management Principles" during monthly meetings, announcements, and departmental meetings, and relevant regulations have been uploaded to the Company website, allowing employees to access them at any time.	No major deviations
III. Operation of the Company's reporting system				
(I) Does the Company have a specific reporting and reward system, establish a convenient reporting channel, and assign appropriate special personnel to accept the reported object?	Yes		(I) Article 21 of the Company’s "Procedures for Ethical Management and Guidelines for Conduct" pertains to the whistleblowing system. If any director, manager, or employee of the Company discovers any conduct that violates principles of ethical management, they shall immediately report it to the Board of Directors, the Audit Committee, the Audit Department, or other	No major deviations

Items for evaluation	State of Operations			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
			appropriate personnel. An independent internal and external whistleblowing mailbox and hotline were also established on the Company’s website. Employees may access designated departments to handle relevant tasks through multiple channels or to reflect or provide feedback to various levels of the management and HR department.	
(II) Whether the Company has established the standard operating procedures for the investigation of complaints, the follow-up measures to be taken after the investigation, and the relevant confidentiality mechanism?	Yes		(II) Article 21 of the Company’s Procedures for Ethical Management and Guidelines for Conduct stipulates that records of the acceptance, investigation process, and results of whistleblowing cases shall be retained and preserved, and the identity and content related to the whistleblower shall be strictly kept confidential. If a reported matter is verified to be true, the relevant departments of the Company shall conduct a review and propose corrective actions to prevent recurrence of the same behavior. In cases where the investigation reveals significant violations that may cause substantial losses to the Company, the responsible unit shall report the details of the report, the handling procedures, and subsequent review and improvement measures to the Board of Directors.	No major deviations
(III) Does the Company take measures to protect the informant from improper treatment due to reporting?	Yes		(III) In accordance with Article 21 of the Company’s "Integrity Management Procedures and Code of Conduct," personnel handling whistleblowing matters shall provide a written statement to maintain the confidentiality of the whistleblower’s identity and the content of the report, and commit to protecting the whistleblower from any improper treatment resulting from the report.	No major deviations
IV. Strengthen information disclosure Does the Company disclose the content and promotion effectiveness of its code of ethicalness on its website and the Market Observation Post System?	Yes		(I) To build a corporate culture of ethical corporate management and to promote sound development, the "Procedures for Ethical Management and Guidelines for Conduct" have been approved by the Board of Directors and implemented. In addition, the Company discloses its information on the MOPS on a timely, open, and transparent basis.	No major deviations
V. If the Company has its own ethical corporate management best practice principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," please explain the difference between its operation and the established code: The Company has established the "Ethical Corporate Management Best Practice Principles and Procedures and Guidelines for Conduct," and its operation and the established code should not have major derivatives.				
VI. Other important information that helps understand the Company's ethical management situation: (such as when the Company reviews and revises its established ethical corporate management best practice principles) 1. Comply with laws and ordinances of the public sector: The company shall comply with the Company Act, Securities, and Exchange Act, Business Entity Accounting Act, Political Donations				

Items for evaluation	State of Operations			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary	
Act, Anti-Corruption Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/TPEx listing rules, or other regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management. 2. Fulfilling the responsibility of being honest in transactions towards customers and suppliers: The Company has always been grateful to customers and respects suppliers. All business transactions are carried out fairly and transparently, providing customers or suppliers with fair and reasonable benefits and results, thus creating synergistic growth. 3. Fulfilling the responsibility of conducting business with integrity towards shareholders: The Company treats shareholders with care and loyalty, fully discloses accurate information on a timely basis, and creates the greatest value for all shareholders through robust and sound management practices. 4. Preventing any breach of good faith by directors, supervisors, managers or employees: The Company has established "Management Procedures to Prevent Insider Trading," "Rules of Procedure for Board of Directors Meetings," "Procedures for Ethical Management and Guidelines for Conduct," and "Codes of Ethical Conduct" on top of the internal control system. Furthermore, the Company also regularly conducts educational training and character and ethical evaluation for employees so that Directors, Supervisors, managers, or staff may faithfully carry out their obligations and prevent any direct or indirect provision, commitment, request, or acceptance of any form of inappropriate interests including rebates, commissions, facilitation fees, or provision or acceptance of undue benefits through other means from/to customers, dealers, contractors, suppliers, public officials or other stakeholders.				

(VII) Other important information sufficient to enhance the understanding of the operation status of Corporate Governance:

1. Procedures for Handling Internal Significant Information: The Company has established "Management Procedures to Prevent Insider Trading," "Procedures for Ethical Management and Guidelines for Conduct," and "Codes of Ethical Conduct" as the principles that all the Company's Directors, Supervisors, managers, and employees shall comply with. These rules clearly state the laws, articles, and regulations that the Company's Directors, Supervisors, managers, and staff shall comply with, including laws on insider trading.
2. For inquiries, please refer to the Investor section of the Company's website https://www.greattree.com.tw/article-page/investor

(VIII) Implementation of internal control system

1. Internal control statement

Great Tree Pharmacy Co., Ltd.
Statement on Internal Control

Date: February 26, 2026

Regarding the internal control system of the Company from January 1, 2025 to December 31, 2025, based on the results of our self-evaluation, we hereby make the following statement:

I. The Company confirms that it is the responsibility of the Board of Directors and managers of the Company to establish, implement and maintain the internal control system. The Company has established this system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.

II. The internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide a reasonable guarantee for the achievement of the above three objectives. Moreover, the effectiveness of the internal control system may change accordingly due to the change in environment and situation. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.

III. The Company assesses the effectiveness of its internal control system based on the criteria outlined in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as "Regulations") to determine whether the design and implementation of internal control systems are effective. The criteria for assessing internal control systems used in the "Guidelines" are divided into five constituent elements according to the process of management control: 1. Control Environment, 2. Risk Assessment, 3. Control Activities, 4. Information and Communication, and 5. Monitoring Activities. Each constituent element also consists of several items. Please refer to the provisions of the "Regulations" for the aforementioned items.

IV. The Company has adopted the above internal control system judgment items to evaluate the effectiveness of the design and implementation of the internal control system.

V. Based on the evaluation results in the preceding paragraph, the Company believes that the internal control system (including the supervision and management of subsidiaries) of the Company as of December 31, 2025, including the understanding of the effect of operation and the degree of achievement of efficiency objectives, the reliability, timeliness, transparency of reports, compliance with relevant norms and relevant laws and regulations, and the design and implementation of relevant internal control systems are effective, which can reasonably ensure the achievement of the above objectives.

VI. This statement will be the main content of the Company's annual report and prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

VII. This statement was approved by the board of directors of the Company on February 26, 2026. None had an objection among the nine directors present. They all agreed with the contents of this statement and made a statement.

Great Tree Pharmacy Co., Ltd.

Chairman: signature or seal

General Manager: signature or seal

2. Those who entrust the accountant to review the internal control system should disclose the accountant's audit report: None.

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

1. Material resolutions from the Shareholders' Meeting and implementations:

Year	Name	Content of proposal	Resolution and status of implementation
2025.5.29	2025 Annual Shareholders' Meeting	I. Report Items (I) 2024 Business Report (II) 2024 Annual Audit Committee Audit Report. (III) 2024 Distribution of Employee Compensation and Remunerations of the Employees and Directors. (IV) 2024 Appropriation of Net Income in Cash Dividends. (V) Report on the Handling of Private Placement of Securities by Our Company. (VI) Report on the Execution of the Company's Convertible Bond Conversion.	
		II. Proposals (I) 2024 Business Report and Financial Statements.	Proposal passed without dissent. Announced to the competent authority and disclosed to the public.
		(II) 2024 Appropriation of Net Income.	Proposal passed without dissent. At the Annual General Meeting held on May 29, 2025, the shareholders authorized the Chairman to set the ex-dividend date as July 7, 2025, and the cash dividend payment date as July 24, 2025. Both actions have been completed.
		III. Discussions (I) Proposal to issue new shares through capitalization of earnings.	The appropriation of stock dividends for the 2024 earnings, totaling NT$172,040,390 (approximately 130 shares per 1,000 shares), was approved without objection. After approval by the competent authority, the stock dividends were directly credited to shareholders' accounts by the Taiwan Depository & Clearing Corporation on October 22, 2025, and began trading on the Taipei Exchange on the same day.
		(II) Proposal to amend certain articles	Proposal passed without

Year	Name	Content of proposal	Resolution and status of implementation
		of the Company's "Articles of Incorporation". (III) Proposal on private placement of common shares and/or domestic unsecured convertible corporate bonds, to be handled.	dissent. Proposal passed without dissent. As of the printing date, it has not yet been implemented.

2. Important Resolutions of the Board of Directors in 2025 and up to the Date of Printing of the Annual Report: The Company convened a total of eight board meetings in 2025 and up to the date of printing of the annual report. The key resolutions adopted at these meetings are summarized as follows:

Year	Name	Important Resolutions	Resolution and status of implementation
2025.02.27	The 11th Meeting of the 4th Session	1. The resolution approved the definition of the scope of "entry level employees" as referred to in the Company's "Articles of Incorporation." 2. The resolution approved the amendments to some of the articles in the Company's "Articles of Incorporation." 3. The resolution was passed approved the independence of Certified Public Accountants of the Company and appraisal assessments 4. The resolution was passed to reconfirm the Company's "Non-Assurance Services Pre-Approval Policy" 5. It is resolved that the benchmark date for the issuance of share option certificates for common shares of the Company be set. 6. The resolution approved the change in the source of debt repayment for the Company's second domestic unsecured conversion of corporate bonds during their term. 7. Resolution was passed to respond to financial and business needs, the Company intends to sign a financing and line of credit agreement with Cathay United Bank. 8. The resolution approved that the Company intends to issue the third domestic unsecured conversion of corporate bonds. 9. Approved the distribution of employee remuneration and director remuneration in 2024. 10. Approved the 2024 annual business report and financial statements. 11. Approved the Appropriation of Net Income in 2024. 12. Approved the Company's proposal for a new share release through capitalization of earnings. 13. Approved the Company's 2024 Statement of Internal Control. 14. Approved the Company to release the employee stock option certificate and stock subscription method in 2025.	1. Proposal passed without dissent 2. Proposal passed without dissent 3. Proposal passed without dissent 4. Proposal passed without dissent 5. Proposal passed without dissent 6. Proposal passed without dissent 7. Proposal passed without dissent 8. Proposal passed without dissent 9. Proposal passed without dissent 10. Proposal passed without dissent 11. Proposal passed without dissent 12. Proposal passed without dissent 13. Proposal passed without dissent 14. Proposal passed without dissent 15. Proposal passed without dissent 16. Proposal passed without dissent 17. Proposal passed without dissent 18. Proposal passed without dissent

Year	Name	Important Resolutions	Resolution and status of implementation
		15. The resolution was passed to not continue the private placement of ordinary shares and/or private placement of domestic unsecured convertible corporate bonds approved at the 2024 shareholders' meeting. 16. Proposal on private placement of common shares and/or domestic unsecured convertible corporate bonds, to be handled. 17. Tasks related to calling the Annual Shareholders' Meeting 2025. 18. Branch abolition.	
2025.05.09	The 12th Meeting of the 4th Session	1. The resolution approved the Company's consolidated financial statements for the first quarter of 2025. 2. It is resolved that the benchmark date for the issuance of share option certificates for common shares of the Company be set. 3. Resolution was passed to respond to financial and business needs, the Company intends to sign a financing and line of credit agreement with Bank of Taiwan.	1. Proposal passed without dissent 2. Proposal passed without dissent 3. Proposal passed without dissent
2025.07.01	The 13th Meeting of the 4th Session	1. The resolution approved to the proposal related to transfer of earnings to capital increase of the Company.	1. Proposal passed without dissent
2025.08.08	The 14th Meeting of the 4th Session	1. The resolution approved the Company's consolidated financial statements for the second quarter of 2025. 2. It is resolved that the benchmark date for the issuance of share option certificates for common shares of the Company be set. 3. The Company’s "2024 ESG Report" was approved. 4. The resolution approved the application for Investment Quota from Mainland China. 5. Resolution was passed for the ratification of the Company's remuneration for managers.	1. Proposal passed without dissent 2. Proposal passed without dissent 3. Proposal passed without dissent 4. Proposal passed without dissent 5. When voting on this motion, interested parties (General Manager Ming-Lung Cheng, Deputy General Manager Shang-Feng Lu, Hao Cheng Investment Co., Ltd. Representative Shih-Wei Yeh and Associate of Finance Department Shu-Yi Wu) are invited to leave first, and the remaining attending directors unanimously

Year	Name	Important Resolutions	Resolution and status of implementation
			approved the motion
2025.11.10	The 15th Meeting of the 4th Session	1. The resolution approved the Company's consolidated financial statements for the third quarter of 2025. 2. It is resolved that the benchmark date for the issuance of share option certificates for common shares of the Company be set. 3. The resolution to amend certain provisions of the Company's Internal Control System was approved. 4. A resolution was passed to apply to Bank of Taiwan for a loan under the "Accelerated Investment Program for Enterprises Rooted in Taiwan" to support the Company's investment projects related to the construction of warehouses and other facilities for the Taoyuan Aerotropolis. 5. Resolution was passed to expand the Company's business in mainland China. The Company proposed to reinvest in Greattree Sugi Pharmacy Hong Kong Limited and establish a company in mainland China through this offshore company. 6. The resolution to approve the Company's 2026 Annual Audit Plan was passed.	1. Proposal passed without dissent 2. Proposal passed without dissent 3. Proposal passed without dissent 4. Proposal passed without dissent 5. Proposal passed without dissent 6. Proposal passed without dissent
2025.12.12	The 16th Meeting of the 4th Session	1. The resolution approved the proposal on the Company's 2026 annual budget. 2. The resolution to approve the Company's application for a credit line from CTBC Bank Co., Ltd. was passed. 3. The resolution was passed for the Company to proceed with a public tender for the construction of a warehouse facility for operational use on the "Taoyuan Aerotropolis Project Priority Industry Zone Land - Site B," which was acquired through a tender in 2022. 4. The Company resolved to amend the "Guidelines for Sustainable Development Practices" and to establish a Corporate Value Enhancement Plan. 5. The resolution to ratify the equity investment project for the fourth quarter of 2025 was approved. 6. The resolution approved the Company's 2024 annual remuneration distribution for directors. 7. The resolution approved the proposal on year-end performance bonus allocation project for the Company's managers.	1. Proposal passed without dissent 2. Proposal passed without dissent 3. Proposal passed without dissent 4. Proposal passed without dissent 5. Proposal passed without dissent 6. Proposal passed without dissent 7. When voting on this motion, interested parties (General Manager Ming-Lung Cheng, Deputy General Manager Shang-Feng Lu, Hao Cheng Investment Co., Ltd. Representative Shih-Wei Yeh and Associate of Finance Department Shu-Yi Wu) are invited to leave

Year	Name	Important Resolutions	Resolution and status of implementation
			first, and the remaining attending directors unanimously approved the motion
2026.02.26	The 17th Meeting of the 4th Session	1. The resolution was passed approved the independence of Certified Public Accountants of the Company and appraisal assessments 2. The resolution was passed to reconfirm the Company's "Non-Assurance Services Pre-Approval Policy" 3. It is resolved that the benchmark date for the issuance of share option certificates for common shares of the Company be set. 4. Approved the distribution of employee remuneration and director remuneration in 2025. 5. Approved the 2025 annual business report and financial statements. 6. Approved the appropriation of net income in 2025. 7. Approved the Company's proposal for a new share release through capitalization of earnings. 8. Approved the Company's 2025 Statement of Internal Control. 9. Approved the Company to release the employee stock option certificate and stock subscription method in 2026. 10. The resolution approved the full re-election of directors. 11. Proposal on private placement of common shares and/or domestic unsecured convertible corporate bonds, to be handled. 12. Tasks related to calling the Annual Shareholders' Meeting 2026.	1. Proposal passed without dissent 2. Proposal passed without dissent 3. Proposal passed without dissent 4. Proposal passed without dissent 5. Proposal passed without dissent 6. Proposal passed without dissent 7. Proposal passed without dissent 8. Proposal passed without dissent 9. Proposal passed without dissent 10. Proposal passed without dissent 11. Proposal passed without dissent 12. Proposal passed without dissent
2026.03.13	The 18th Meeting of the 4th Session	1. Resolution passed regarding the list of nomination of directors and independent director candidates and procedure for reviewing the qualifications of independent director nominee. 2. The resolution approved to release the newly elected Director and their representatives from non-competition restriction.	1. Proposal passed without dissent 2. Proposal passed without dissent

(X) For recent year and up to the printing date of the annual report, if the directors or supervisors have different opinions on the important resolutions adopted by the Board of Directors and have records or written statements, the main contents: None.

IV. Information on professional fees for CPAs

Range of compensations for CPA professional fees

Name of accounting firm	Name of CPA		Auditing period	Remark
Ernst & Young	Cheng Ching-piao	Chang Chih-Ming	2025	

Unit: NT$1,000

Range of the amount \ Category of fees		Audit fees	Non-audit fees	Total
1	Less than NT$2,000,000	—	V	—
2	Between NT$2,000,000 (inclusive) to NT$4,000,000	V	—	—
3	NT$4.0 million (inclusive) to NT$6.0 million	—	—	V

(I) In case non-auditing fees paid to CPA, accounting firm of CPA and its affiliates reaches one-fourth (1/4) of the auditing fees:

Information on professional fees for CPAs

Unit: in NT$1,000

Name of accounting firm	Name of CPA	Auditing period	Audit fees	Non-audit fees	Total	Remark
Ernst & Young	Cheng Ching-piao Chang Chih-Ming	2025/01/01~ 2025/12/31	3,430	1,084	4,514	(Note)

Note: Non-inspection public expenses are NT$504 thousand for industrial and commercial registration and NT$580 thousand for tax visas under the service items.

(II) Where the Company replaces the CPA and the auditing fees paid in the year of the replacement is less than that of the previous year: None.

(III) Auditing fee is 10% or less than the previous year: None.

V. Information on replacement of CPAs: None.

VI. Where the Company's Chairman, General Manager, or managers from finance or accounting departments who have worked in the CPA's audit firm or its affiliate companies in the last fiscal year: None.

VII. Conditions of share transfer and changes in equity pledge from the Directors, Supervisors, managers, and shareholders who hold more than 10% of shares, from the past year up to the date of publication of the Annual Report

(I) Changes status in equity transfer and pledge by directors, supervisors, managers, and major shareholders

Unit: shares

Title	Name	2025		2026 as at March 31	
		Increase (decrease) in the number	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number	Increase (decrease) in the number of pledged shares
Corporate director and major shareholder	Zhen Han Investment Co., Ltd. (Note 1)	1,844,375	7,600,000	0	(5,100,000)
Representative of the Corporate Director and General Manager	Ming-Lung Cheng (Note 1)	431,903	700,000	0	2,000,000
Juridical Person Directors	Top Taiwan XI Venture Capital (Note 2)	(57,485)	0	0	0
Juridical Person Directors' Representatives	Li-Ping Shen (Note 2)	17,145	0	0	0
Director	Yi-Hung Chen (Note 3)	0	0	0	0
Directors and Deputy General Manager	Shang-Feng Lu (Note 4)	182,354	595,000	0	200,000
Juridical Person Directors	Hao Cheng Investment (shares) Co., Ltd. (Note 5)	1,286,963	0	0	0
Juridical Person Directors' Representatives and Assistant Manager of the Product Purchase and Marketing Department	Shih-Wei Yeh (Note 5)	107,412	0	0	0
Independent Director	Tian-Dao Liu (Note 6)	0	0	0	0
Independent Director	Dai-Huang Kuo (Note 7)	10,956	0	0	0
Independent Director	Hsing-Wen Wang (Note 8)	0	0	0	0
Independent Director	Min-Hsiung Pan (Note 9)	0	0	0	0
Assistant Manager at Finance Department	Shu-Yi Wu	77,556	0	0	0

Major shareholder	Jun Wei Investment Co., Ltd. (Note 10)	2,212,340	0	0	7,900,000

Note 1: On May 31, 2023, Zhen Han Investment Co., Ltd. appointed its representative, Ming-Lung Cheng, to be elected director, and Zhen Han Investment Co., Ltd. was the major shareholder of the Company holding more than 10% shares and was elected as the Chairman by the Board of Directors on May 31, 2023.

Note 2: Top Taiwan XI Venture Capital Co., Ltd. was elected as a corporate director on May 31, 2023, and designated natural person representative Li-Ping Shen to exercise the duties.

Note 3: Yi-Hung Chen was elected as a natural person director at the shareholders' meeting on May 31, 2023.

Note 4: Shang-Feng Lu was elected as a natural person director at the shareholders' meeting on May 31, 2023.

Note 5: The designated representative of Hao Cheng Investment Co., Ltd. Shih-Wei Yeh was elected director on May 31, 2023.

Note 6: Tian-Dao Liu was elected as a natural person independent director at the shareholders' meeting on May 31, 2023.

Note 7: Dai-Huang Kuo was elected as a natural person independent director at the shareholders' meeting on May 31, 2023.

Note 8: Hsing-Wen Wang was elected as a natural person independent director at the shareholders' meeting on May 31, 2023.

Note 9: Min-Hsiung Pan was elected as a natural person independent director at the shareholders' meeting on May 31, 2023.

Note 10: Jun Wei Investment Co., Ltd., as the majority shareholder holding 10% or more of the shares of the Company, resigned as a director and chairman on November 9, 2020.

(II) Information on equity transfer and related parties: None.

(III) Information on equity pledge and related parties: None.

VIII. Information about the relationship between the top 10 shareholders who are related persons, spouses, or relatives within the second degree

March 31, 2025 (book closure date)

Name (Note 1)	Shares held by him/her		Shares held by spouse and minor children		Shares held in others' names		Names and relationships of top ten substantial shareholders who have spousal relationship, or familial relationship within the second degree of kinship, with each other. (Note 3)		Remark
	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Name (or full name)	Relations	
Jun Wei Investment Co., Ltd.	19,247,882	12.83%	—	—	—	—	Zhen Han Investment Co., Ltd	Person in charge of Zhen Han Investment Co., Ltd. is a brother of the person in charge of Hao Cheng Investments Co., Ltd.	—
							Hao Cheng Investments Co., Ltd.	Person in charge of Hao Cheng is a brother of the person in charge of Jun Wei	
							Ri-Long Investment Co, Ltd	Person in charge of Ri-Long is a brother of the person in	

Name (Note 1)	Shares held by him/her		Shares held by spouse and minor children		Shares held in others' names		Names and relationships of top ten substantial shareholders who have spousal relationship, or familial relationship within the second degree of kinship, with each other. (Note 3)		Remark
	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Name (or full name)	Relations	
							 Liu Shu Liang	charge of Jun Wei Second degree of kinship with the person in charge of Jun Wei	
Jun Wei Investment Co., Ltd. Representative: Yu-Teng Liu	472,355	0.31%	—	—	—	—	Zhen Han Investment Co., Ltd Hao Cheng Investments Co., Ltd. Ri-Long Investment Co, Ltd Liu Shu Liang	Person in charge of Zhen Han Investment Co., Ltd. is a brother of the person in charge of Hao Cheng Investments Co., Ltd. Person in charge of Hao Cheng is a brother of the person in charge of Jun Wei Person in charge of Ri-Long is a brother of the person in charge of Jun Wei Second degree of kinship with the person in charge of Jun Wei	—
Zhen Han Investment Co., Ltd.	16,046,499	10.69%	—	—	—	—	Jun Wei Investment Co., Ltd. Hao Cheng Investments Co., Ltd. Liu Shu Liang	Person in charge of Jun Wei Investment Co., Ltd. Is a brother of the person in charge of Zhen Han Investment Co., Ltd. Person in charge is the same Second degree of kinship with the person in charge of Zhen Han	—

Name (Note 1)	Shares held by him/her		Shares held by spouse and minor children		Shares held in others' names		Names and relationships of top ten substantial shareholders who have spousal relationship, or familial relationship within the second degree of kinship, with each other. (Note 3)		Remark
	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Name (or full name)	Relations	
							Ri-Long Investment Co, Ltd	Investment Co., Ltd Person in charge is the same	
Zhen Han Investment Co., Ltd. Representative: Ming-Lung Cheng	3,757,663	2.50%	—	—	15,262,677	10.17%	Jun Wei Investment Co., Ltd. Hao Cheng Investments Co., Ltd. Liu Shu Liang Ri-Long Investment Co, Ltd	Person in charge of Jun Wei Investment Co., Ltd. Is a brother of the person in charge of Zhen Han Investment Co., Ltd. Person in charge is the same Second degree of kinship with the person in charge of Zhen Han Investment Co., Ltd Person in charge is the same	—
Hao Cheng Investments Co., Ltd.	11,196,885	7.46%	—	—	—	—	Jun Wei Investment Co., Ltd. Zhen Han Investment Co., Ltd Liu Shu Liang Ri-Long Investment Co, Ltd	Person in charge of Jun Wei is a brother of the person in charge of Hao Cheng Person in charge is the same Second degree of kinship with the person in charge of Hao Cheng Investments Co., Ltd. Person in charge is the same	—
Hao Cheng Investments Co., Ltd. Representative: Ming-Lung Cheng	3,757,663	2.50%	—	—	15,262,677	10.17%	Jun Wei Investment Co., Ltd. Zhen Han	Person in charge of Jun Wei is a brother of the person in charge of Hao Cheng Person in	—

Name (Note 1)	Shares held by him/her		Shares held by spouse and minor children		Shares held in others' names		Names and relationships of top ten substantial shareholders who have spousal relationship, or familial relationship within the second degree of kinship, with each other. (Note 3)		Remark
	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Name (or full name)	Relations	
							Investment Co., Ltd Liu Shu Liang Ri-Long Investment Co, Ltd	charge is the same Second degree of kinship with the person in charge of Hao Cheng Investments Co., Ltd. Person in charge is the same	
Ri-Long Investment Co, Ltd	4,065,792	2.71%	—	—	—	—	Jun Wei Investment Co., Zhen Han Investment Co., Ltd Hao Cheng Investments Co., Ltd. Liu Shu Liang	Person in charge of Jun Wei is a brother of the person in charge of Ri-Long Person in charge is the same. Person in charge is the same. Second degree of kinship with the person in charge of Ri-Long Investments Co., Ltd.	—
Ri-Long Investment Co, Ltd Representative: Ming-Lung Cheng	3,757,663	2.50%	—	—	15,262,677	10.17	Jun Wei Investment Co., Zhen Han Investment Co., Ltd Hao Cheng Investments Co., Ltd. Liu Shu Liang	Person in charge of Jun Wei is a brother of the person in charge of Ri-Long Person in charge is the same. Person in charge is the same. Second degree of kinship with the person in charge of Ri-Long Investments Co., Ltd.	
Ming-Lung Cheng	3,757,663	2.50%	—	—	15,262,677	10.17%	Jun Wei Investment Co., Ltd.	Person in charge of Jun Wei Investment	—

Name (Note 1)	Shares held by him/her		Shares held by spouse and minor children		Shares held in others' names		Names and relationships of top ten substantial shareholders who have spousal relationship, or familial relationship within the second degree of kinship, with each other. (Note 3)		Remark
	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Shareholding	Shareholding ratio	Name (or full name)	Relations	
							Zhen Han Investment Co., Ltd Hao Cheng Investments Co., Ltd. Ri-Long Investment Co, Ltd	Co., Ltd. Is a brother of the person in charge of Zhen Han Investment Co., Ltd. The person in charge of the Company The person in charge of the Company The person in charge of the Company	
Labor Pension Fund (the New Fund)	2,119,705	1.41%	—	—	—	—	—	—	—
Shang-Feng Lu	1,586,529	1.06%	155,089	0.10%	—	—	—	—	—
Liu Shu Liang	1,382,539	0.92%	—	—	—	—	Jun Wei Investment Co., Ltd. Zhen Han Investment Co., Ltd Hao Cheng Investments Co., Ltd. Ri-Long Investment Co, Ltd	Second degree of kinship with the person in charge of the Company	—
CTBC Bank Co., Ltd. is entrusted as the custodian for the investment account of Sugi Holdings Co., Ltd.	1,127,998	0.75%	—	—	—	—	—	—	—
Labor Retirement Fund (the Old Fund)	907,680	0.60%	—	—	—	—	—	—	—

Note 1: All the top 10 substantial shareholders shall be listed. For juristic person shareholders, their names and the name of their representatives shall be listed separately.

Note 2: Calculation of shareholding ratio is calculated by shares held by the person, by spouse, by minor children, or under others' names.

Note 3: Relationships between the aforementioned shareholders, including juristic person shareholders and natural person shareholders shall be disclosed based on the financial reporting standards used by the issuer.

IX. The number of shares held by the Company, its directors, supervisors, managers, and enterprises directly or indirectly controlled by the Company in the same reinvested business shall combine to calculate the comprehensive shareholding ratio

On March 31, 2026 Unit: shares, %

Reinvestment business (Note)	Investments of the Company		Investments of Directors, Supervisors, Managers and directly or indirectly controlled businesses		Total Ownership	
	Shareholding	Shareholding ratio (%)	Shareholding	Shareholding ratio (%)	Shareholding	Shareholding ratio (%)
Ivy Biotechnology Co., Ltd.	5,900,000	100.00	0	0.00	5,900,000	100.00
Bai-Lin Logistics Co., Ltd.	200,000	100.00	0	0.00	200,000	100.00
Great Tree Pets Co., Ltd.	25,000,000	100.00	0	0.00	25,000,000	100.00
Da Yu Property Management Co., Ltd.	2,400,000	60.00	0	0.00	2,400,000	60.00
GREAT TREE INTERNATIONAL SDN. BHD.	1,500,000	74.26	20,000	0.99	1,520,000	75.25
Enki Biomedical Co., Ltd.	1,500,000	100.00	0	0.00	1,500,000	100.00
SUNYAO Healthcare Co., Ltd.	2,400,000	80.00	0	0.00	2,400,000	80.00
Da Feng Logistics Co., Ltd.	3,000,000	85.71	0	0.00	3,000,000	85.71

Note: Invested by the Company using the equity method.

Chapter 3 Fundraising Situation

I. Capital and shares

(I) Sources of Share Capital

1. Sources of Share Capital

On March 31, 2025 (Unit: shares, NT$)

Month, Year	Issued price	Authorized capital		Paid-in capital		Remark		
		Shareholding	Amount	Shareholding	Amount	Sources of Share Capital	Capital increased by assets other than cash	Others
2001.05	10	300,000	3,000,000	300,000	3,000,000	Authorized capital stock of NT$3,000,000	None	Approved by Letter No. 09032174140 on May 15, 2001
2008.02	10	2,300,000	23,000,000	2,300,000	23,000,000	Cash capital increase of NT$20,000,000	None	Approved by Letter No. 09731695960 on February 4, 2008
2009.01	10	5,000,000	50,000,000	5,000,000	50,000,000	Cash capital increase of NT$27,000,000	None	Approved by Letter No. 09831529450 on January 8, 2009
2010.06	10	7,000,000	70,000,000	7,000,000	70,000,000	Cash capital increase of NT$20,000,000	None	Approved by Letter No. 09932191050 on June 18, 2010
2012.07	10	30,000,000	300,000,000	12,600,000	126,000,000	Cash capital increase of NT$56,000,000	None	Approved by Letter No. 10132319370 on July 30, 2012
2012.11	10	30,000,000	300,000,000	15,000,000	150,000,000	Cash capital increase of NT$24,000,000	None	Approved by Letter No. 10132667050 on November 1, 2012
2013.12	15	30,000,000	300,000,000	18,200,000	182,000,000	Cash capital increase of NT$32,000,000	None	Approved by Letter No. 10234173460 on December 31, 2013
2014.02	52	30,000,000	300,000,000	21,000,000	210,000,000	Cash capital increase of NT$28,000,000	None	Approved by Letter No. 10333130600 on February 26, 2014
2015.09	10	60,000,000	600,000,000	23,100,000	231,000,000	Capitalization of earnings of NT$21,000,000	None	Approved by Letter No. 10433751990 on September 21, 2015
2016.04	70	60,000,000	600,000,000	25,260,000	252,600,000	Cash capital increase of NT$21,600,000	None	Approved by Letter No. 10533399230 on April 13, 2016
2016.09	10	60,000,000	600,000,000	26,523,000	265,230,000	Capitalization of earnings of NT$12,630,000	None	Approved by Letter No. 10590810030 on September 29, 2016
2017.09	10	60,000,000	600,000,000	30,501,450	305,014,500	Capitalization of earnings of NT$39,784,500	None	Approved by Letter No. 10690989610 on September 12, 2017
2018.07	62	60,000,000	600,000,000	33,501,450	335,014,500	Cash capital increase of NT$30,000,000	None	Approved by Letter No. 10790931690 on July 25, 2018
2018.09	10	60,000,000	600,000,000	36,551,595	365,515,950	Capitalization of earnings of NT$30,501,450	None	Approved by Letter No. 10790998180 on September 18, 2018
2019.09	10	60,000,000	600,000,000	41,303,302	413,033,020	Capitalization of earnings of NT$47,517,070	None	Approved by Letter No. 10891021810 on September 10, 2019
2019.11	10	60,000,000	600,000,000	42,582,027	425,820,270	Conversion of warrants to NT$3,560,000 Conversion of convertible corporate bonds to NT$9,227,250	None	Approved by Letter No. 10891110400 on November 27, 2019
2020.01	10	60,000,000	600,000,000	43,227,100	432,271,000	Conversion of convertible corporate	None	Approved by Letter No. 10990727500 on January

Month, Year	Issued price	Authorized capital		Paid-in capital		Remark		
		Shareholding	Amount	Shareholding	Amount	Sources of Share Capital	Capital increased by assets other than cash	Others
						bonds to NT$6,450,730		30, 2020
2020.05	10	60,000,000	600,000,000	43,544,606	435,446,060	Conversion of convertible corporate bonds to NT$3,175,060	None	Approved by Letter No. 10990871460 on May 21, 2020
2020.10	10	60,000,000	600,000,000	52,080,091	520,800,910	Capitalization of earnings of NT$78,271,670 Conversion of convertible corporate bonds to NT$7,083,180	None	Approved by Letter No. 10901185160 on October 13, 2020
2020.12	10	60,000,000	600,000,000	53,065,886	530,658,860	Conversion of convertible corporate bonds to NT$9,857,950	None	Approved by Letter No. 10901222230 on December 10, 2020
2021.03	10	60,000,000	600,000,000	53,344,593	533,445,930	Conversion of convertible corporate bonds to NT$2,787,070	None	Approved by Letter No. 11001031590 on March 10, 2021
2021.06	10	60,000,000	600,000,000	54,001,676	540,016,760	Conversion of convertible corporate bonds to NT$6,570,830	None	Approved by Letter No. 11001093560 letter on June 16, 2021
2021.09	10	150,000,000	1,500,000,000	70,043,059	700,430,590	Capitalization of earnings of NT$160,413,830	None	Approved by the Letter No. 11001170980 on September 23, 2021
2022.02	10	150,000,000	1,500,000,000	70,711,059	707,110,590	Conversion of warrants to NT$6,680,000	None	Approved by the Letter No. 11101017040 letter on February 16, 2022
2022.06	10	150,000,000	1,500,000,000	70,911,059	709,110,590	Conversion of warrants to NT$2,000,000	None	Approved by the Letter No. 11101096430 letter on June 8, 2022
2022.08	10	150,000,000	1,500,000,000	89,135,201	891,352,010	Capitalization of earnings of NT$182,241,420	None	Approved by the Letter No. 11101159540 letter on August 23, 2022
2023.03	10	150,000,000	1,500,000,000	89,849,201	898,492,010	Conversion of warrants to NT$7,140,000	None	Approved by the Letter No. 11230042890 letter on March 23, 2023
2023.05	10	150,000,000	1,500,000,000	89,918,455	899,184,550	Conversion of warrants to NT$686,000 Conversion of convertible corporate bonds to NT$6,540	None	Approved by the Letter No. 11230075750 letter on May 15, 2023
2023.09	10	200,000,000	2,000,000,000	110,618,264	1,106,182,640	Capitalization of earnings of NT$206,766,090 Conversion of warrants to NT$232,000	None	Approved by the Letter No. 11230168800 letter on September 15, 2023
2023.12	10	200,000,000	2,000,000,000	111,703,713	1,117,037,130	Conversion of warrants to NT$446,000 Conversion of convertible corporate bonds to NT$10,408,490	None	Approved by the Letter No. 11230224620 letter on December 15, 2023
2024.03	10	200,000,000	2,000,000,000	1112,537,888	1,125,378,880	Conversion of warrants to NT$4,122,000 Conversion of convertible corporate	None	Approved by the Letter No. 11330041230 letter on March 19, 2024

Month, Year	Issued price	Authorized capital		Paid-in capital		Remark		
		Shareholding	Amount	Shareholding	Amount	Sources of Share Capital	Capital increased by assets other than cash	Others
						bonds to NT$4,219,750		
2024.06	10	200,000,000	2,000,000,000	112,707,876	1,127,078,760	Conversion of warrants to NT$1,251,000 Conversion of convertible corporate bonds to NT$448,880	None	Approved by the Letter No. 11330086780 letter on June 17, 2024
2024.09	10	200,000,000	2,000,000,000	131,870,063	1,318,700,630	Capitalization of earnings of NT$191,492,870 Conversion of warrants to NT$29,000	None	Approved by the Letter No. 11330161370 letter on September 24, 2024
2024.12	10	200,000,000	2,000,000,000	131,888,863	1,318,888,630	Conversion of warrants to NT$188,000	None	Approved by the Letter No. 11330207590 letter on December 02, 2024
2025.03	10	200,000,000	2,000,000,000	132,238,963	1,322,389,630	Conversion of warrants to NT$3,501,000	None	Approved by the Letter No. 11430034030 letter on March 20, 2025
2025.06	10	200,000,000	2,000,000,000	132,426,963	1,324,269,630	Conversion of warrants to NT$1,880,000	None	Approved by Letter No. 11430072410 on June 4, 2025.
2025.10	10	200,000,000	2,000,000,000	149,646,602	1,496,466,020	Capitalization of earnings of NT$172,040,390 Conversion of warrants to NT$156,000	None	Approved by Letter No. 11430150420 dated October 2, 2025
2025.12	10	200,000,000	2,000,000,000	149,699,202	1,496,992,020	Conversion of warrants to NT$526,000	None	Approved by Letter No. 11430189500 dated December 9, 2025
2026.03	10	200,000,000	2,000,000,000	149,950,502	1,499,505,020	Conversion of warrants to NT$2,513,000	None	Approved by Letter No. 11530034370 dated March 16, 2026
Note: The year and month in this table are based on the changes approved by the Ministry of Economic Affairs.								

2. Types of shares issued

On March 31, 2026 Unit: shares

Type \ Shares	Authorized capital			Remark
	Outstanding shares	Unissued shares	Total	
Ordinary Shares	Total shares on the TPEx 150,053,202	49,946,798	200,000,000	-

Note: marketable securities issued by shelf registration system as authorized: None.

(II) List of major shareholders

March 31, 2026 (book closure date)

Name of substantial shareholder \ Shares	Number of shares held (shares)	Shareholding ratio (%)
Jun Wei Investment Co., Ltd.	19,247,882	12.83
Zhen Han Investment Co., Ltd.	16,046,499	10.69
Hao Cheng Investments Co., Ltd.	11,196,885	7.46
Ri-Long Investment Co, Ltd	4,065,792	2.71
Ming-Lung Cheng	3,757,663	2.50
Labor Pension Fund (the New Fund)	2,119,705	1.41
Shang-Feng Lu	1,586,529	1.06

Name of substantial shareholder / Shares	Number of shares held (shares)	Shareholding ratio (%)
Liu Shu Liang	1,382,539	0.92
CTBC Bank Co., Ltd. is entrusted as the custodian for the investment account of Sugi Holdings Co., Ltd.	1,127,998	0.75
Labor Retirement Fund (the Old Fund)	907,680	0.60

(III) Dividend policy and implementation of the Company

1. Dividend policy stipulated in the articles of the Association

If the Company makes profits for the current year, it shall set aside between 3% to 10% as employee compensation, and no more than 5% as remunerations of the Directors. However, if the Company still records a cumulative loss, its profit shall first be used to make up the loss. Of the total amount allocated for employee remuneration mentioned above, no less than fifty percent should be designated for the distribution of remuneration to entry-level employees. The counterparty to whom stocks or cash are distributed to as employee's compensation in the preceding paragraph includes the employees of its subordinate companies that meet certain criteria or controls.

The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' accumulated losses and then set aside 10% as legal reserve. When such legal reserve amounts to the total paid-in capital, the Company shall not be subject to this requirement. The Company may then appropriate or reverse a certain amount as special reserve according to the relevant regulations. The remaining earnings, plus the accumulated undistributed earnings, may be appropriated to shareholders as dividends or bonuses according to the distribution plan proposed by the Board of Directors and approved by the Shareholders' Meeting.

Where the aforementioned dividends and bonuses are distributed entirely or partially in cash, the Board of Directors shall be authorized to determine such distribution by a resolution adopted by a majority vote at a meeting attended by over two-thirds of the Directors and report to the Shareholders' Meeting, and the provisions requiring a resolution of the shareholders' meeting is not applicable.

To respond to economic changes and to strengthen the Company's financial structure, the Company has adopted a balanced dividend policy. The policy for future dividend distribution is as follows:

(1) The Company will appropriate no less than 10% of the aforementioned distributable net income as shareholders' dividends. Nevertheless, when distributable net income is less than 10% of the paid-in capital, the Company may propose not to appropriate any bonus.

(2) In consideration of a balanced and stable dividend policy, the Company will appropriate either share or cash dividends according to the needs of funds and the degree of dilution to earnings per share. Appropriations of cash dividends shall be no less than 10% of the annual total dividends.

2. The proposed dividend distribution for the current year (2025)

The earning distribution for 2025 was approved by the Board of Directors on Feb 26, 2026, but not yet approved by the regular meeting of shareholders in 2026. The distribution of annual earnings of the Board of Directors is listed as follows:

Unit: NT$

Item	Amount
Beginning retained earnings	$9,785,548
Add: Net profit after tax in 2025	600,420,754
Add: Other comprehensive income (remeasurement of defined benefit plan in 2025)	274,423
Add: Disposal of equity instruments measured at fair value through other comprehensive income	26,829,516
Less: appropriation of legal capital reserve	(62,752,469)
Income available for distribution for this period	574,557,772
Allocations	
Cash dividends (approximately NT$3.16 per share)	(473,976,307)
Shareholder dividends (approximately NT$0.60 per share)	(89,995,500)
	(563,971,807)
Ending retained earnings	$10,585,965

3. Description of significant changes in expected dividend policy: None.

(IV) Effect of free allotment of shares proposed in this year (2025) on the Company's business performance and earnings per share: Not applicable.

(V) Remuneration for employees and directors

1. The percentages or ranges concerning an employee, director, and supervisor compensation, as outlined in the Company's Articles of Incorporation:

   If the Company makes profits for the current year, it shall set aside between 3% to 10% as employee compensation, and no more than 5% as remunerations of the Directors. However, if the Company still records a cumulative loss, its profit shall first be used to make up the loss. Of the total amount allocated for employee remuneration mentioned above, no less than fifty percent should be designated for the distribution of remuneration to entry-level employees.

   The counterparty to whom stocks or cash are distributed to as employee's compensation in the preceding paragraph includes the employees of its subordinate companies that meet certain criteria or controls.

2. The basis for the valuation of the amount of remuneration of employees, directors, and supervisors, the basis for the calculation of the number of shares of employee remuneration distributed by shares, and the accounting treatment of the actual distribution amount if there is any difference from the Valuation:

   If the Company reports a profit for the year, it shall allocate between 3% and 10% of the profit as employee compensation, and not more than 5% as director compensation. Of the total amount allocated for employee compensation, no less than 50% shall be distributed to frontline employees. Any difference between the actual distribution amount and the estimated amount shall be recognized in the profit or loss of the following year.

3. Information on any approval by the Board of Directors of distribution of

compensation:

(1) The amount of any employee compensation distributed in cash and compensation for directors and supervisors. If there is any discrepancy between the abovementioned amount and estimated amount of recognized expenses for the current fiscal year, the amount, causes and treatment of such discrepancy shall be disclosed:

From the after-tax earnings of the year of 2025, the Company set aside 3% for the remunerations of employees and 0.60% for the remunerations of directors under the articles of association. The estimated employee compensation amounted to NT$23,114 thousand, and the directors' remuneration amounted to NT$4,623 thousand. The estimated amounts do not differ materially from the proposed distributions approved by the original Board of Directors.

(2) Distribution of employee remuneration by stock and proportion to the total after-tax net income and total employee remuneration for the current period: The Company only allocates employee cash remuneration, so it is not applicable.

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

For the year 2024, the Company distributed employee compensation of NT$25,860 thousand and director remuneration of NT$4,216 thousand. The actual distributions did not differ materially from the amounts approved by the Board of Directors.

(VI) Company share buybacks: None.

II. Handling of corporate bonds:

(I) Handling of corporate bonds

Types of corporate bonds (Note 2)	Third domestic unsecured bond	Second domestic unsecured bond	First domestic private placement of unsecured corporate bonds
Date of issuance	July 28, 2025	September 12, 2022	September 29, 2022
Nominal value	NT$100 thousand	NT$100 thousand	NT$100 thousand
Place of issuance and transaction (Note 3)	Domestic	Domestic	Domestic
Issued price	Issued at 102.20% of face value	Issued at 104.21% of face value	Issued at 100% of par value
Total	NT$1,021,971 thousand	NT$1,042,088 thousand	NT$220,000 thousand
Interest Rate	Coupon rate 0%	Coupon rate 0%	Coupon rate 0%
Duration	A 3-year term, maturing on July 28, 2028.	3 years, maturing on September 12, 2025	3 years, maturity on September 29, 2025
Guarantee agency	Not applicable	Not applicable	Not applicable
Trustee	E. Sun Commercial Bank Ltd.	CTBC Bank Co., Ltd.	None
Underwriter	Cathay Securities Co., Ltd.	President Securities Co., Ltd.	None
Attorney	Charles Ya-Wen Chiu, Handsome Attorneys-at-Law	Charles Ya-Wen Chiu, Handsome Attorneys-at-Law	None
CPA	Ernst & Young	Ernst & Young	None

Types of corporate bonds (Note 2)		Third domestic unsecured bond	Second domestic unsecured bond	First domestic private placement of unsecured corporate bonds
		Ching-Piao Cheng and Chih-Ming Chang, CPAs	Accountants: Lo Hsiao-Chin, Hong Mao Yi	
Method of Redemption		Except for the holders of the convertible bonds converted into the Company's common shares as set out in Article 10 of the Conversion Measures and the early redemption of the bonds by the Company as set out in Article 18 of the Measures or the cancellation of the bonds purchased by the securities dealers business premises, the Company shall repay the bonds held by the bondholders in cash and in one lump sum within ten business days from the day following the maturity of the bonds.	Except for the holders of the convertible bonds converted into the Company's common shares as set out in Article 10 of the Conversion Measures and the early redemption of the bonds by the Company as set out in Article 18 of the Measures or the cancellation of the bonds purchased by the securities dealers business premises, the Company shall repay the bonds held by the bondholders in cash and in one lump sum within ten business days from the day following the maturity of the bonds.	Unless converted or redeemed according to the conversion method, the bond shall be repaid in a lump sum in cash at maturity according to the face value of the bond.
Principal outstanding		NT$1,000,000 thousand	-	-
Terms of redemption or prepayment		Please see Articles 18-19 on the Company's "Convertible Bond Issuance and Conversion Method"	Please see Articles 18-19 on the Company's "Convertible Bond Issuance and Conversion Method"	Please see Articles 10 on the Company's "Convertible Bond Issuance and Conversion Method"
Restrictive covenants (Note 4)		None	None	None
Name of credit rating agency, date of rating, and result of corporate bond rating		Not applicable.	Not applicable	Not applicable
Other rights	Amount of ordinary shares, overseas depositary receipts, or other securities converted (exchanged or subscribed) as of the printing date of the annual report	As of March 31, 2026, the Company had completed the conversion of 0 bonds, each with a face value of NT$100,000, and the conversion amount of bonds was NT$0, accumulating in the conversion of 0 ordinary shares.	The Company's second domestic unsecured convertible bonds matured on September 12, 2025, and were delisted from the over-the-counter market on the next business day, September 15, 2025. A total of NT$408.5 million was converted into 1,508,366 common shares with a par value of NT$10 per share. The 5,915 bonds not converted, totaling NT$591.5 million in principal, were fully repaid on September 25, 2025.	The Company's first domestic private placement of unsecured corporate bonds matured on September 29, 2025. As of the maturity date, no conversion into common shares was exercised. The unconverted bonds totaled NT$220,000,000, and the principal was fully repaid on October 3, 2025.
	Release and conversion (exchange or	Please refer to the bond issuance data of the bond credit zone of the Market	Please refer to the bond issuance data of the bond credit zone of the Market	Please refer to the Private Placement section of the

Types of corporate bonds (Note 2)		Third domestic unsecured bond	Second domestic unsecured bond	First domestic private placement of unsecured corporate bonds
	subscription) measures	Observation Post System.	Observation Post System.	Market Observation Post System.
Possible dilution effects on the equity from issuance and conversion, swap or subscription method, and issuance terms and current shareholders' equity		Based on the current conversion price, if all remaining corporate bonds are converted into common shares, the Company would need to issue an additional 7,545,461 common shares, resulting in a share capital dilution rate of 5.03%, which has a limited impact on shareholders' equity.	Not applicable.	Not applicable.
Name of the commissioned custodian of exchangeable underlyings		Not applicable.	Not applicable.	Not applicable

Note 1: Handling of corporate bonds include public and private offering of bonds. Public corporate bonds being processed refer to the ones that will be exercised (approved), and the private corporate bonds being processed refer to the ones that have been approved by a company's Board of Directors.

Note 2: Number of columns can be adjusted based on actual number of processing.

Note 3: Please fill this column if it is an overseas corporate bond.

Note 4: If conditions such as distribution of cash dividends, foreign investments or requirement for maintaining a certain ratio of asset are required.

Note 5: Shares that were traded via private placement should be indicated in a clear manner.

Note 6: For convertible bonds, swappable bonds, bonds issued through shelf registration or bonds with subscription rights shall disclose the information on the convertible bonds, swappable bonds, status of shelf registration and subscription rights based on the nature of the bond.

(II) Processing of information on convertible bonds

Type of bond		Third domestic unsecured bond		Second domestic unsecured bond	First domestic private placement of unsecured corporate bonds
Item \ Year		2025	2026 as at March 31	2025	2025
Market value of converted corporate bonds (NT$)	Highest	118.50	106.60	107.45	Not applicable
	Lowest	101.60	99.50	99.35	
	Average	112.41	101.74	102.83	
Price of conversion		(Note)	132.53	(Note 1)	
Date of issuance and conversion price at issuance		Issued on July 28, 2025, with a conversion price of NT$149.74 at the time of issuance.		Issued on September 12, 2022, the conversion price at the time of issue is NT$304.98	Issued on September 29, 2022, the conversion price at the time of issue is NT$270.5
Conversion method		Issuance of new shares		Issuance of new shares	Issuance of new shares

Note: In accordance with the issuance and conversion regulations, due to the Company's distribution of stock dividends for the 2024 fiscal year in 2025, the conversion price was adjusted from NT$149.74 to NT$132.53 effective August 30, 2025.

Note 1: In accordance with the regulations on issuance and conversion methods, due to the Company's distribution of cash and stock dividends for the year 2024 in 2025, the conversion price was adjusted from NT$206.58 to NT$202.16 effective July 7, 2025. Furthermore, the conversion price was adjusted from NT$202.16 to NT$178.92 effective August 30, 2025.

(III) Exchange corporate bond data: None

(IV) Overview of corporate bond release: None

(V) Attached is corporate bond subscription information: None

III. Handling of preferred stocks: None.

IV. Handling of Overseas Depository Receipt: None.

V. Handling of employee call warrants certificates:

(I) Handling of employee stock option certificates:

March 31, 2026

Types of Employee Stock Subscription Rights (Note 2)	First time in 2019 Employee Stock Subscription Rights (Note 5)	Second time in 2019 Employee Stock Subscription Rights (Note 5)	First time in 2022 Employee Stock Rights (Note 5)
Effective date	2019.10.29	2019.10.29	2022.11.29
Issuance (processing) date (Note 4)	2019.12.01	2020.10.27	2022.12.15
Units issued	1,879 (1,000 shares can be subscribed for every 1 unit)	2,017 (1,000 shares can be subscribed for every 1 unit)	4,500 (1,000 shares can be subscribed for every 1 unit)
Ratio of issued subscriptions on the total number of shares issued	1.25%	1.34%	3.00%
Duration of the stock options	6 years	6 years	5 years
Fulfillment method (Note 3)	Issuance of new shares	Issuance of new shares	Issuance of new shares
Restricted subscription duration and ratio (%)	The grant period of warrants varies according to the category. Please refer to the issuance and subscription methods for details.	The grant period of warrants varies according to the category. Please refer to the issuance and subscription methods for details.	The grant period of warrants varies according to the category. Please refer to the issuance and subscription methods for details.
Number of shares acquired	1,816,000 shares	1,431,700 shares	0 shares
Monetary amount of stock subscription acquired	NT$79,716,730	NT$62,338,220	NT$0
Stock subscriptions yet to be exercised	8,000 shares	370,900 shares	3,338,000 shares
Subscription price per share for stock subscriptions yet to be exercised	NT$25.90	NT$31.90	NT$168.30
Units unexercised to total outstanding shares (%)	0.01%	0.25%	2.22%
Effects on shareholders' equity	Impact of dilution on the existing shareholders of ordinary shares is limited	Impact of dilution on the existing shareholders of ordinary shares is limited	Impact of dilution on the existing shareholders of ordinary shares is limited

Note 1: The status of employee stock option certificates includes handling of public and private offering of employee stock option. Public employee stock options being processed refer to the ones that will be exercised (approved), and the private stock options being processed refer to the ones

that have been approved by shareholders' meeting.

Note 2: Number of columns can be adjusted based on actual number of processing.

Note 3: Indicate the number of shares acquired or the number of new shares to be issued.

Note 4: Those with different issuance dates should be separately filled.

Note 5: Shares that were traded via private placement should be indicated in a clear manner.

(II) Names, acquisition, and subscription of managerial officers who have obtained employee stock warrants as well as employees who rank among the top ten in terms of the number of shares obtained via employee stock options

1. First Employee Stock Subscription Rights in 2019:

March 31, 2026 Unit: NT$1,000/shares

	Title (Note 1)	Name	Number of employee stock options obtained	Percentage of employee stock options obtained to the total issuance of shares (Note 4)	Executed (Note 2)				Not yet executed (Note 2)			
					Number of shares subscribed	Subscription price (Note 5)	Subscription amount (in thousand NT$)	Percentage of number of shares subscribed on the total issuance of shares (Note 4)	Number of shares subscribed	Subscription price (Note 6)	Subscription amount (in thousand NT$)	Percentage of number of shares subscribed on the total issuance of shares (Note 4)
Managers	General Manager	Ming-Lung Cheng	670,000 shares	0.45%	490,000 shares 54,000 shares 54,000 shares 72,000 shares	NT$54.10 NT$43.00 NT$35.00 NT$29.90	32,874	0.45%	0 shares	NT$0	NT$0	-%
	Deputy General Manager	Shang-Feng Lu										
	Assistant Manager at Finance Department	Shu-Yi Wu										
Employees (Note 3)	Management Department Consultant	Da-Hong Cheng	690,000 shares	0.46%	230,000 shares 114,000 shares 138,000 shares 131,000 shares 5,000 Shares 72,000 shares	NT$54.10 NT$43.00 NT$35.00 NT$29.90 NT$29.30 NT$25.90	28,103	0.46%	0 shares	NT$25.90	NT$0	-%
	Assistant Manager of the Operation Department	Feng-Sheng Huang										
	Assistant Manager of the Product Purchase and Marketing Department	Shih-Wei Yeh										
	Regional Supervisor of Operation Department	Cheng-Wei Kao										
	Regional Supervisor of Operation Department	Wei-Jen Lu										
	Manager in Store Development Department	Sung Chao Feng										
	Manager of the E-commerce Division of the Branch	Chung-Che Chiang										
	Assistant Manager of the Administration Department	Mei-Yun Liu										
	Regional Supervisor of Operation Department	Li-Ming Hsu										
	Regional Supervisor of Operation Department	I-Chih Chang										

Note 1: Individual names and positions of managers and employees (please indicate in case of

turnover or passing), but acquisition and subscription may be disclosed as aggregate sum.

Note 2: Number of columns can be adjusted based on actual numbers of issuance.

Note 3: Top 10 employees who have received subscription rights refer to employees other than managers.

Note 4: Number of shares issued refer to the number of shares listed in the registration files of the Ministry of Economic Affairs.

Note 5: Subscription price at the time of subscription shall be disclosed for the employee stock options that have been exercised.

Note 6: For price of employee subscription options yet to be exercised, the Company shall disclose the subscription price calculated based on issuance method after adjustments.

2. Second Employee Stock Subscription Rights in 2019:

March 31, 2026 Unit: NT$1,000/shares

	Title (Note 1)	Name	Number of employee stock options obtained	Percentage of employee stock options obtained to the total issuance of shares (Note 4)	Executed (Note 2)				Not yet executed (Note 2)			
					Number of shares subscribed	Subscription price (Note 5)	Subscription amount (in thousand NT$)	Percentage of number of shares subscribed on the total issuance of shares (Note 4)	Number of shares subscribed	Subscription price (Note 6)	Subscription amount (in thousand NT$)	Percentage of number of shares subscribed on the total issuance of shares (Note 4)
Managers	Deputy General Manager	Shang-Feng Lu	90,000 shares	0.06%	72,000 shares 6,000 shares 6,000 shares	NT$52.90 NT$43.10 NT$36.80	4,288	0.06%	6,000 shares	NT$31.90	191	0.004%
	Assistant Manager at Finance Department	Shu-Yi Wu										
Employees (Note 3)	Management Department Consultant	Da-Hong Cheng	270,000 shares	0.18%	162,000 shares 30,000 shares 24,000 shares 6,000 shares	NT$52.90 NT$43.10 NT$36.80 NT$31.90	10,937	0.15%	48,000 shares	NT$31.90	1,531	0.03%
	Assistant Manager of the Operation Department	Feng-Sheng Huang										
	Assistant Manager of the Product Purchase and Marketing Department	Shih-Wei Yeh										
	Regional Supervisor of Operation Department	Cheng-Wei Kao										
	Regional Supervisor of Operation Department	Wei-Jen Lu										
	Manager in Store Development Department	Sung Chao Feng										
	Manager of the E-commerce Division of the Branch	Chung-Che Chiang										
	Assistant Manager of the Administration Department	Mei-Yun Liu										
	Regional Supervisor of Operation Department	Li-Ming Hsu										
	Regional Supervisor of Operation Department	I-Chih Chang										

Note 1: Individual names and positions of managers and employees (please indicate in case of turnover or passing), but acquisition and subscription may be disclosed as aggregate sum.

Note 2: Number of columns can be adjusted based on actual numbers of issuance.

Note 3: Top 10 employees who have received subscription rights refer to employees other than managers.

Note 4: Number of shares issued refer to the number of shares listed in the registration files of the

Ministry of Economic Affairs.

Note 5: Subscription price at the time of subscription shall be disclosed for the employee stock options that have been exercised.

Note 6: For price of employee subscription options yet to be exercised, the Company shall disclose the subscription price calculated based on issuance method after adjustments.

3. First Employee Stock Subscription Rights in 2022:

March 31, 2026 Unit: NT$1,000/shares

<table>
<tr><th rowspan="2"></th><th rowspan="2">Title
(Note 1)</th><th rowspan="2">Name</th><th rowspan="2">Number of employee stock options obtained</th><th rowspan="2">Percentage of employee stock options obtained to the total issuance of shares
(Note 4)</th><th colspan="4">Executed (Note 2)</th><th colspan="4">Not yet executed (Note 2)</th></tr>
<tr><th>Number of shares subscribed</th><th>Subscription price
(Note 5)</th><th>Subscription amount
(in thousand NT$)</th><th>Percentage of number of shares subscribed on the total issuance of shares
(Note 4)</th><th>Number of shares subscribed</th><th>Subscription price
(Note 6)</th><th>Subscription amount
(in thousand NT$)</th><th>Percentage of number of shares subscribed on the total issuance of shares
(Note 4)</th></tr>
<tr><td rowspan="2">Managers</td><td>Deputy General Manager</td><td>Shang-Feng Lu</td><td rowspan="2">4,000 shares</td><td rowspan="2">0.003%</td><td rowspan="2">0 shares</td><td rowspan="2">NT$0</td><td rowspan="2">NT$0</td><td rowspan="2">-%</td><td rowspan="2">4,000 shares</td><td rowspan="2">NT$168.3</td><td rowspan="2">673</td><td rowspan="2">0.003%</td></tr>
<tr><td>Assistant Manager at Finance Department</td><td>Shu-Yi Wu</td></tr>
<tr><td rowspan="10">Employees (Note 3)</td><td>Assistant Manager of Overseas department</td><td>Hsien-Chih, Chiu</td><td rowspan="10">93,000 shares</td><td rowspan="10">0.06%</td><td rowspan="10">0 shares</td><td rowspan="10">NT$0</td><td rowspan="10">NT$0</td><td rowspan="10">-%</td><td rowspan="10">93,000 shares</td><td rowspan="10">NT$168.3</td><td rowspan="10">15,652</td><td rowspan="10">0.06%</td></tr>
<tr><td>Regional Supervisor of Operation Department</td><td>Huang Sih Jie</td></tr>
<tr><td>Project Manager of Overseas department</td><td>Tsung-Jung, Ou</td></tr>
<tr><td>Project Manager of the Product Purchase and Marketing Department</td><td>Wei, Chang</td></tr>
<tr><td>Regional Supervisor of Operation Department</td><td>Po-Ying, Chen</td></tr>
<tr><td>Project Manager of Overseas department</td><td>Tsai Hsiang-Yu</td></tr>
<tr><td>General Manager of Operation Department of Subsidiary</td><td>Ya-Hui, Yu</td></tr>
<tr><td>Project Manager of the Product Purchase and Marketing Department</td><td>Cheng-Yen, Ho</td></tr>
<tr><td>Regional Supervisor of Operation Department</td><td>CHUANG, TZU-HSIEN</td></tr>
<tr><td>Regional Supervisor of Operation Department</td><td>WU,CHIA-CHUN</td></tr>
</table>

Note 1: Individual names and positions of managers and employees (please indicate in case of turnover or passing), but acquisition and subscription may be disclosed as aggregate sum.

Note 2: Number of columns can be adjusted based on actual numbers of issuance.

Note 3: Top 10 employees who have received subscription rights refer to employees other than managers.

Note 4: Number of shares issued refer to the number of shares listed in the registration files of the Ministry of Economic Affairs.

Note 5: Subscription price at the time of subscription shall be disclosed for the employee stock options that have been exercised.

Note 6: For price of employee subscription options yet to be exercised, the Company shall disclose the subscription price calculated based on issuance method after adjustments.

VI. New Restricted Employee Shares: None.

VII. Issuance of New Shares in Connection with the Merger or Acquisition of Other Companies: None.

VIII. Execution of Fund Application Plans:

The Company's capital increase plan for the last three years has been implemented in accordance with the scheduled plan.

Chapter 4 Operating Overview

I. Business Content

(I) Operation Scope

1. The Company's business operations encompass the following:

The Company is the first drugstore chain enterprise to have received ISO 9001 certification for the quality management system processes in the head office and in stores throughout Taiwan. The Company has also received the "Good Store Practice (GSP)" certification from the Ministry of Economic Affairs.

In line with the government's policy of separating treatment from medication, the Company has developed a "drugstore cloud-based medical history integration service management system." After many years of actual practice, we have successfully integrated the prescription drug purchasing, supply, and management in drugstores, community clinics, joint clinical centers, and medical communities.

After many years of continuous actual operational growth and performance, our "Great Tree Pharmacy" brand has established the first drugstore management system "GT-POMS" throughout Taiwan. Drugstores that utilize the aforesaid system are found throughout the country by 2014, and the Company has also received the subvention of "Service Industry Innovation Research (SIIR)" from the Ministry of Economic Affairs and established a "cross-platform health management cloud-based app" to provide free professional health and drug-use service to our many members found throughout Taiwan. While strategically planning the online shopping service for healthcare industry in the future and conducting virtual-physical channel integration plan, we also continue to provide broad medical care in our drugstores to enhance competitiveness and to build a comprehensive health care system, securing our leadership position. We aim to satisfy the supply and demand for various types of medical and health care products in drugstores and pharmacies to seize the growing business opportunities in the ageing market.

2. Business operation proportion

Unit: thousand NT$; %

Year / Item	2024		2025	
	Amount	Percentage of revenue	Amount	Percentage of revenue
Maternity and infant products	6,002,678	34.75	6,408,211	33.91
Health care supplements	4,736,418	27.42	5,275,466	27.92
National Health Insurance (NHI) prescription drugs	2,719,965	15.74	3,141,989	16.63
Health care products	2,756,751	15.96	2,820,618	14.93
Others	1,058,442	6.13	1,249,632	6.61
Total	17,274,254	100.00	18,895,916	100.00

Data source: financial statements audited and certified by CPA.

3. Current commodity (service) items

The Company's operating model is the sales of maternity and baby products, health care supplements, NHI prescription drugs and health care products to the public. Currently, the Company's major products include:

Product Category	Categories
Maternity and infant products	Baby formula, diapers, maternity and baby products
National Health Insurance (NHI) prescription drugs	Prescription medicine
Health care supplements	Health foods and supplements
Health care products	Adult supplements and diapers, medical equipment and cosmetic/beauty products
Others	Home products and foods

4. New goods (services) planned to be developed

(1) Continuous Store Expansion

A. The Company continues to expand its locations, striving to become the largest health pharmacy chain in Taiwan. In the future, we plan to establish a variety of store formats, including large stores in commercial districts, small community stores, and hypermarkets, to continuously expand our store network, enhance market penetration, and strengthen our competitive advantage.

(2) Three crossover plans

A. “Cross-category” and “Cross-industry”: The Company introduced exclusive overseas agency products such as Japan’s Sugi and Akachan, established hearing centers within pharmacy stores, and incorporated diverse product lines including pet supplies. Through the introduction of these varied categories, the Company drove revenue growth and strengthened its differentiated advantages compared to other channels.

B. "Overseas Development": The overseas expansion plan has been gradually implemented. Moving forward, the Company will actively expand into international markets and support local transformation needs based on its successful experience in Taiwan.

(3) Maternity and infant products

A. In response to low birth rates, we will add more mid-to-high-end products to enhance the average unit price of products.

B. Expand the scope of product needs such as environmental, detergents, and mothers' needs during breastfeeding to increase the average number of products bought per customer.

(4) Health care supplements

A. In addition to gradually introducing well-established domestic and international brands, we will also compete for exclusive retail rights in Taiwan.

B. In terms of our products, we will expand from the current health supplements to medical equipment to increase the ratio of our products to the overall sales.

(5) Health care products

A. Health care products for outpatients and senior citizens and planning of management for large-scale medical equipment.

B. Introducing more professional care products for specific diseases.

(6) Others

A. Organic, natural, chemical-free concept of personal hygiene and skincare, environmental cleaning products.

B. Organic foods, safe food additives and health beverages.

(II) Industry Overview

1. Current status and development of the industry

The main macro environmental factors that have higher impact to the industry that our Company belongs to are: the change of demographic structure, the change of policies and legislations, and the overall economic situation described by indexes like gross domestic product (GDP) and national health expenditure (NHE). Therefore, these impacts are described below according to factors including the demographic trends of our country, policies and legislation changes, trend of NHE per capita in our country, and the ratio of NHE to GDP:

(1) Age Demographic Trend in Taiwan

According to the "Republic of China Population Estimation (2024 to 2070)" published by the National Development Council, the ratio of older population to the general population of our country had reached 7% since 1993, making our society an aging society. This ratio has surpassed 14% in 2018, transitioning our country into an aged society. It is estimated that by 2025, the proportion of elderly population will surpass 20%, which means our country will be part of the super aged society. In the future, the proportion will continue to increase, surpassing 30% by 2039, exceeding 40% by 2054, and reaching 46.5% by 2070.

Moreover, as shown in figure 2, the growth of the working population consisting of people between age 15 to 64 is continuing to slow down, and will start to decrease in the year 2015, while the growth of the older population of people over the age of 65 is higher than the growth of working population. As the post-war baby boomers began to be older than the age of 65, the growth of the older population in our country had started to speed up since 2011, and surpassed the young-age population in 2017. It is estimated that by 2029, the elderly population will reach twice that of the young population. After that, as the older population increase, death count will increase as well, the population growth will slow down and becomes negative growth from 2050. It is estimated that the older population will grow from 4.49 million in 2024 to 6.97 million in 2070, which is a growth of 0.55%.

Figure 1. Timeline of the aging population of the country

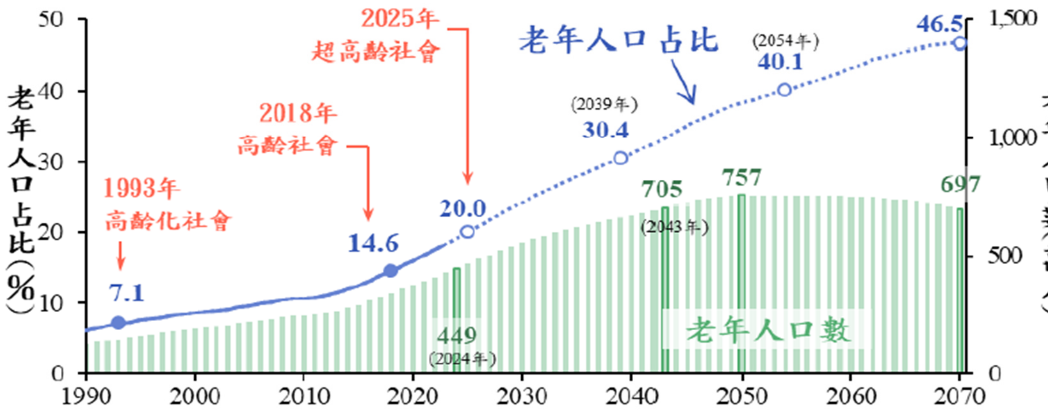


圖 1 老年人口與高齡化時程－中推估

資料來源：1. 1990 年至 2023 年為內政部「中華民國人口統計年刊」。
2. 2024 年至 2070 年為國家發展委員會「中華民國人口推估(2024 至 2070 年)」，2024 年 10 月。

Figure 2. Demographic trend of our country

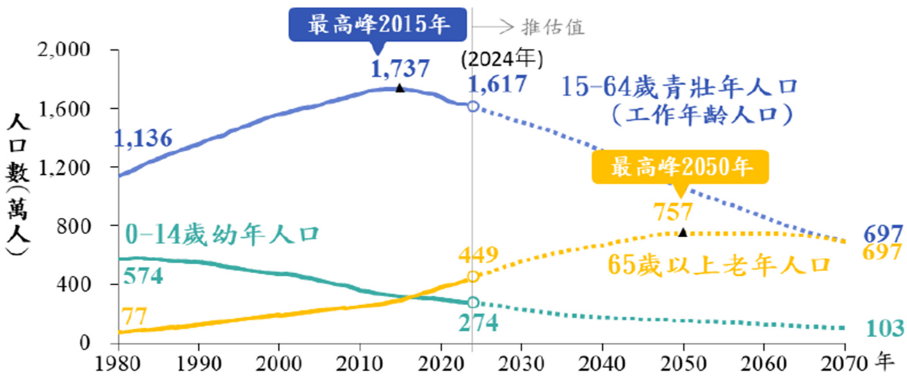


圖 2 三階段人口趨勢－中推估

資料來源：1. 1980 年至 2023 年為內政部「中華民國人口統計年刊」。
2. 2024 年至 2070 年為國家發展委員會「中華民國人口推估(2024 至 2070 年)，2024 年 10 月。

As the older population ratio increases to grow in our country, the need of medical care, disease and sickness monitoring and prevention will increase. In that situation, the expenditure on various drugs, health supplements, and health care products are expected to increase as well.

(2) Policy changes

Our country implemented the separation of dispensing practice from medical practice in 1997. The principle of separation of dispensing practice from medical practice is to have doctors responsible for diagnosis, treatment, and issue prescriptions, and have pharmacists responsible for preparing medication according to the prescription and provide instructions and consultations on drug use. The goal was to protect people's right to knowledge and choice, to provide medical efficiency by making doctors and pharmacists cooperate, and to protect drug use safety for people. In light of the fact that some hospitals used the differences in drug prices to earn high profits from drug administration, the National Health Insurance Administration (hereinafter refer to as the NHIA) has been conducting surveys on drug prices and adjusting their prices on a bi-annual basis since 2000. The hospital's margin for drug price difference continues to shrink, and under the total payment system stipulated by the NHIA, hospital management needs to adjust its profit structure, prioritize businesses with higher profits and to reduce the drug sales business with declining profits. Therefore, under the regular review of drug prices, the total payment system, and the separation of dispensing practice from medical practice policies by the NHIA, the Company actively provides prescription issuance services to the public.

(3) Average NHE changes per person and ratio on the GDP

As shown in the figure below, according to the "2024 National Health Care Expenditure" compiled by the Ministry of Health and Welfare of the Executive Yuan, the National Health Care Expenditure (NHE) in Taiwan for 2024 amounted to NT$1.8897 trillion, representing a 3.0% increase over 2023. Meanwhile, the annual growth rate of the Gross Domestic Product (GDP) reached 9.1%, the highest in nearly 30 years, resulting in the NHE-to-GDP ratio (NHE/GDP) decreasing to 7.3%, based on a GDP of NT$25.7371 trillion. The average per capita NHE was NT$80,719, an increase of 2.7% compared to the previous year.

Currently, NHE accounts for between 6% and 7% of GDP. However, in recent years, due to the rapid advancement of international medical and biomedical technology, Taiwan's national income continues to increase and the population structure is also accelerating. According to the development experience of OECD countries, Taiwan's national health care needs will continue to grow due to international development trends and its ageing population.

Figure 5. Overview of National Health Care Expenditure

圖 1 NHE 金額及占 GDP 比重

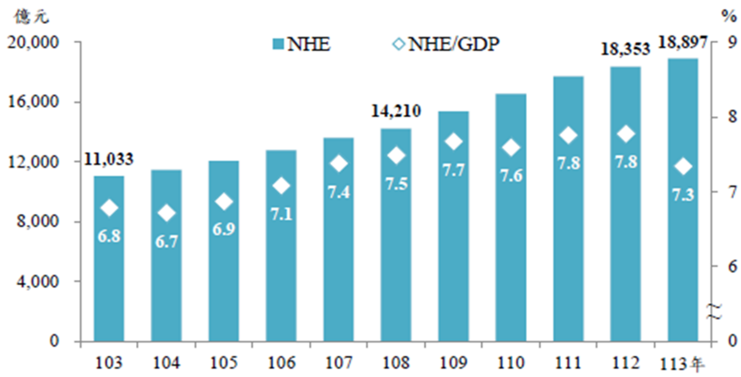


表 1 NHE 及平均每人 NHE

	國民醫療保健支出 (NHE)		平均每人 NHE		平均每人 名目 GDP		NHE / 名目 GDP	名目 GDP 年增率
	億元	年增率(%)	元	年增率(%)	元	年增率(%)	(%)	(%)
103 年	11,033	4.5	47,141	4.2	694,680	6.2	6.8	6.5
104 年	11,459	3.9	48,839	3.6	726,895	4.6	6.7	4.9
105 年	12,060	5.2	51,283	5.0	746,526	2.7	6.9	2.9
106 年	12,761	5.8	54,173	5.6	764,678	2.4	7.1	2.6
107 年	13,594	6.5	57,649	6.4	781,169	2.2	7.4	2.3
108 年	14,210	4.5	60,224	4.5	804,123	2.9	7.5	3.0
109 年	15,371	8.2	65,180	8.2	849,105	5.6	7.7	5.5
110 年	16,534	7.6	70,454	8.1	927,776	9.3	7.6	8.7
111 年	17,704	7.1	75,919	7.8	978,579	5.5	7.8	4.8
112 年	18,353	3.7	78,624	3.6	1,010,959	3.3	7.8	3.4
113 年	18,897	3.0	80,719	2.7	1,099,390	8.7	7.3	9.1

附註：依最新國民所得統計進行編算修正。

Source: 2024 Domestic Medical and Healthcare Expenditure from Ministry of Health and Welfare, Executive Yuan (2024)

(4) Domestic drug and skincare and beauty retail market

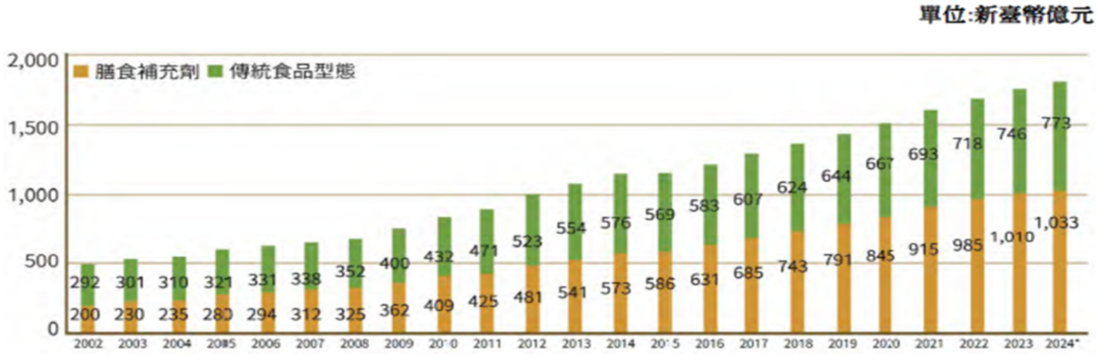
In the domestic pharmaceutical and drugstore retail market, according to the Ministry of Economic Affairs' Department of Statistics' data on "Wholesale, Retail, and Food Service Industry Revenue," the market size grew from NT$172.2 billion in 2015 to NT$216.0 billion in 2025, representing a compound annual growth rate of 2.29%. In 2022, the market reached NT$201.9 billion, driven by a significant increase in demand for epidemic prevention products, marking a 5.8% growth compared to the previous year. Overall, the domestic pharmaceutical and drugstore retail market has shown a moderate growth trend.

In addition, National Health Insurance drug expenditures from 2015 to 2025 were NT$162.2 billion, NT$170.2 billion, NT$183.5 billion, NT$195.7 billion, NT$208.3 billion, NT$217.5 billion, NT$224.6 billion, NT$230.8 billion, NT$243.1 billion, NT$253.7 billion, and NT$267.7 billion, respectively. Due to population aging, increased medical visits, and the annual growth in patients with major illnesses and chronic outpatient conditions, the average annual growth rate of drug expenses was approximately 5.14%.

According to the "long-term follow-up survey on the physical and mental social life of the elderly in Taiwan" conducted by the Health Promotion Administration, nearly 90% of the elderly (88.7%) reported that they had at least one chronic disease diagnosed by doctors, and the proportion of the elderly with more than three chronic diseases was as high as 50%; hypertension (46.67%), cataracts (42.53%) and heart disease (23.90%) were the most common chronic diseases of the elderly, while in mental health, 13.00% of the male elderly in Taiwan reported depression, while 17.20% of the female elderly in Taiwan reported depression. To evaluate the occurrence of chronic diseases in physiological and psychological aspects, the market demand for prescription drugs for chronic diseases will rise rapidly with the acceleration of population aging.

(5) Domestic health foods industry

The market of nutritional supplements in Taiwan continues to grow due to individuals' increasing focus on health, to actively boost the immune system in response to the pandemic, increased use of electronic devices leading to a demand for vision supplements, and increased outdoor activities driving the pursuit of various functional nutritional products. In 2025, Taiwan will enter a super-aged society, with increasing attention to and demand for dietary needs that support healthy aging. Consumers are placing greater emphasis on the health and nutritional value of food, as well as on enhancing immunity and physical activity, driving growth in the demand for health and nutritional supplements. According to the survey and estimates conducted by the IT IS team of the Food Industry Research and Development Institute, the Taiwan health and nutrition food market reached a scale of NT$175.6 billion in 2023, with a growth rate of 3.1%. Dietary supplements and traditional food forms grew by 2.5% and 3.9%, respectively, as shown in the chart below. However, in 2024, growth weakened due to significant economic pressure from the highly uncertain global political and economic environment, as well as safety and trust concerns arising from the red yeast rice incident in Japan. According to the Ministry of Economic Affairs' industrial production statistics, the output value of Taiwan's health and nutritional products—including capsules, tablets, granular powders, infant formula, follow-up infant formula, and patient-specific nutritional foods—was NT$34.2 billion in 2024, representing a 6.5% decrease compared to 2023.



註：*係指預測值。

圖 2-14　我國保健營養食品市場規模變化

資料來源：2024 食品產業年鑑，2024 年 7 月。

(6) Domestic maternity and baby products market

The early pharmacies in Taiwan mostly used closed-off prescriptions. The pharmacy channels mainly sold non-prescription medicine, dispensing drugs, and some household cleaning products. However, with the implementation of National Health Insurance (NHI), nearly all pharmacy dosage was taken over by NHI clinics. Therefore, the drugstore market began to transition, turning from closed off to open-shelf, and at the same time, they have also shifted their focus to infant and children's products. The drugstore market boomed rapidly, first replacing supermarkets, then surpassing hypermarkets to become the largest retail channel for infants' and babies' formula in Taiwan. The rapid emergence of drugstore channels is due to the following reasons on top of policy changes from the government:

- Professional background of the drugstores helps to establish an image of being professional to the consumers.
- Pharmacists can easily acquire nutritional knowledge and can provide pregnant women and mothers with consultation and service related to nutrition.
- The model of drugstores make them highly interactive with consumers, helping to enhance consumer loyalty.
- Prices at drugstores are flexible and can provide long-term promotional prices to consumers.
- Drugstores are usually operated as community models, making them more accessible to consumers.

A. Overview of milk powder market

Baby milk powder (also known as baby formula) is an alternative to breast milk. It is a type of food that is manufactured to support the full growth of infants and can be used as the sole source of nutrition. The ingredients found in most infant formula on the market include pure cow's milk and casein as a source of protein, blended vegetable oil as a source of fat, lactose as a source of carbohydrates, a combination of vitamins and minerals, and other ingredients. According to the World Health Organization, any infant formula produced in accordance with the Codex Alimentarius is considered to be nutritionally adequate and a safe food substitute for breastfeeding. In addition to breast milk, the medical community considers infant formula to be the only acceptable alternative for infants under one year old in terms of nutrition.

According to the 2015 research data from Kantar Worldpanel, the scale of the market for infant formula in Taiwan is approximately NT$6.7 billion, while infant formula can be classified based on "age" and "product function." Depending on age, the milk powder can be divided into four stage: Newborn baby formula (stage 1 milk powder), relatively older infant formula (stage 2 milk powder), formula for growing infants (stage 3 milk powder), and children's nutritional formula (stage 4 milk powder) as indicated in the following table.

Age	0-6 months	6-12 months	1-3 years old	3-7 years old
Stage	Newborn baby formula	Relatively older infant formula	Formula for growing infants	Children's nutritional formula

According to the dairy production industry trend report from the Taiwan Industry Economics Service, MOEA in October 2017, the domestic dairy and milk powder businesses have begun to develop the domestic milk powder for adults market. Based on the fact that the population in Taiwan continues to age, businesses have developed special milk powder for the middle-aged population over 50 years old, such as milk powders containing high calcium content, high iron content, plant-based dietary fibers, glucosamine, Omega 3 and vitamin B, which meet the dietary needs for middle-aged population in Taiwan. Therefore, the import performance of milk powder for adults has been effectively increased. Moreover, as the Taiwanese population's awareness for health beverages such as calcium supplementation increases, so does their need for dairy products such as cheese.

B. Overview of diaper market

Adult diapers are the daily necessities of long-term bedridden patients and urinary incontinence patients. When entering the aging society, the proportion of the elderly population in the population structure is increasing year by year, and the demand for adult diapers is increasing relatively. From the table below, it can be seen that the elderly population over 65 years old in Taiwan has increased from 3.434 million in 2018 to 4.489 million in 2024. The demand for adult diapers continues to grow, showing that Taiwan is gradually moving towards an aging society. With the improvement in national income, quality of life, and the change in hygiene habits, it is expected that the market size of adult diapers will expand steadily in the future.

Overview of diaper sales in Taiwan

我國紙尿褲銷售概況

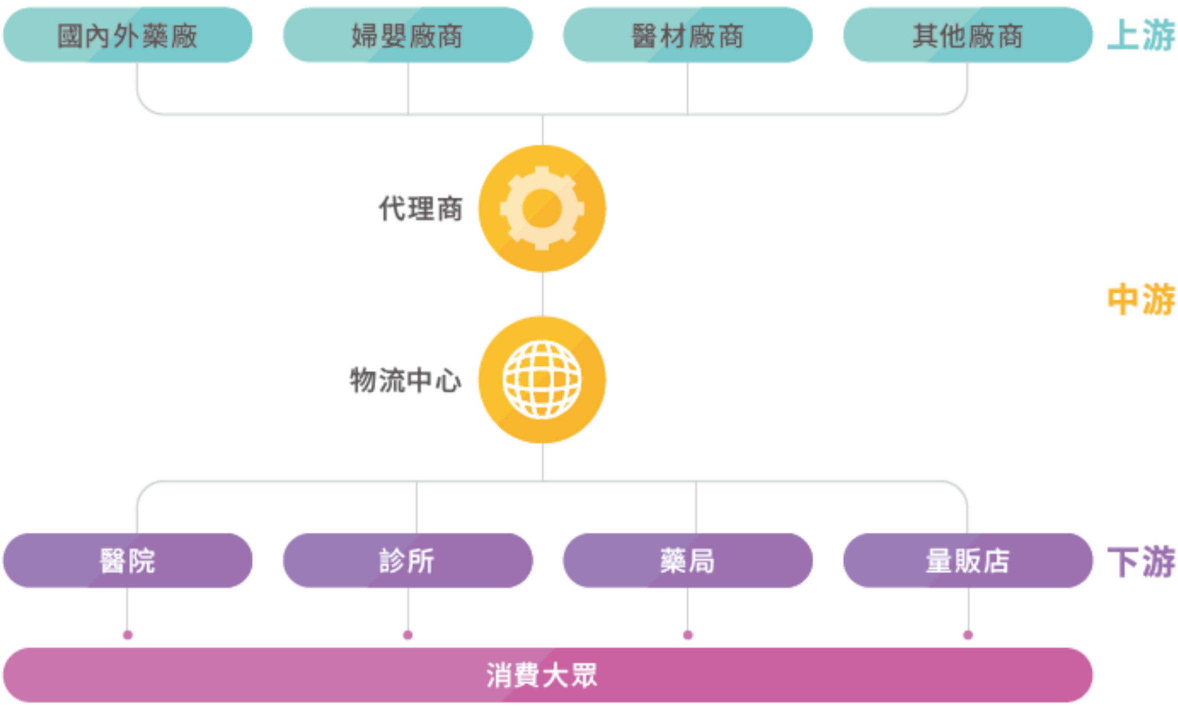
年別 項目	107 年	108 年	109 年	110 年	111 年	112 年	113 年
65 歲以上人老年人口數（萬人）	343.4	360.7	378.7	393.9	408.6	429.7	448.9
成人紙尿褲銷售量（億片）	5.45	5.80	5.78	5.84	5.77	5.53	6.22

資料來源：1.「內政統計月報」，內政部統計處。
2.「造紙產銷量統計」，台灣區造紙工業同業公會。

In terms of baby diapers, though birth rate continues to decline, but as national income and the household employment rate continue to rise, the domestic baby diaper sales have largely maintained steady growth. Since many competitors have entered the baby diaper market in recent years, there are many similar products on the market, leading to intense competition. Based on the above, the adult diaper market has benefited from the rapidly ageing population, while the growth of baby diaper market is kept at a steady pace due to low birth rate. Therefore, the overall diaper market has kept a pace of continuous, steady growth.

2. Relevance of upstream, middle, and downstream industries

The Company has professional pharmacy sales teams who serve as channels between domestic and overseas pharmaceutical vendors and the consumers. We assist suppliers to provide their products to target audience, while also support consumers to purchase the products they need through convenient, professional, and diversified services. The industry can be roughly divided into upstream, midstream, and downstream.



3. Various development trends of products

As the purchasing behavior of medical products require a higher and more professional barrier, consumers have less product information and higher needs for health care education. Therefore, enhancing the professionalism of storefront personnel is even more crucial in meeting consumer needs. The Company has a competitive product strategy:

(1) As the population in Taiwan ages and medical expense increases, everyone's medical and drug expenditure will also steadily increase.

(2) The market for chronic prescription medicine is rapidly increasing due to the aging population in Taiwan.

(3) Under the policy of separating clinics from medication, the reception rate of chronic continuous prescription has continued to increase.

(4) Pharmacy chains have replaced traditional single-store community drugstores, pharmacies within clinics, or drugstores near clinics.

4. Competition of products

(1) Large enterprises have invested toward management of pharmacy channels

Large chain pharmacies in Taiwan, including Healthy Life, Yes Chain, YourChance, and Norbel are gradually being acquired and merged by large enterprises in recent years, and large drugstore chain like Cosmed has also invested toward health care community drugstores. In terms of professional drugstore management, the Company have already rapidly opened new stores and bridged the competitive gap through the GT-POMS system, which is a blend of our 10 years of successful experience. We have also widened the competition in terms of professionalism through our pioneering personal cloud-based health management system.

(III) Technology and R & D overview

The Company is in the chain pharmacy channel business and has not established an in-house R&D department. Nevertheless, to cater to the needs of the public consumers, our Product Marketing Department is committed to product development tasks and has planned the packaging of our own products, marketing strategies, and channel promotions. By developing various products and commissioning suppliers to produce them, the various development projects of own products have helped us to achieve talent cultivation, supplier partnership, and close-knit partnership during subsequent marketing and sales.

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

1. Short term business development project

(1) Continuous Expansion of Stores: The Company continues to expand its store network, becoming Taiwan's largest health pharmacy channel. In the future, we will continue to expand our store presence through three different types of stores: large stores in commercial districts, small community stores, and hypermarkets, in order to enhance our overall market penetration.

(2) Project 30415:

A. 4,000 Precision Health Trading Platform: Personalized Experience for Thousands—Utilizing OMO pharmacy integration of online and offline channels to achieve personalized health needs analysis and build individual health databases; Thousands of Manufacturers and Stores—Intelligent matching on the supply chain side.

B. 1,000 Overseas Franchise Stores: In 2025, the Company established five overseas stores. It will continue to replicate Great Tree’s successful experience to expand and optimize its store network, aiming to reach a scale of 1,000 franchised pharmacy stores by 2030.

C. Five Proprietary Brands: In 2022, the Company established an overseas trading company in Malaysia and has continued to collaborate with other partners to develop and distribute a diverse range of products. The Company plans to build five proprietary brands and actively enter the supply chains of five countries.

2. A long-term business development project

(1) Expand the cloud-based integrated system to the Chinese market throughout the world to increase market share.

(2) Horizontally expand the industry and collaborate and form partnerships with health-related industries and diverse industries to achieve well-rounded service. By promoting the use of the cloud-based medical history app, we can provide members with innovative services ranging from cloud-based medical history query, reminder for drugs, and reminder for hospital visits, thus maximizing our brand value.

II. Overview of Market, Production and Sales

(I) Market analysis

1. Regions of major products (service) provisions

Unit: thousand NT$; %

Year / Item	2024		2025	
	Amount	Ratio	Amount	Ratio
Domestic sales	17,240,420	99.80%	18,849,599	99.75%
Exports	33,834	0.20%	46,317	0.25%
Total	17,274,254	100.00%	18,895,916	100.00%

Note: The financial information entered above is consolidated information based on the ado ption of IFRS.

2. Market share and future supply and demand situation and growth of the market

(1) Market share

The Company operates in the downstream chain sector of the biotechnology and medical industry. According to Issue 1081 of the Circulation Bulletin dated April 2026, as of March 31, 2026, the total number of domestic chain pharmacy outlets was 1,710. The Company had 436 stores (including counters) as of March 31, 2026, representing 25.5% of the total domestic chain pharmacy outlets. Furthermore, based on data from the Ministry of Economic Affairs’ Department of Statistics on "Sales of Wholesale, Retail and Food Services," the retail market revenue for pharmaceuticals, medical supplies, and cosmetics in 2025 was estimated at NT$216 billion. Using the Company’s consolidated revenue of NT$18.9 billion for 2024, the market share is approximately 8.75%.

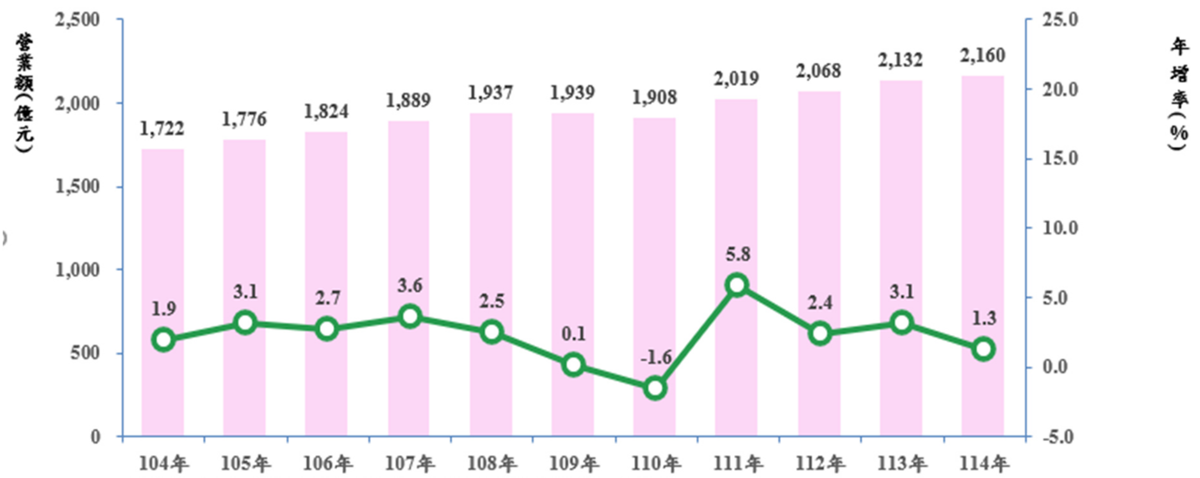
(2) Future supply and demand situation and growth of the market

A. Demand side

a. Drug and beauty retail market in Taiwan

According to the information in the "Sales of Wholesale, Retail and Food Services" issued by the Department of Statistics of the Ministry of Economic Affairs, the estimated revenue of pharmaceuticals, medical supplies, and cosmetics retail market in Taiwan in 2025 is NT$216 billion, with an annual increase of 1.3% and an average annual growth rate of 2.29% over the past decade. From the following figure, apart from the increase in demand for pandemic prevention products during the pandemic, which led to an annual increase of 5.8% in 2022, there is a low correlation between the retail sales of drugs and the cosmetics retail market and the economic cycle in Taiwan. They have not been severely impacted by economic downturns. The aging index of the population exceeded 100 in February 2017, indicating that the elderly population has surpassed the young population for the first time. By the end of 2020, it continued to rise to over 127.8 and reached 144.93 by the end of 2022, officially entering an aged society. It is estimated that by 2025, the population aged 65 and above will exceed 20% (4.67 million people), entering a super-aged society. This indicates that the demand for pharmaceuticals and medical devices in the aged society will continue to increase. Overall, the pharmaceutical market in Taiwan is expected to continue to grow in the future.

藥妝零售業營業額及年增率



資料來源：經濟部統計處『批發、零售及餐飲業營業額調查表』。

b. Biotech health foods market

According to the statistics from the China Grain Products Research and Development Institute (hereinafter referred to as the GRI), the export value of health and nutritional supplements in Taiwan in 2022 is approximately NT$24 billion, a decrease of about 4.0% compared to 2021. The import value is approximately NT$41 billion, showing a significant growth of 11.4% compared to 2021. The export performance is not as impressive as in 2021, possibly due to Mainland China being the main target export market for Taiwan's health and nutritional supplements. They implemented strict containment measures in the first half of 2022, which impacted the economy and consumption performance. Overall, the domestic sales performance of health and nutritional supplements industry was better than its export performance in 2022. The consumer demand was mainly driven by the escalating COVID-19 in the first half of 2022, with a significant increase in confirmed cases, which stimulated the demand for nutritional supplements among the people in Taiwan. According to the survey results of the GRI on the current situation of Taiwan's health and nutritional supplements industry in 2022, 70% of businesses believe that COVID-19 has affected the industry. The pandemic has increased the health awareness of consumers both domestically and internationally, stimulating the sales of products related to regulating the immune system and nutritional supplements.

The top five main efficacy claims of currently available products on the market are gastrointestinal healthcare, immune regulation/boosting immunity, nutritional supplements, liver protection, and eye protection (including relieving eye fatigue). The top five potential efficacy claims are weight loss and fat reduction/weight control, eye protection (including relieving eye fatigue), immune regulation/boosting immunity, nerve stabilization/improving sleep, and muscle strengthening. It is evident that health and nutritional supplements that regulate the immune system/boost immunity and protect the eyes (including relieving eye fatigue) are highly regarded as effective items by the majority of industries in Taiwan, both now and in the future.

c. Maternity and infant products

Pharmacies initially focused on selling maternity and infant products such as milk powder and diapers but gradually included baby products. From attracting customers to considering revenue and professional complementarity, some pharmacies have actively increased the availability of these types of products. The sales of a mix of maternity and baby products are mostly designed to increase customer retention, and to expand into the baby dietary health care supplements market. According to Kantar Worldpanel's 2016 research, the scale of the market for infant formula in Taiwan was approximately NT$6.5 billion, while the market for baby diapers was approximately NT$6.4 billion. After adding a mix of maternity and baby products, pharmacies carved into the market shares of supermarkets and hypermarkets. Currently, pharmacies account for 90%, 70%, and 50% or more of the infant and baby powder milk, children's powder milk, and baby diapers market volume respectively.

B. Supply side

Since the Company is a downstream channel chain industry in the biotechnology industry, supply side analysis will be based on the production values of upstream domestic and overseas pharmaceutical companies and health food companies. As the global biotechnology and medical industry continues to grow and domestic demand for biotech products increases, adding momentum and business opportunities for the operations of biotech and pharmaceutical industry in Taiwan, the operational scale of biotech medical industry also continues to grow. According to statistics from the Ministry of Economic Affairs, Taiwan’s biotechnology industry achieved total revenue of NT$775.4 billion in 2024, representing a 2.32% increase compared to NT$757.8 billion in 2023, as shown in the chart below. The pharmaceutical industry experienced a surge in demand in 2023, achieving a growth rate of 34.34%. However, in 2024, the industry returned to normal levels, resulting in a decrease in revenue. In 2024, revenue amounted to NT$119.6 billion, representing a decline of approximately 7.36%, which constrained the growth of the biotechnology industry’s revenue. The medical device industry recorded revenue of NT$153.5 billion, representing an increase of approximately 4.42%. The applied biotechnology industry, with regenerative medicine newly classified as a separate sector, reported revenue of NT$135.6 billion in 2024 after excluding regenerative medicine from its scope. Compared to 2023 revenue figures that also exclude regenerative medicine, this reflects growth of approximately 2.96%. The health and wellness industry achieved revenue of NT$229.6 billion, an increase of 3.49%. The regenerative medicine industry generated revenue of NT$6.6 billion, growing by approximately 20%. The digital healthcare industry reported revenue of NT$60.5 billion, an increase of 10%.

單位：新臺幣億元

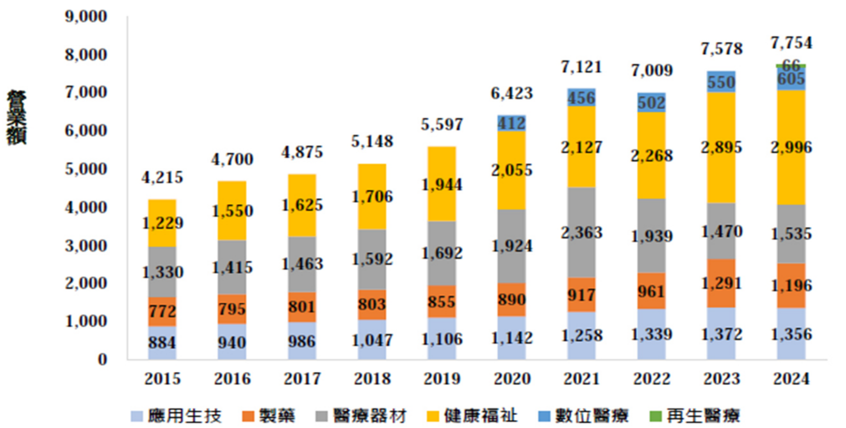


圖 2-13　我國生技產業營業額成長趨勢

註：1.基於經濟部醫療器材產業分類歸屬一致與醫療器材產業營業額統一計算，自 2024 年 1 月起醫療器材保健產業營業額調整爲醫療器材產業營業額，原有預防疾病與健康促進之設備及用品移至健康福祉產業一併計算。

2.再生醫療營業額自 2024 年起自應用生技營業額的統計中獨立成單一產業項目。

資料來源：經濟部生技醫藥產業發展推動小組、財團法人醫藥工業技術發展中心，財團法人工業技術研究院產業科技國際策略發展所，2025 年。

C. Growth

As the standards of education increases, the work-related pressure on the public also increases accordingly. Busy lifestyle has led to unbalanced diets while the age of illnesses gradually decreases. The medical awareness of natural prevention has emerged, and consumers are paying increasing attention to the health care concept that prevention is more important than cure, and more and more of the public is willing to invest toward their health. Though financial slump around the world in 2009 had led to economic downturn, but the revenues from health foods providers in Taiwan had grown in spite of the slump. This shows that the pharmacy channel is mostly focused on delaying ageing and strengthening both physical and mental health while supplementing short- and long-term protection and care, and will continue to show steady growth and development.

Furthermore, Mainland China begun to push for new medical reform in 2009 and would invest over CNY 850 billion toward reforming the medical infrastructure. In addition, China plans to adjust its economic development structure through "expanding domestic need" and "seven strategic emerging industries" in the "12th Five-Year Plan," and bio medical industry is one of its core industries. The production value of the overall seven strategic emerging industries on the GDP will be increased from 1% to 15%, and the production value will reach CNY 10 trillion, indicating that there is ample market potential in the Chinese medical service market. After stabilizing our market share in the Taiwanese channel market for medical products, the Company plans to be dedicated to developing the Chinese market.

3. Competitive niche

(1) Stable customer relations and winning the trust from consumers

Provide consumers with free online professional health care service via our pioneering personal cloud-based health management system on top of providing physical and virtual channels of communication, building the professional brand of "Great Tree" and winning a high sense of reliability from customers.

(2) Great Tree Pharmacy management system

The Company boasts of the most experienced and comprehensive core management team throughout the industry. We understand changes in the industry development and our marketing team continuously innovate more diverse types of services. Collectively, we have built the Great Tree Pharmacy management system and achieved the ISO9001 and Good Service Provider (GSP) certifications.

(3) Well-rounded teaching system

The medical industry is intricately connected with health and human safety. In addition, laws, educational training, marketing and sales, and services are both complex; thus, the Company has built a comprehensive educational training system and innovated remote teaching system and online evaluation. From new recruits to personnel of each ranks, each level of our employees will be subjected to appropriate courses, providing professional relevant knowledge to the in store service personnel.

4. Favorable and unfavorable factors and Countermeasures of the development prospect

(1) Favorable factors

A. Increase in GDP, gradual increase of the percentage of senior population and the increased awareness for health

As GDP, the percentage of senior population, and the average lifespan of Taiwanese population continue to increase, the public's need for various medical and health such as health care, disease detection and prevention will definitely rise. This will continue to drive the sales of various medicine, health foods, and health care products.

B. Under the policy of separating clinics from medication and the NHI total payment system, the reception of chronic and continuous prescriptions has continued to increase

In light of the fact that some hospitals used the differences in drug prices to earn high profits from drug administration, the National Health Insurance Administration (NHIA) has been conducting surveys on drug prices and adjusting their prices on a bi-annual basis since 2000. The hospital's margin for drug price difference continues to shrink, and under the total payment system stipulated by the NHI, hospital management needs to adjust its profit structure, prioritize businesses with higher profits and to reduce the drug sales business with declining profits. Therefore, under the combination of the NHI regularly reviewing drug prices, total payment system, and the separation of clinics from medication, large hospitals have actively released the prescription business due to their own subpar profit structure, so that the Company's chronic prescription drug business will continue to grow in the future.

C. Received ISO 9001 certification and awarded with GSP certification, actively developing cloud-based medical history system

The Company boasts of the most experienced and comprehensive core management team throughout the industry. We understand changes in the industry development and our marketing team continuously innovate more diverse types of services. Collectively, we have built the Great Tree Pharmacy management system and achieved the ISO9001 and Good Service Provider certifications, indicating our excellent management efficiency and fulfilling our brand philosophy of "a pharmacy you can trust" in practice.

In line with the government's policy of separating treatment from medication, the Company has developed a "drugstore cloud-based medical history integration service management system." After many years of actual practice, we have successfully integrated the NHI prescription drug purchasing, supply, and management in drugstores, community clinics, joint clinical centers, and medical communities. Based on these advantages, the Company will launch the commercial functions on the cloud-based health information platform. We will integrate physical and virtual customer service and sales system to overcome the legal prohibition against drug sales online to establish a direct, fast, and comprehensive bi-lateral health consultation channel for customers.

D. Comprehensive educational training system

The products the Company sells is intricately connected with consumers and has to do with health and human safety. In addition, laws, educational training, marketing and sales, and services are both complex; thus, the Company has built a comprehensive educational training system and innovated remote teaching system and online evaluation. From new recruits to personnel of each ranks, each level of our employees will be subjected to appropriate courses, providing professional relevant knowledge to the in store service personnel.

E. Understand customer needs, develop own-brand products to expand the levels of service and enhance customer satisfaction

The Company operates chain pharmacy channel, and understands customer needs and preferences as the nature of our industry allows us to come face-to-face with consumers. Moreover, based on the service philosophy of introducing the most suitable products to customers, we have developed our own brand products to cater to customer needs. We wish to enhance customer loyalty, satisfaction, and willingness to make repurchase through selling the products that best meet their needs, thus enhancing contribution margin.

F. Member customers have high levels of loyalty to the Company's brand, and effectively inject contribution margin

The Company's in-store staff will drive customer flow by inviting members to make repurchases and by organizing promotional activities, thus also increasing brand loyalty and adhesion. The Company currently has nearly 5 million members, and since members can enjoy shopping discounts, accumulate bonus points and free online fliers and other benefits, the willingness to make repurchase is effectively stimulated in members. Moreover, the ratio of revenue from members to monthly revenue is gradually increasing, showing that members of the Company have high levels of adhesion to the Company's channel brand, and we hope to continuously drive their contribution margin and to drive the Company's sales.

(2) Unfavorable factors

A. Increasingly intense competition with many substitute products

Due to the high homogeneity of the products provided by each chain drugstore channel, the degree of differentiation is rendered less obvious. As consumers tend to purchase products with lower prices, each channel operator is likely to fall into price wars, thereby weakening the Company's profitability.

Response measures

The Company fosters professional knowledge and characters as well as the passion for service in our storefront personnel through solid educational training, so that they can actively provide consultation for customers on maternity and baby products and health foods with a positive attitude; thereby helping pharmacists to focus on drug administration, chronic disease service management and consultation as well as NHI prescription drugs, non-prescription drugs, and over-the-counter drugs. By enhancing the professional knowledge of pharmacists and store personnel, we can provide consumers with well-rounded health management solutions, thus differentiating our stores from competitors and enhancing positive recognition, trust, and loyalty to our brand from customers.

B. Wide variety of products make quality control difficult

Since the Company has a wide variety of product lines and mixes as well as numerous upstream suppliers, the quality management over products is challenging. Our overall performance could be affected if consumers lose faith in products.

Response measures

Prior to introducing products to the shelves at stores, the Company would strengthen the quality control over products and evaluate suppliers. We adopt preventive measures to actively control product quality for consumers. In case product quality is found to be defective, the Company will actively find and recall the product in question and assist consumers to seek for indemnities from suppliers to prevent them from purchasing questionable products and not being able to return them. This will also help to generate consumers' faith in the Company.

(II) Important uses and production process of main products

1. Use of main products

Product type	Applications
Maternity and infant products, NHI prescription drugs and health care supplements	Products are sold in the chain pharmacy channels, where we offer consumers choices for drugs, home-based health care and health prevention.

2. Product review and launch process

(III) Supply of main raw materials

Suppliers of the Company's main materials are from Taiwan, and the supply of main materials is decent. No shortage of supply has occurred in the most recent two years. In addition, since the Company's output has reached economies of scale, making it easier for the Company to negotiate for better terms with major suppliers, the Company is in a better position to develop new suppliers and to maintain stable supply.

(IV) Names of customers whose purchases accounted for more than 10% of total sales in any of the past two years, along with their sales amounts and proportions, and explanations for any increases or decreases in these figures.

1. Data of main suppliers in the past two years

Year	2024				2025			
Item	Name	Amount	Rate (%)	Relationship with the Issuer	Name	Amount	Rate (%)	Relationship with the Issuer
1	Zuellig	1,463,195	11.48%	None	Zuellig	1,663,269	11.88%	None
	Others	11,286,293	88.52%	－	Others	12,340,375	88.12%	－
	Net Purchases	12,749,488	100.00%	－	Net Purchases	14,003,644	100.00%	－

Reasons for Changes:

The changes in purchase customers over the two periods were minimal. The increase in purchase amounts from suppliers in 2025 was primarily due to higher procurement driven by growth in end-user demand.

2. Data of main sales customers in the past two years

The Company is a chain pharmacy channel and our major sales transactions are made to average consumers. No consumers have accounted for more than 10% of all sales.

III. Employee Information in the last two years and up to the date of publication of this annual report

March 31, 2026 Unit: person; years; years old

Year		2024	2025	2026 as at March 31
Number of employees (persons)	Managers	20	20	20
	Logistics personnel	590	643	643
	Storefront sales	1,980	2,129	2,072
	Total	2,590	2,792	2,735
Average age		31.43	32.58	32.89
Average years of service		3.13	3.60	3.80
Education distribution ratio (%)	Ph.D.	0.12	0.11	0.11
	Masters	2.97	3.26	3.14
	College or university	79.11	77.76	77.59
	High school	16.91	17.83	18.21
	Below high school	0.89	1.04	0.95

IV. Information on Environmental Protection Expenditure

(I) According to laws and regulations, those who should apply for a pollution facility installation permit or pollution discharge permit, or should pay pollution prevention and control fees, or should set up a special environmental protection unit personnel, the situation of application, payment or establishment: the Company is a distributor of pharmacy, and there is no production process, so there is no risk of pollution, so it is not applicable.

(II) Total amount of losses (including compensations) and punishments incurred by the Company due to environmental pollution in recent year up to the date of publication of the Annual Report: None.

V. Labor Relations

(I) The Company's employee welfare measures, further education, training, retirement system, and its implementation, as well as the agreement between labor and capital and various employee rights and interests protection measures

1. Employee welfare measures, further education, and training

In addition to processing labor insurance and National Health Insurance for our employees in accordance with the law, the Company has also established an Employee Welfare Committee that promotes various employee benefit measures to award and to thank employees for their hard work. Employee benefits at the Company include the following types:

Type of benefit	Content
Bonus	Year-end bonus, performance-based bonus and group bonus
Insurance	Labor insurance, National Health Insurance, and employee group insurance
Holidays	Annual Leave, Work Injury and Sick Leave, Personal Leave, General Sick Leave, Marriage Leave, Bereavement Leave, Maternity Leave, Prenatal Checkup Leave, Paternity Prenatal Checkup and Paternity Leave, Menstrual Leave, Family Care Leave, Compensatory Leave, Bed Rest Leave, Hospitalization Sick Leave, Public Service Leave
Grants and subsidies	Employee health checkup, flu vaccinations, weddings and funerals, maternity benefit, occupational disasters compensation
Recreation	Quarterly departmental luncheons, domestic and overseas trips, year-end lucky draw, coupons for answering questions during meetings, incentive travel
Holiday bonuses	Mid-Autumn Festival cash gift, Dragon Boat Festival cash gift, and birthday cash gift
Facilities	Nursing room, employees lounge, educational training center
Shopping	Employees can purchase products from Great Tree Pharmacy at a discounted price
Training	Corporate university, internal training programs, external training expense subsidies
Others	Expatriate executives are provided with free housing, and expatriate employees receive transportation subsidies for returning home.

The Company's governance and operational management policies not only focus on achieving substantial operational results but also meticulously integrate management-level indicators, departmental goals, and individual performance. These policies fully incorporate sustainability indicators and are committed to practicing corporate social responsibility. In addition to striving for corporate profitability, it is even more crucial that the entire company, from top to bottom, ensures that every step taken is environmentally friendly, nature-centered, and aimed at benefiting society. To design a performance-based reward system to acknowledge the hard work and efforts of our colleagues.

In 2023, the Company relocated its headquarters to provide a pleasant working environment for employees and improve work efficiency. The colleagues in the Business Expansion Department made efforts to plan the work environment, ensuring that the office layout was reasonable and comfortable. They renovated office areas, conference rooms, and educational training classrooms. Various vending machines, coffee machines, ice makers, and rice cookers are installed in the employee lounge on each floor. In addition, a nursing room has also been installed, allowing female workers to care for their families while working.

In 2025, the Company allocated NT$18,392,937 for employee travel and health examinations, benefiting 1,006 and 2,345 participants, respectively. In recent years, the Company has achieved stable revenues, and the allocations of benefits have also increased accordingly. The Employee Welfare Committee will appropriately review and adjust each benefit system to boost the morale of our employees.

The Company attaches great importance to the career development and talent cultivation of employees in order to give consideration to the long-term development of the enterprise and improve the working skills of the employees, so as to improve the work performance and achieve the Company's business objectives. Educational training has been carried out in the following three categories:

(1) Pre-employment training: all new recruits receive pre-work training to help them to be quickly accustomed to the work environment, understand the Company system and their rights and obligations.

(2) On-the-job training: internal training, selected training, and training from externally commissioned instructors.

(3) Manpower training: viewed as a long-term investment of employees, on top of various on-the-job training, the Company also adopts overseas trips, visits to famous companies in Taiwan and attending various meetings, or job rotations in employee training.

2025 Educational Training Programs:

Name of course	Total sessions (1)	Hours per session (2)	Total hours organized (1)*(2)	Total participants trained
New employee orientation program	11	6	66	718
(Online) New Employee Training - Business Unit	12	2.5	30	772
(Online) Professional Course - New Employees	12	11.5	138	723
(Online)	12	11	132	178

Professional Program - Specialist				
(Online) courses for pharmacists	12	4	48	126
(Online) courses for all	24	1	24	55,302
Management trainee courses	2	35	70	108
Total	85	-		

Professional continuing studies for personnel in functions related to financial information transparency are as follows:

(1) The Company's finance manager and representative of the accounting manager participated in the "Issuer Stock Exchange Accounting Manager Continuing Study Class" hosted by the Accounting Research and Development Foundation (ARDF) have passed the relevant examination and continue to study toward more advanced courses.

(2) The Company’s Chief Audit Executive and Deputy Chief Audit Executive attended the Institute of Internal Auditors - Chinese Taiwan’s training sessions on “Essential Considerations and Impacts of IFRS S1/S2 on Internal Control and Internal Audit,” “Analysis of Sustainability Reports and Audit Practices for Sustainability Information,” “How to Prevent Major Financial Frauds (Asset Stripping, Insider Trading, Related-Party Transactions, Stock Price Manipulation, Unconventional Transactions, Financial Misstatements, etc.),” and “Audit Practices for Annual Operating Plans and Budget Preparation.” They passed the assessments and continue their professional development.

2. Retirement system and its implementation

Labor Pension Act was enacted as of July 1, 2005 and the Company adopts defined contribution plans. Employees may elect to apply for either the provisions regarding pensions in the former Labor Standards Law, or the pension system in the current Labor Pension Act and reserve the seniority prior to application of such act. For employees who meet the criteria for the act, upon actuarial accounting from a commissioned actuary, the Company will contribute 2% of the salaries payable in each month toward the pension reserve. The reserve will be deposited to the dedicated pension fund account at the Bank of Taiwan under the name of the Worker Pension Reserve Supervisory Committee and has been approved by the Taoyuan County Government. The Pension Reserve Supervisory Committee meets every three months and is responsible for the supervision and review of appropriation of pension reserve, deposit, and expenditure. For the year 2025, the amount accrued by the Company for employees subject to the Labor Standards Act was NT$46,868. After July 2005, in line with the government's policy, personal pension reserve account is adopted, and the Company contributes 6% of the employee's monthly salary and deposits the amount into dedicated employee account at the Bureau of Labor Insurance. For the year 2025, the Group’s contributions under the Labor Pension Act’s defined contribution plan amounted to NT$76,217,188.

The Company applies the following regulations in accordance with the Labor Pension Act:

(1) Voluntary Retirement:

Employees may apply for voluntary retirement under the following circumstances: (For those opting to apply the Labor Pension Act, procedures will be conducted in accordance with the provisions of that Act.)

A. Employees who have worked for more than fifteen years and are at least fifty-five years old.

B. Employees who have worked for more than twenty-five years.

C. Employees who have worked for more than ten years and are at least sixty years old.

(2) Mandatory Retirement:

The Company shall not force employees to retire unless one of the following circumstances applies:

A. Employees who are sixty-five years old.

B. Employees who are unable to perform their duties due to mental incapacitation or physical disability.

The age specified in the first subparagraph of the preceding section may be adjusted upon approval from the central competent authority as reported by the Company for employees engaged in work of a hazardous nature or requiring significant physical strength. But not less than fifty-five years old.

(3) Pension Provision Standards:

A. The work experience before and after the application of the Labor Standards Act and the choice to either continue applying the retirement provisions of the Labor Standards Act or retain the work experience prior to the application of the Labor Pension Act, shall have their pension calculated based on the pension provision standards stipulated in Articles 84-2 and 55 of the Labor Standards Act.

B. Employees who have the work experience mentioned in the previous section and are subject to mandatory retirement in accordance with Article 35, Paragraph 1, Subparagraph 2, and whose mental incapacitation or physical disabilities are caused by the performing their duties, shall receive an additional 20% as stipulated in Article 55, Paragraph 1, Subparagraph 2 of the Labor Standards Act.

C. Employees subject to the retirement pension regulations under the Labor Pension Act shall have 6% of their monthly wages contributed by the Company to their individual retirement pension accounts.

(4) Pension Provision Standards:

The Company shall pay the employee's retirement pension within thirty days from the date of the retirement.

3. Agreements between labor and capital and various measures to safeguard the rights and interests of employees

(1) The Company's measures and regulations regarding labor relations management are all based upon relevant laws. Moreover, the Company has always maintained a self-management and full participation management style, where each department manager and his/her subordinates would effectively communicate through regular business meetings and educational training. Therefore, the Company maintains positive labor relations and has had no relevant disputes.

(2) The Company has always been committed to caring for our employees. To prevent occupational disasters and to protect worker safety and health, the Store Development Department has established a set of "Occupational Health and Safety Work Rules," and is responsible for amendments, establishments, promotions and follow-up of occupational health and safety regulations, as well as coordinating and implementing the health inspection tasks at all stores and the head office. The Company has organized labor relations meetings and an Occupational Safety and Health Committee in accordance with relevant laws. Both employer and employees nominated 5 representatives each and regularly convene meetings to discuss worker rights, benefits, and occupational safety matters.

(II) Losses arising as a result of labor disputes in the past two years up to the date of publishing of this annual report, and disclosure of potential losses in the current and future terms and countermeasures

Since our founding, the Company has always had a very harmonious labor relations and fluent channels of communication. The Company also organizes labor relations meetings and seminars to explain about Company policy. The management highly values opinions, needs, and questions from the workers, and strives to solve and to provide the best assistance possible. Therefore, no material labor dispute has broken out since the Company's inception. Looking to the future, under such a positive, interactive relation between the management and workers, we estimate that the chances of incurring losses due to labor disputes are very low.

VI. Information security management:

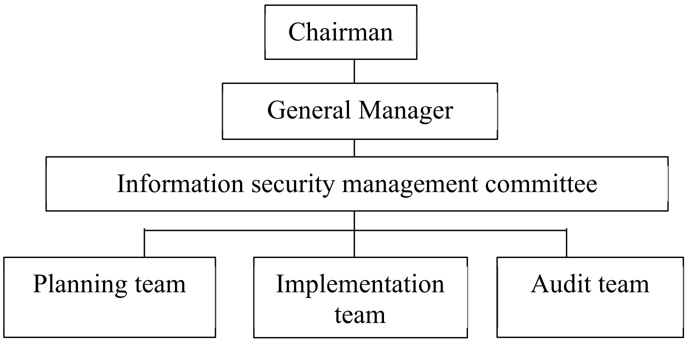
(I) Infrastructure Security Risk Management Strategy and Structure:

In order to strengthen the security management of various information assets, improve the security of data, systems, equipment and networks, ensure the correctness of the information processing of the Company, and avoid the interference, damage, intrusion or attempts of computer software, hardware, peripheral and network systems used by personnel, the Company shall formulate the ICT security management framework, strategies and specific management plans.

1. Enterprise Information Security Governance Organization

The Company's information security authority is the Information Department, including a dedicated information security officer and at least two informational security personnel. They are responsible for formulating internal information security policies, planning and implementing information security operations and information security policy promotion and implementation, and regularly reports to the chairman of the Board of Directors on the status of business execution.

2. Information Security Management Framework



The General Manager of the Company has appointed a dedicated information security unit to establish an Information Security Management Committee within the Company. The Deputy General Manager and a dedicated information security officer will serve as the chair and vice-chair, respectively. Representatives from the designated information security unit and various departments will form planning, execution, and auditing teams, responsible for promoting, coordinating, supervising, and reviewing information security management matters.

3. Communications Security Policy

- The objective of information security:

  To ensure the smooth operation of business activities and to guarantee the confidentiality, integrity, and availability of information or information systems, an information security management system will be established to protect customer rights and ensure the continuity of the Company's operations.

- The scope of information security:

  All employees of the Company, as well as the agencies and vendors who utilize the Company's information-related hardware and software facilities.

  A. Personnel management and information security education and training.

  B. Computer system security management.

  C. Network security management.

  D. System access control.

  E. System development and security management maintenance.

  F. Information asset security management

  G. Physical and environmental security management

  H. Information security audit

- Relevant regulations that employees should comply with:

  A. Use antivirus software.

  B. Become a responsible netizen.

  C. Do not open emails from unknown sources.

  D. Regularly back up computer files.

  E. Regularly update programs.

  F. Conduct regular reviews of computer security.

  G. Please log out when not in use.

H. Use complex passwords and store them securely.

I. Install firewall on the computer.

J. Do not share computer access methods with strangers, and make sure to understand the risks associated with file sharing.

4. Specific management plan

Item	Specific management measures
Antivirus software	• Utilize antivirus software to enhance the detection of malicious software behaviors and automatically update virus definitions, thereby reducing the likelihood of virus infections.
Monitoring Network Security	• Import firewall equipment, develop firewall policies to control internal and external network connections, prevent blocking such as malicious URLs and ransomware, and control applications.
Email filtering and protection system	• Implement automatic email scanning for threat protection proactively prevents unsafe attachments, phishing emails, spam, and expands the protective scope against malicious links before users receive their emails. • Encryption and protection of data transmission using SSL encryption mechanisms. • Optimize two-way virus scanning and filtering of emails to prevent the spread of malicious software. • Keywords in outgoing email, blocking of attachment, and interception of sensitive personal data
System permissions and access control	• Users must obtain approval through an application before accessing the internal network. • Management and review of permissions for personnel accounts. • Access to the network drive is controlled according to the permissions of each department.
Data Security	• Access to and from the server room is controlled by access security measures. • Regularly perform disaster recovery drills and regularly backup important data on the server and off-site backup to ensure the security and integrity of data. • All important information system databases are configured for daily backups.
Information security education and education training	• Mandatory information security training course for new employees. • Annual information security education and training is held, with irregular information security education to enhance employees' information security awareness

5. Investing in security management resources

The Information Department regularly convenes department heads to review the Company's security governance policy and regularly reports to the chairman of the board on the status of security governance. In 2025, the Company invested a total of more than NT$10,000,000 to enhance information security.

(II) In the most recent year and as of the date of publication of the annual report, the losses suffered as a result of major information security incidents, their possible effects and countermeasures, if they cannot be reasonably estimated, shall state the facts that they cannot reasonably estimate:

In November 2025, the Company's information systems were subjected to a hacker attack. The attacker gained access through a brute-force method. The Company promptly secured and isolated the affected files and network to prevent further intrusion. This incident did not impact operations or customer interests. The Company's information security unit immediately activated response and defense mechanisms to contain the impact and engaged external experts to actively assist with investigation and recovery efforts. There was no material impact on the security of the Company's consumer personal data, financial condition, or operations. Although the above incidents did not result in significant losses to the Company, the Company will continue to improve and strengthen cybersecurity defenses and employee information security awareness.

VII. Material Contracts:

Nature of contract	Person involved	Date and duration of the contract	Major content	Restrictive clauses
Taoyuan headquarters lease contract	Farmland and Water Conservancy Department of the Agricultural Committee of the Executive Yuan	2021/8/1~2026/7/31	Office lease	None
Business Alliance Contracts	Sugi Holdings Co., Ltd.	2020/11/25~2025/11/25	The Company has signed a commercial alliance agreement with Japan Sugi Pharmaceuticals. The two parties will jointly develop in the Asian region in combination with business strategies, commodity introduction, talent exchange and joint marketing, and may exclusively obtain the right to use the Sugi Pharmaceuticals authorized trademark and the right to represent the Sugi Pharmaceuticals products during the contract period.	None

Chapter 5 Review and analysis of financial condition and financial performance and risks

I. Financial conditions

Comparative analysis table of financial condition

Unit: in NT$1,000

Item / Year	2025	2024	Difference	
			Amount	Percentage of change %
Current assets	7,490,203	6,489,815	1,000,388	15.41
Property, plant, and equipment	1,002,760	961,305	41,455	4.31
Right-of-use assets	4,419,564	4,005,891	413,673	10.33
Intangible assets	85,727	57,726	28,001	48.51
Other assets	761,211	612,513	148,698	24.28
Total assets	13,759,465	12,127,250	1,632,215	13.46
Current liabilities	4,596,051	4,710,915	(114,864)	(2.44)
Non-current liabilities	5,162,994	3,768,081	1,394,913	37.02
Total liabilities	9,759,045	8,478,996	1,280,049	15.10
Share capital	1,499,652	1,322,567	177,085	13.39
Capital surplus	1,403,431	1,311,886	91,545	6.98
Retained earnings	1,015,098	962,169	52,929	5.50
Non-controlling interests	82,239	51,632	30,607	59.28
Total equity	4,000,420	3,648,254	352,166	9.65

1. Explanation of major changes:
   There have been changes of over 20% in the most recent 2 years, with the amount of change reaching NT$10 million or more. The main reasons for these changes are as follows:
   (1) The increase in intangible assets is mainly due to the investment in computer software, such as information security.
   (2) The increase in other assets is mainly due to the investment in new pharmaceutical companies, such as Leeuwenhoek, during this period, resulting in an increase in financial assets measured at fair value through other comprehensive income. Additionally, the ongoing expansion of stores has resulted in an increase in refundable deposits for store leases and the completion of related renovation projects.
   (3) The increase in non-current liabilities was primarily due to the issuance of the Company’s third domestic unsecured convertible bonds during the period.
   (4) The increase in share capital is mainly due to the capital increase through capitalization of retained earnings and the exercise of employee stock option certificates in the current period.
2. The impact and future response plan: The above changes have no significant adverse impact on the Company, and the overall performance has not shown any significant abnormalities. Therefore, there is no need to formulate a response plan.

Note: The financial information entered above is consolidated information based on the adoption of IFRS.

II. Financial performance

(I) Comparative analysis table of financial performance

Unit: in NT$1,000

Item \ Year	2025	2024	Amount (increased/decreased)	Percentage of change (%)
Net operating revenue	18,895,916	17,274,254	1,621,662	9.39
Operating costs	13,479,153	12,431,678	1,047,475	8.43
Net gross profit	5,416,763	4,842,576	574,187	11.86
Operating expenses	4,727,432	4,041,390	686,042	16.98
Operating profit	689,331	801,186	(111,855)	(13.96)
Non-operating income and expenses	54,657	45,579	9,078	19.92
Income tax expenses	162,485	166,801	(4,316)	(2.59)
Net income	581,503	679,964	(98,461)	(14.48)
Other comprehensive income (loss), net	60,518	12,855	47,663	370.77
Total comprehensive income for the period	642,021	692,819	(50,798)	(7.33)
There have been changes of over 20% in the most recent 2 years, with the amount of change reaching NT$10 million or more. The main reasons for these changes are as follows: (1) Increase in operating expenses: This is mainly due to the continuous growth of business scale, which has led to an increase in salary expenses, rent, and pharmacy service fees. (2) Increase in other comprehensive income: primarily attributable to the rise in unrealized gains and losses from equity instrument investments measured at fair value through other comprehensive income.				

Note: The financial information entered above is consolidated information based on the adoption of IFRS.

(II) Expected sales data and its basis

Please refer to the "Shareholders Report" on pages 1~3.

(III) Possible impact and response plan for future financial operations

The Company is a channel for the operation of pharmacy. Due to rich product items, it is faced with competition, including from pharmacy and drug stores. Due to price-cutting in the industry, the competition will be increasingly aggressive in the future. The Company will provide professional and complete education and training to its employees, and further establish the professional brand value of "Great Tree Pharmacy". With our core team of innovative senior management, we will develop service processes with high entry barriers, quickly emulate successful experience, expand our business scope, and further distinguish ourselves from the industry competitors.

III. Cash flow analysis

(I) Analysis and explanation of changes in cash flow in the past year, and plan for improving insufficient liquidity

Unit: NT$1,000

Beginning cash balance	Net cash flow from operating activities for the whole year	Net cash inflow (outflow) from investing and financing activities for the whole year	Remaining cash (shortfall) amount	Remedial measures for cash shortfall	
				Investment plan	Financial plan
1,902,002	1,165,793	(1,296,034)	1,771,761	—	—

1. Analysis of cash flow changes for the current year:
   (1) Business activities: The Company continues to open new pharmacies, and the existing pharmacies have started to generate profits, resulting in an increase in cash flow.
   (2) Investment activities: The main reason for the increase in capital expenditure this year is store expansion to enhance operations. Additionally, the purchase of bonds amounting to NT$444,110 thousand and other investments during the current year contributed to this increase.
   (3) Financing Activities: The financing activities for the year resulted in a net cash outflow, primarily due to the payment of cash dividends during the period. Additionally, the Company issued the third domestic unsecured convertible bonds this year to repay the second domestic unsecured convertible bonds and the first domestic private placement unsecured convertible bonds.
2. Remedial measures for cash shortfall and liquidity analysis: Not applicable.

(II) Cash liquidity analysis for the coming year

Unit: NT$1,000

Beginning cash balance (Note)	Estimated net cash flow from operating activities for the whole year	Estimated cash flow for the whole year	Estimated remaining cash (shortfall) amount	Estimated remedial measures for cash shortfall	
				Investment plan	Financial plan
1,771,761	1,150,000	(1,394,814)	1,526,947	—	—

1. Analysis of cash flow changes for the coming year
   Business activities: The net cash inflow was NT$1,150,000 thousand, mainly due to the Company continuing to open new pharmacies, and the existing pharmacies have started to generate profits, resulting in an increase in cash flow.
   Investment activities: The net cash outflow from investment activities for the whole year amounted to approximately NT$260,000 thousand, mainly due to the establishment of franchised pharmacies, resulting in expenses related to leasehold improvements and participation in investment projects.
   Financing Activities: For the full year, net cash outflow from financing activities amounted to approximately NT$1,134,814 thousand, primarily due to the repayment of lease principal upon maturity and dividend distributions.
2. Estimated remedial measures for cash shortfall and liquidity analysis: Not applicable.

Note: The beginning cash balance is the consolidated financial statements audited and certified by CPA in 2025.

IV. No significant impact of capital expenditure on financial operations in the most recent year: None.

V. Reinvestment policies in the most recent year, main reasons for profit or loss, improvement plan, and investment plan for the coming year

(I) Reinvestment policies in the most recent year:

In accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" issued by the competent authority, the Company has established the "Acquisition and Disposal of Assets Procedures" as the basis for its long-term investments. When reinvestment is required due to operational growth needs, the investment unit should collect and compile relevant information such as future prospects and market conditions, and evaluate and obtain approval by the authorized decision-making authority, such as the responsible manager or the Board of Directors. In addition, in order to enhance the supervision and management of reinvestment companies, the Company has established the "Subsidiary Supervision and Management Measures" and the "Financial and Business Related Regulations between Related Parties", which formulate relevant regulations for information disclosure, finance, business, inventory, and financial management, and conduct regular or irregular audit operations.

(II) Main reasons for profit or loss from reinvestment in the most recent year, improvement plan, and investment plan for the coming year:

December 31, 2025 Unit: NT$1,000

Reinvestment business	Shareholding ratio	Investment gains and losses recognized in 2025	Major operations	The main reasons for profit or loss	Improvement plan	Investment plan for the coming year
Ivy Biotechnology Co., Ltd.	100.00%	89,230	Development of health products	Continue to investment in research and development for new product	None	None
Bai-Lin Logistics Co., Ltd.	100.00%	7,845	Warehousing and packaging business	Normal Operation	None	None
Da Yu Property Management Co., Ltd.	60.00%	653	Property development	Normal Operation	None	None
Great Tree Pets Co., Ltd.	100.00%	(32,485)	Wholesale and retail business for pet products	Mainly for administrative and operating expenses and capital expenditures for store expansion	Continuing employee education and training and increasing product variety	None
GREAT TREE INTERNATIONAL SDN. BHD.	75.25%	2,382	Wholesale and retail business	Normal Operation	None	None
Enki Biomedical Co., Ltd.	100.00%	1,352	Biotechnology research and development business	In the initial stage of establishment, the main expenses were administrative and operating costs	The Company has not yet achieved economies of scale and continues to advance its related business operations.	None

Greattree Pharmacy Hong Kong Limited	100.00%	(18,761)	Investment business	The Company recognized investment losses from Greattree Sugi Pharmacy Hong Kong Limited using the equity method.	None	None
Grettree Sugi Pharmacy Hong Kong Limited	95.00%	(18,735)	Investment business	The Company recognized investment losses from Greattree Sugi (Shandong) Pharmacy Co., Ltd. using the equity method.	None	None
GTSW BIOTECH SDN.BHD.	60.00%	1,042	Wholesale and retail business	Normal Operation	None	None
SK Biomedical INC.	20.00%	(1,160)	Wholesale and retail business	Initial establishment	The Company has not yet achieved economies of scale and continues to advance its related business operations.	None
Greattree Changhe (Shanghai) Pharmacy Co., Ltd.	100.00%	(27)	Medical device operations and sales	In the initial stage of establishment, the main expenses were administrative and operating costs	The Company has not yet achieved economies of scale and continues to advance its related business operations.	None
Greattree Sugi (Shandong) Pharmacy Co., Ltd.	95.00%	(18,740)	Pharmaceutical retail	Recognizing investment losses in Shantong Greattree Shuyu Pharmacy Limited using the equity method.	None	None
Shangtong Greattree Shuyu Pharmacy Limited	48.45%	(18,859)	Pharmaceutical retail Wholesale	Mainly for administrative and operating expenses and capital expenditures for store expansion	Continuing employee education and training and increasing product variety	Note
SUNYAO Healthcare Co., Ltd.	80.00%	(5,484)	Wholesale and retail business	Initial establishment	None	None
Senyu Biomedical Co., Ltd.	90.00%	(5,515)	Wholesale and retail business	Initial establishment	None	None
Da Feng Logistics Co., Ltd.	85.71%	7,268	Warehousing and packaging business	Initial establishment	None	None
Da Sen Trading Hong Kong Limited	90.00%	-	International Trade Business	Initial establishment	None	None

Note: In 2026, a new store will be opened in Shandong. Future cash capital increases will be conducted at appropriate times based on operational needs to strengthen operational funds.

VI. Risk management analysis and assessment in the most recent year and up to the printing date of the annual report:

(I) Risk management policies and organizational structure

The Company's organizational structure of risk management:

1. Risk management implementation unit: Head of each department and audit office of the Company.
2. Risk management responsible unit: Board of directors of the Company.
3. Risk management policies:
   (1) If any risk management issues occur, they should be immediately reported to their immediate supervisor, the audit office, the General Manager, the Chairman of the board, and the Company's board of directors or Audit Committee.
   (2) The strategic operations of the Company are assessed for risks by the General Manager's office prior to implementation, and the operational performance is tracked afterwards to ensure that the enterprises' strategies align with the vision and achieve the Company's operational objectives.
   (3) The Company has established the "Internal Control System," "Internal Audit Implementation Rules," and "Self-Assessment Procedures for the Company's Internal Control System" and other relevant regulations to effectively control risks. The relevant risks are closely monitored by the head of each department, and the audit office continuously manages and audits the above-mentioned risk items through risk assessment. If any material violation or any likelihood of material damage to the Company are discovered, a report should be promptly prepare and presented. The independent directors should be notified, and a board meeting shall be convened immediately.

(II) Impact of interest rate, exchange rate fluctuations, and inflation on the Company's profit and loss, and future corresponding measures

Item	2025		2024	
	Amount	Ratio to operating revenue (%)	Amount	Ratio to operating revenue (%)
Non-operating income and expenses	38,562	0.20	13,265	0.08
Interest expense	85,825	0.45	58,900	0.34
Exchange gain (loss)	(511)	0.00	3,731	0.02

1. Impact of change of interest rate on the Company's profit and loss, and future corresponding measures

   The Company and its subsidiaries recorded interest income of NT$38,562 thousand and NT$13,265 thousand for the years 2025 and 2024, respectively, representing 0.20% and 0.08% of operating revenue. Interest expenses amounted to NT$85,825 thousand and NT$58,900 thousand for 2025 and 2024, respectively, accounting for 0.45% and 0.34% of operating revenue. The ratios of interest income and interest expenses to operating revenue in 2025 and 2024 were minimal; therefore, fluctuations in interest rates are not expected to have a material impact on the Company’s operations.

The Company employs a conservative and prudent approach in capital utilization. The idle funds are placed in current and time deposit accounts in banks, which are relatively stable in terms of market interest rates. In the future, the Company will continue to monitor and respond to interest rate trends, assess the level of funds, and mitigate the impact of interest rate fluctuations.

2. Impact of change of exchange rate on the Company's profit and loss, and future corresponding measures

   The Company and its subsidiaries recorded foreign exchange gains (losses) of NT$(511) thousand and NT$3,731 thousand for the years 2025 and 2024, respectively, representing 0.00% and 0.02% of operating revenue. These proportions are minimal. Moreover, as the Company operates domestic chain pharmacies with most purchases and sales denominated in New Taiwan dollars, exchange rate fluctuations have no significant impact on the Company.

3. Impact of inflation on the Company's profit and loss, and future corresponding measures

   According to the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, the Consumer Price Index (CPI) for December 2025 was 110.25, representing a year-over-year increase of 1.31%. The annual growth rate for 2025 was 1.66%. Upon reviewing the various index categories, the increase was mainly due to the impact of previous typhoons and heavy rainfall on vegetables and fruits, as well as rent and other cost adjustments. Excluding vegetables, fruits, and energy, the overall domestic price level remained relatively stable. The price index for pharmaceuticals and health supplements, the categories relevant to the Company's industry, increased by only 1.11% compared to the same period last year, indicating relative price stability. Therefore, there was no significant impact on the Company's profitability. Moreover, the Company continuously monitors market price fluctuations and maintains good relationships with suppliers, and as such, has not experienced any material profit or loss effects due to inflation.

(III) The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future.

1. The Company's policy regarding high-risk investments, highly leveraged investments; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future.

   The Company is focused on its core business and does not engage in high-risk, high-leveraged investments.

2. The Company's policy regarding loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future.

   The Company has not engaged in any activities involving loans to other parties, endorsements, guarantees, and derivatives transactions in recent year and up to the printing date of the annual report. Considering operational risks, the Company has reported to the Board of Directors and obtained approval to not engage in loans to other parties, endorsements, and guarantees. In the future, if there is a desire to engage in loans to other parties, endorsements, guarantees, and derivatives transactions, it will be handled in accordance with the "Operation Procedures of Loaning of Funds to Other Parties," "Operation Procedures of Making Endorsements/Guarantees," and "Operation Procedures of Acquisition and Disposal of Assets" formulated by the Company

(IV) Future research and development plans and estimated R&D expenses

The Company is a professional medical and healthcare products chain distributor specializing in maternity and infant product, NHI prescription drugs and health care supplements and products. It does not have a research and development department, so there are no related research and development expenses. However, should there be a need for research and development in the future due to business expansion, the Company will approach it with a cautious assessment, considering whether research and development can bring tangible synergies to the Company and ensure the protection of existing shareholders' interests.

(V) The impact of significant changes in domestic and international policies and laws on the Company's financial operations and corresponding measures

The execution of all our company's operations complies with relevant domestic and international laws and regulations. We constantly monitor major policy developments and legal changes both domestically and internationally, collecting relevant information to provide decision-making references for our management, in order to fully grasp changes in the market environment. The Company has not been affected by any significant changes in domestic or international policies and laws that would impact its financial operations in recent year and up to the printing date of the annual report.

(VI) The impact of changes in technology and industries on the Company's financial operations and corresponding measures

The advancement of biotechnology has made health and wellness products more affordable and acceptable to the general public. This is an important area for our company's future market development. The Company is focused on the continuous integration of information technology to improve the inventory turnover ratio, reduce operating costs, enhance timely and efficient decision-making by management, and strengthen the Company's market competitiveness.

(VII) The impact of change of corporate image on crisis management and corresponding measures

The Company has been committed to maintaining corporate image for many years, with a primary focus on meeting consumer needs. We provide innovative services such as free repairs for electronic products and unconditional returns and exchanges within 10 days, which effectively embody our brand positioning as a "Your Trustworthy Pharmacy". These services have received positive feedback from customers and have greatly contributed to our company's positive image. The Company has not experienced any impact on crisis management due to changes in corporate image in recent year and up to the printing date of the annual report.

(VIII) Expected benefits, potential risks, and response measures of the merger and acquisition:

The Company currently has no plans to merge and acquire other companies. If there are any future plans for merger and acquisitions, we will approach them with a cautious assessment, taking into full consideration the synergies of the merger and acquisition to ensure the protection of shareholders' interests.

(IX) Expected benefits, potential risks, and response measures of plant expansion:

The Company is a professional medical and healthcare products chain distributor specializing in maternity and infant product, NHI prescription drugs and health care supplements and products. Our main business is to expand the sales of products through franchised pharmacies, and does not engage in manufacturing or building factories for production. The Company expands franchise pharmacies based on the store expansion plan. The store expansion plan is carried out with a cautious evaluation, considering whether expanding new franchise pharmacies can bring tangible synergies to the Company and ensure the protection of shareholders' interests.

(X) The risks associated with any consolidation of sales or purchasing operations, and corresponding measures

The Company is a professional medical and healthcare products chain distributor specializing in maternity and infant product, NHI prescription drugs, and healthcare supplements and products. The sources of our products imported are from a diverse range of domestic manufacturers, and there is no centralized procurement. Our suppliers are well-known domestic and international brands, with whom we have established long-term cooperative relationships. Therefore, there is no risk due to centralized procurement. In addition, our company's sales target is the general public, so there are no issues of centralized procurement.

(XI) Effect upon and risk to the Company if a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, and corresponding measures

There is no transfer or changed hands of major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company in recent year and up to the printing date of the annual report

(XII) Effect upon and risk to the Company associated with any change in governance personnel or top management, and corresponding measures.

The Company has not experienced any change in governance personnel or top management in recent year and up to the printing date of the annual report.

(XIII) Litigious and non-litigious matters should list any material impact upon shareholders' equity or prices for the Company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving the Company, the Company's directors, supervisors, General Manager, de facto responsible person, or major shareholder with a stake of more than 10 percent, and the matter was that was finalized or remained pending: None.

(XIV) Other important risks and corresponding measures: The Company places great importance on information security. It employs information encryption, setting of software and hardware firewall, and designates information personnel to regularly manage and monitor the effectiveness of the firewall, ensuring that internal computers are not subject to external intrusion and operate normally. For report on audit activities, the content of the information security inspection is regularly reported to the Board of Directors according to the audit plan. Relevant users and information managers regularly receive information security education and training and promotion to enhance awareness of information security.

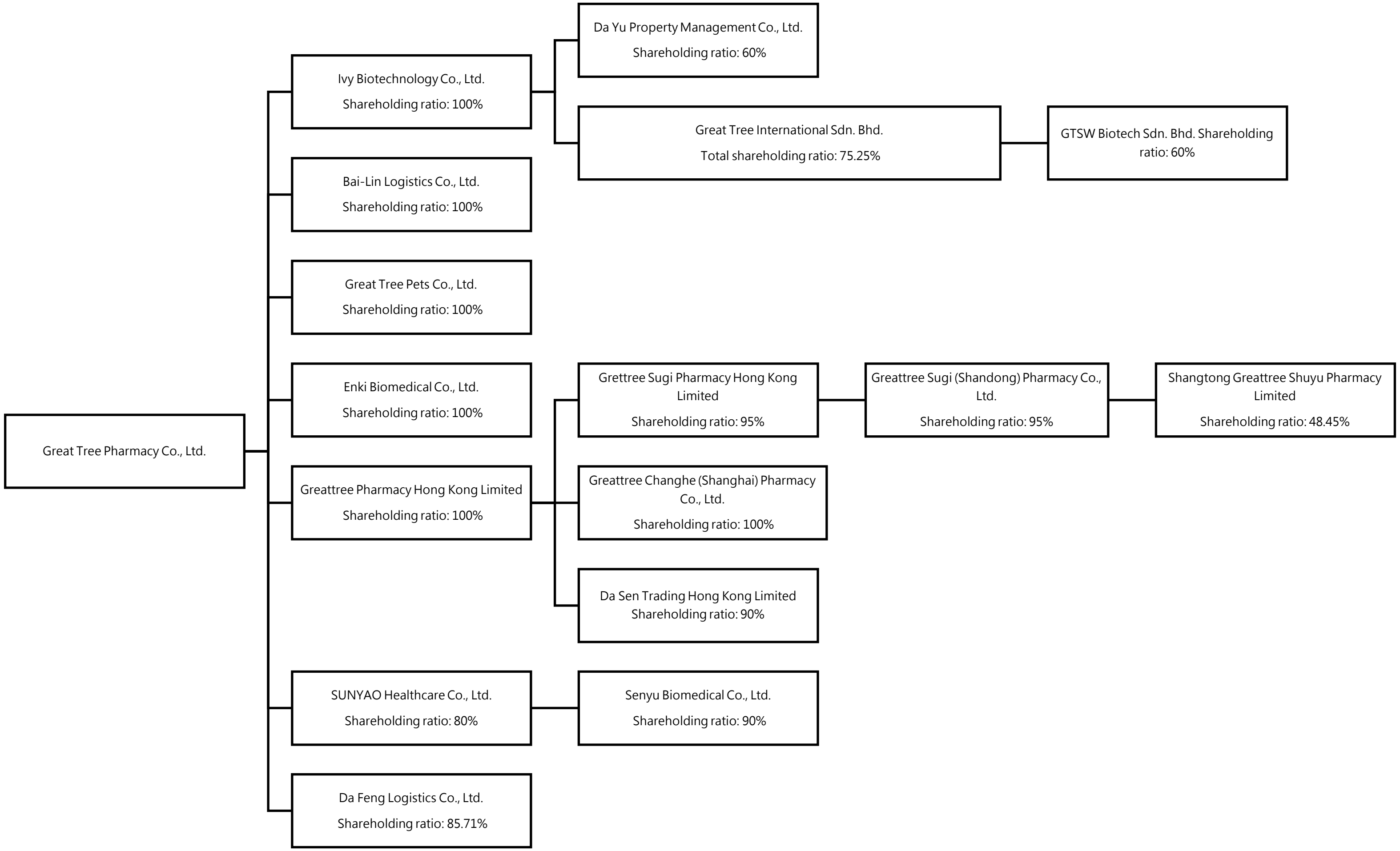
VII. Other important matters: None.

Chapter 6 Special items to be included

I. Information related to the Company's affiliates

(I) Overview of the affiliates:

1. Organizational chart of the affiliates:



2. Basic information of each affiliates

Unit: NT$1000/MYR1000/US$1000/RMB1000

Name of company	Establishment Date	Address	Paid-in capital	Main business or production items	Remark
Ivy Biotechnology Co., Ltd.	2007.6.27	19F., No.186, Fuxing Road, Taoyuan District, Taoyuan City	$59,000	Wholesale and retail business of various medicines, health supplements	
Bai-Lin Logistics Co., Ltd.	2016.11.29	(19F) No.186, Fuxing Rd., Taoyuan Dist., Taoyuan City	2,000	Wholesale and retail business, warehousing and packaging business	
Da Yu Property Management Co., Ltd.	2017.05.11	(18F) No.186, Fuxing Rd., Taoyuan Dist., Taoyuan City	40,000	Real estate sales and lease	
Great Tree Pets Co., Ltd.	2021.04.14	18F., No.186, Fuxing Road, Taoyuan District, Taoyuan City	250,000	Wholesale and retail business	
GREAT TREE INTERNATIONAL SDN. BHD.	2022.08.12	No. 39-1, Jalan Anggerik Vanilla BF 31/BF, Kota Kemuning, Seksyen 31 40460 Shan Alam, Selangor, Malaysia	RM2,020	Wholesale and retail business	
Enki Biomedical Co., Ltd.	2023.05.19	(20F) No.186, Fuxing Rd., Taoyuan Dist., Taoyuan City	15,000	Biotechnology research and development business	
Greattree Pharmacy Hong Kong Limited	2022.04.08	Rooms 2006-8, 20/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong	USD4,750	Investment business	
Grettree Sugi Pharmacy Hong Kong Limited	2022.10.26	Room 601, Albion Plaza, 2-6 Granville Road, Tsim Sha Tsui, Kowloon, Hong Kong	USD4,000	Investment business	
GTSW BIOTECH SDN. BHD.	2023.09.06	NO. 5-2, Jalan Puteri 2/6, Bandar Puteri, 47100 Puchong, Selangor, Malaysia	RM500	Wholesale and retail business	
Greattree Changhe (Shanghai) Pharmacy Co., Ltd.	2024.03.08	Room 322, 323, 3rd Floor, Building 4, No. 1188, Fengliang Road, Fengxian District, Shanghai	USD50	Medical device operations and sales	
Greattree Sugi (Shandong) Pharmacy Co., Ltd.	2024.04.08	Room 608, Xiangheng Plaza, No. 102, Luoyuan Street, Baotuquan Subdistrict, Lixia District, Jinan City, Shandong Province	RMB15,200	Pharmaceutical retail	
Shangtong Greattree Shuyu Pharmacy Limited	2024.10.16	Room 320, No. 56, Shanda North Road, Shanda Road Subdistrict, Licheng District, Jinan City, Shandong Province	RMB28,000	Pharmaceutical retail and wholesale	
SUNYAO Healthcare Co., Ltd.	2024.10.18	(20F) No.186, Fuxing Rd., Taoyuan Dist., Taoyuan City	30,000	Wholesale and retail business	
Senyu Biomedical Co., Ltd.	2025.01.24	(20F) No.186, Fuxing Rd., Taoyuan Dist., Taoyuan City	22,500	Wholesale and retail business	
Da Feng Logistics Co., Ltd.	2025.03.04	(18F) No.186, Fuxing Rd., Taoyuan Dist., Taoyuan City	35,000	Warehousing and packaging business	
Da Sen Trading Hong Kong Limited	2025.02.14	Rooms 2006-8, 20/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong	USD1,000	International Trade Business	

3. According to Article 369-3 of the Company Act, presumed controlling and subordinate relation between companies: None.
4. The industries covered by the business operated by the affiliates: see the "Basic Information of each affiliate" mentioned above.
5. The information on the directors, supervisors, and General Manager of each affiliate:

Name of company	Title	Name	Representative	Number of shares held	Shareholding ratio (%)	Remark
Ivy Biotechnology Co., Ltd.	Chairman	Great Tree Pharmacy Co., Ltd.	Feng-Sheng Huang	5,900,000	100.00	
Bai-Lin Logistics Co., Ltd.	Chairman	Great Tree Pharmacy Co., Ltd.	Shih-Wei Yeh	200,000	100.00	
Da Yu Property Management Co., Ltd.	Chairman Director **Director** Supervisors	Ivy Biotechnology Co., Ltd. Ivy Biotechnology Co., Ltd. Show Yu Investment Ltd. Shu-Yi Wu	Ming-Lung Cheng Sung Chao Feng Wu Chen Yu	2,400,000	60.00	
Great Tree Pets Co., Ltd.	Chairman Director Director Supervisors	Great Tree Pharmacy Co., Ltd. Great Tree Pharmacy Co., Ltd. Great Tree Pharmacy Co., Ltd. Great Tree Pharmacy Co., Ltd.	Shang-Feng Lu Shih-Wei Yeh Feng-Sheng Huang Shu-Yi Wu	25,000,000	100.00	
GREAT TREE INTERNATIONAL SDN. BHD.	Director Director Director	Great Tree Pharmacy Co., Ltd. Great Tree Pharmacy Co., Ltd. Hsien-Chih, Chiu	Shang-Feng Lu Tsai Hsiang-Yu	1,520,000	75.25	
Enki Biomedical Co., Ltd.	Chairman Director Director Supervisors	Great Tree Pharmacy Co., Ltd. Great Tree Pharmacy Co., Ltd. Great Tree Pharmacy Co., Ltd. Great Tree Pharmacy Co., Ltd.	Tsai Hsiang-Yu Shang-Feng Lu Huang Dong Yu Shu-Yi Wu	1,500,000	100.00	
Greattree Pharmacy Hong Kong Limited	Director	Great Tree Pharmacy Co., Ltd.	Ming-Lung Cheng	4,750,000	100.00	
Grettree Sugi Pharmacy Hong Kong Limited	Director Director Director	Greattree Pharmacy Hong Kong Limited Greattree Pharmacy Hong Kong Limited Greattree Pharmacy Hong Kong Limited	Shang-Feng Lu Tsung-Jung, Ou Huang Sih Jie	3,800,000	95.00	
GTSW BIOTECH SDN. BHD.	Director Director Director Director Director	Great Tree International SDN. BHD. Great Tree International SDN. BHD. Great Tree International SDN. BHD. Pan Chia-yue Ke Bo-han	Shang-Feng Lu Tsai Hsiang-Yu Hsien-Chih, Chiu	300,000	60.00	
Greattree Changhe (Shanghai)	Director	Greattree Pharmacy Hong Kong Limited	Tsung-Jung, Ou	50,000	100.00	

Name of company	Title	Name	Representative	Number of shares held	Shareholding ratio (%)	Remark
Pharmacy Co., Ltd.						
Greattree Sugi (Shandong) Pharmacy Co., Ltd.	Director	Grettree Sugi Pharmacy Hong Kong Limited	Tsung-Jung, Ou	14,440,000	95.00	
Shangtong Greattree Shuyu Pharmacy Limited	Chairman Director Director Director Director Director Director Director Director	Greattree Sugi (Shandong) Pharmacy Co., Ltd. Greattree Sugi (Shandong) Pharmacy Co., Ltd. Greattree Sugi (Shandong) Pharmacy Co., Ltd. Greattree Sugi (Shandong) Pharmacy Co., Ltd. Greattree Sugi (Shandong) Pharmacy Co., Ltd. Hung Yong-Tsung Li Chang Tu Li-Chuan Li Hsiao-Han	Wei-Jen Lu Shang-Feng Lu Tsung-Jung, Ou Ouh Chin-Chieh Huang Sih Jie	13,566,000	48.45	
SUNYAO Healthcare Co., Ltd.	Chairman Director Director Supervisors	Great Tree Pharmacy Co., Ltd. Great Tree Pharmacy Co., Ltd. Wang Yen-Pin Shu-Yi Wu	Shang-Feng Lu Tsai Hsiang-Yu	2,400,000	80.00	
Senyu Biomedical Co., Ltd.	Chairman Supervisors	SUNYAO Healthcare Co., Ltd. Shu-Yi Wu	Shang-Feng Lu	2,025,000	90.00	
Da Feng Logistics Co., Ltd.	Chairman Director Director Director Director Supervisors	Great Tree Pharmacy Co., Ltd. Great Tree Pharmacy Co., Ltd. Great Tree Pharmacy Co., Ltd. Great Tree Pharmacy Co., Ltd. Min-Pin Wu Shu-Yi Wu	Shih-Wei Yeh Hao Hsu Feng-Sheng Huang Mei-Yun Liu	3,000,000	85.71	
Dasen Import and Export Trading (Hongkong) Limited	Director Director Director	Greattree Pharmacy Hong Kong Limited Greattree Pharmacy Hong Kong Limited Cheng-Ho Lin	Ming-Lung Cheng Shang-Feng Lu	900,000	90.00	

6. Operations Overview of each Affiliates:

Unit: in NT$1,000 / Earnings (loss) per share in NT$

Code of the affiliates	Name of company	Capital amount	Total value of assets	Total liabilities	Net worth	Operating revenue	Operating profit (loss)	Profit or loss during the period (after tax)	Earnings (loss) per share (after tax)
64690001	Ivy Biotechnology Co., Ltd.	59,000	347,194	136,150	211,044	554,373	107,524	91,509	15.51
64690002	Bai-Lin Logistics Co., Ltd.	2,000	851,439	838,834	12,605	4,656,162	9,787	7,845	39.23
64690003	Da Yu Property Management Co., Ltd.	40,000	73,518	36,896	36,622	9,669	1,722	1,088	0.27

Code of the affiliates	Name of company	Capital amount	Total value of assets	Total liabilities	Net worth	Operating revenue	Operating profit (loss)	Profit or loss during the period (after tax)	Earnings (loss) per share (after tax)
64690004	Great Tree Pets Co., Ltd.	250,000	276,770	164,901	111,869	297,124	(40,857)	(32,485)	(1.30)
64690005	GREAT TREE INTERNATIONAL SDN. BHD.	13,802	26,112	9,301	16,811	30,260	2,860	3,167	2.29
64690006	Enki Biomedical Co., Ltd.	15,000	11,707	4,638	7,069	16,656	1,675	1,352	0.90
64690008	Greattree Pharmacy Hong Kong Limited	150,057	127,130	0	127,130	0	0	(18,761)	(1.25)
64690009	Grettree Sugi Pharmacy Hong Kong Limited	125,460	105,817	0	105,817	0	(1)	(19,721)	(1.57)
64690010	GTSW BIOTECH SDN. BHD.	3,533	6,498	1,092	5,406	5,163	1,897	1,735	4.91
64690013	Greattree Changhe (Shanghai) Pharmacy Co., Ltd.	1,568	1,463	0	1,463	0	(27)	(27)	(0.17)
64690014	Greattree Sugi (Shandong) Pharmacy Co., Ltd.	68,096	46,414	0	46,414	155	119	(19,727)	(2.90)
64690015	Shangtong Greattree Shuyu Pharmacy Limited	125,440	177,734	94,662	83,072	8,994	(36,942)	(38,924)	(3.10)
64690016	SUNYAO Healthcare Co., Ltd.	30,000	25,259	2,114	23,145	0	(1,771)	(6,855)	(2.29)
64690017	Senyu Biomedical Co., Ltd.	22,500	31,362	14,989	16,373	3,159	(6,219)	(6,127)	(2.72)
64690018	Da Feng Logistics Co., Ltd.	35,000	50,000	6,520	43,480	30,795	10,397	8,480	(2.42)
64690019	Da Sen Trading Hong Kong Limited	31,365	27,932	0	27,932	0	0	0	0

Note: The financial information entered above is parent only company information based on the adoption of IFRS.

(II) Consolidated financial statements of affiliates: Not applicable.

(III) Report on relationships: Not applicable.

II. The status of use of the capital raised through the private placement of securities and the implementation progress of the plan in recent year and up to the printing date of the annual report:

Information on privately placed securities

<table>
<tr><td>Item</td><td>The first private placement of domestic unsecured convertible corporate bonds in 2022 (Note 1)
Date of issuance: September 29, 2022</td></tr>
<tr><td>Types of Privately Placed Securities (Note 2)</td><td>Domestic unsecured convertible corporate bonds</td></tr>
<tr><td>Date and Amount of Approval by the Shareholders' Meeting (Note 3)</td><td>May 31, 2022, within the limit of no more than 2 million common shares</td></tr>
<tr><td>Basis and rationality of the pricing</td><td>According to the resolution of the General Shareholders' Meeting on May 31, 2022, the basis for determination shall be no less than 80% of the theoretical value, and the conversion price shall be NT$270.5 per share on the conversion pricing date, September 6, 2022.</td></tr>
<tr><td>Method for Selecting Specific Persons (Note 4)</td><td>The private placement of domestic convertible corporate bonds shall be limited to specific persons as set out in Article 43-6 of the Securities and Exchange Act and the No. 0910003455 Order of the Financial Regulatory Commission (June 13, 2002).
The offeree that the Company negotiated with on September 6, 2022 is Sugi Holdings Co., Ltd.</td></tr>
<tr><td>Necessities of the Private Placement</td><td>Considering the capital market, the timeliness, feasibility and issuance costs of raising funds, the actual needs of strategic investors, and the provision that privately placed securities are non-transferable within three years, the Company shall maintain a long-term cooperative relationship with strategic investors.</td></tr>
<tr><td>Information about the Offeree</td><td><table>
<tr><td>Object of Private Placement (Note 5)</td><td>Qualification Requirements (Note 6)</td><td>Subscription Amount (NT$)</td><td>Public Offering Shareholding Weight %</td><td>Shareholding Ratio in Private Placement %</td><td>Relationship with the Company</td><td>Participation in Company Operations</td></tr>
<tr><td>Sugi Holdings Co., Ltd.</td><td>In accordance with Article 43-6, Paragraph 1, Subparagraph 2 of the Securities and Exchange Act</td><td>220,000,000</td><td>0%</td><td>100%</td><td>None</td><td>None</td></tr>
</table></td></tr>
<tr><td>Actual Subscription (or Conversion) Price (Note 7)</td><td>The conversion price at the time of issuance in September 2022 was NT$270.5. Subsequently, in accordance with the issuance and conversion regulations, due to the Company's distribution of cash and stock dividends for the 2024 fiscal year, the conversion price was adjusted from NT$183.2 to NT$179.3 effective July 7, 2025. Additionally, the conversion price was further adjusted from NT$179.3 to NT$158.7 effective August 30, 2025.</td></tr>
<tr><td>Actual Subscription (or Conversion) Price vs. Reference Price Difference (Note 7)</td><td>90%</td></tr>
<tr><td>Impacts of Private Placement on Shareholders' Equity</td><td>The amount of private placement accounted for about 0.9% of the paid-in capital, and there was no significant damage to shareholders' equity.</td></tr>
</table>

Item	The first private placement of domestic unsecured convertible corporate bonds in 2022 (Note 1) Date of issuance: September 29, 2022
Use of Private Funds and Plan Implementation Progress	The first private placement of domestic unsecured convertible corporate bonds was completed in September 2022 with the proceeds of NT$220,000,000. The bonds were fully provisioned to increase the working capital, expand channels, increase market share and reinforce the Company's financial structure in the fourth quarter of 2022. The bonds matured on September 29, 2025, marking the completion of the three-year term. Since none of the subscribers exercised their conversion rights, the Company repaid the principal in accordance with the bond issuance and conversion terms on October 3, 2025.
Appearance of Private Equity Benefits	Private equity benefits are used to increase the working capital, expand channels, enlarge market shares, and reinforce the Company's financial structure.

III. Other necessary items to be supplemented and explained:

The Company promised to comply with "Procedures for Acquisition and Disposal of Assets" to forfeit capital increase "Directly or Indirectly" formulated by the Company for Ivy Biotech Co., Ltd. (hereinafter referred to as Ivy Biotech) over the years in the future, or in case the Company directly or indirectly disposes of its shareholding in Ivy Biotech to the point if the Company loses substantial control over Ivy Biotech, a special resolution from the Board shall be obtained in a Board meeting attended by all independent Directors who have all expressed their opinions. The aforementioned resolution and subsequent amendment to the Procedure shall be inputted in the Material Information section of the MOPS for disclosure purpose, and submitted in writing to the Taipei Exchange for review.

The Company has already issued a letter of undertaking and revised the Company's "Procedures for Acquisition and Disposal of Assets" at the shareholders' meeting held on June 29, 2016. On December 21, 2018, the Company's Board of Directors approved the participation in the cash capital increase plan of Ivy Biotechnology Co., Ltd. We plan to issue 3,300,000 new shares at a price of NT$10 per share, with an expected total fundraising of NT$33,000,000. Ivy Biotechnology Co., Ltd. has been approved for change of registration by the Taoyuan City Government on January 19, 2019. The paid-in capital after this capital increase was NT$59,000,000, and the Company still holds 100% of the shares, with no change in shareholding. There have been no violations of commitments as of the printing date of the annual report

IV. If any of the situations listed in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the Company's securities, has occurred in recent year and up to the printing date of the annual report: None.