Polaris
Novel Drugs For Cancer

Stock Code: 6550

Polaris Group
2024
Annual Report

Notice to readers
This English translation is provided for reference only. In case of any discrepancies, the original Chinese version shall prevail.

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I. Company Spokesperson:

Spokesperson	:	Hsu, Jaan-Pyng	Title	:	Chief Executive Officer
Telephone	:	(886)2-2656-2727	Email	:	ir@polarispharma.com
Deputy Spokesperson	:	Position to be filled	Title	:	IR/PR
Telephone	:	(886)2-2656-2727	Email	:	ir@polarispharma.com

II. Addresses and Telephone Numbers of Headquarters, Branch and Plant:

1. Headquarters

Name	:	Polaris Group
Address	:	P.O. Box 309, Ugland House,Grand Cayman, KY1-1104, Cayman Islands
Telephone	:	(886) 2-2656-2727

2. Head Office and Subsidiaries

Name	:	Polaris Group-Taipei Office
Address	:	Rm., 7F., No. 298, Ruiguang Rd., Neihu Dist., Taipei City 11491, Taiwan (R.O.C.)
Telephone	:	(886) 2-2656-2727
Name	:	Polaris Pharmaceuticals, Inc.
Address	:	10675 Sorrento Valley Road, Suite 200, San Diego, CA92121, USA
Telephone	:	(1) 858-452-6688
Name	:	DesigneRx Europe Limited
Address	:	90 High Holborn, London, WC1V 6XX
Telephone	:	—
Name	:	Polaris Pharmaceuticals Australia Pty Ltd
Address	:	58 Gipps Street, Collingwood VIC3066, Australia
Telephone	:	—
Name	:	Polaris Pharmaceuticals Ireland Limited
Address	:	88 Harcourt Street, Dublin 2, Ireland
Telephone	:	—
Name	:	Polaris Pharmaceuticals (Taiwan), Inc.
Address	:	Rm., 7F., No. 298, Ruiguang Rd., Neihu Dist., Taipei City 11491, Taiwan (R.O.C.)
Telephone	:	(886) 2-2656-2727
Name	:	DesigneRx Pharmaceuticals, Inc
Address	:	4941 Allison Parkway, Suite B, Vacaville, CA95688, USA
Telephone	:	(1) 707-451-0441
Name	:	TDW HK Limited
Address	:	6/F Alexandra HSE 18 Chater Road, Central, Hong Kong
Telephone	:	(886) 2-2656-2727
Name	:	DesigneRx Pharmaceuticals (Shanghai) Inc.
Address	:	3rd Floor, Building 1, No. 400 Fangchun Road, Shanghai Free Trade Zone, China
Telephone	:	(86) 28-8795-7676
Name	:	DesigneRx Pharmaceuticals (Chengdu) Inc.
Address	:	No. 198, Tiansheng Road, High-tech West District, Chengdu, China
Telephone	:	(86) 28-8795-7676
Name	:	Lin Yang Biopharma, Ltd.
Address	:	The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman, KY1-1208, Cayman Islands
Telephone	:	—
Name	:	Genovior Biotech Corporation
Address	:	4 F., No. 50-8, Keyan Rd., Zhunan Township, Miaoli County 350401, Taiwan (R.O.C.)
Telephone	:	(886) 37-580280
Name	:	Nanotein Technologies, Inc.
Address	:	2950 SAN PABLO AVE BERKELEY, CA 94702, USA
Telephone	:	(1) 866 828-2355
Name	:	Northern Biopharmaceutical Co., Ltd. (Fujian)
Address	:	Room 204, No. 255, Jiaojie, Jieshan Village, Jieshan Town, Quangang District, Quanzhou City, Fujian Province, China
Telephone	:	—

Polaris Group
Annual Report Catalog

I. Letter to Shareholders

Dear esteemed shareholders, ladies and gentlemen:

We'd like to express our gratitude for shareholders for your support and trust throughout the first year of listing of Polaris Group. Recalling 2024, Polaris Pharmaceuticals evolved from a company focused on new drug development to successfully expanding into the fields of multiple peptide drugs, APIs, generic drugs, and CDMO through the acquisition of Genovior Biotech; these two highly promising product lines will become the dual engines for Polaris Group's future growth, driving the continuous expansion of the overall business.

Under the drive of the dual-engine growth model, in 2024 we repositioned the mission directions of each subsidiary, moving away from the past R&D-centric business model and shifting towards a development strategy focused on commercial production and profit pursuit.

Looking ahead, our objectives are not only to accelerate the commercialization of ADI-PEG 20 under the premise of meeting clinical needs and further establish a leading position in the metabolic anti-cancer field; at the same time, we will continue to develop GLP-1 products such as Semaglutide and Tirzepatide, actively expand the global market, continuously enhance competitiveness, and establish our leadership in the peptide field.

Below is a report of our achievements for 2024.

I. FY 2024 Operating Results

(I) 2024 Business Plan Implementation Results

1. Clinical Trials of ADI-PEG 20

The Clinical Trials in progress are as follows:

Cancer Type	Stage	Lead Cancer Center	Intervention/Treatment
Soft Tissue Sarcoma	Phase III	University of Washington	ADI-PEG 20 + Gemcitabine + Docetaxel
Cerebral cancer	Phase II/III	Linkou Chang Gung Memorial Hospital Taiwan/Global Coalition for adaptive Research	ADI-PEG 20 +Temozolomide +Radiotherapy
Hepatic cell Carcinoma	Phase II/III (Note)	Linkou Chang Gung Memorial Hospital, Taiwan	Monotherapy
Acute Myeloid Leukemia	Phase I	MD Anderson Cancer Center Houston, Texas, United States	ADI-PEG 20 + Venetoclax + Azacitidine
NASH	Phase II	Linkou Chang Gung Memorial Hospital, Taiwan	Monotherapy

Note: This is the clinical trial for NDA submission.

2. CDMO Pharmaceutical Contract Development and Manufacturing Services

The Company completed the merger of the subsidiary Polaris Biopharmaceuticals, Inc. and the sub-subsidiary Genovior Biotech in July 2024.

In the past, CDMO services were the primary revenue source for Genovior Biotech. However, compared to the explosive potential of new drugs, self-produced polypeptides, and anti-cancer products in the commercial market, the growth potential of the CDMO business is relatively limited. Therefore, in future resource allocation, the Company will prioritize the research, development, and mass production of its own new drugs, polypeptides, and anti-cancer products to ensure a more competitive market position and long-term development.

(II) Budget Implementation

The Company only sets an internal budget plan in 2024 and does not disclose financial forecast data to the public. The overall budget spending situation generally conforms to the plan set by the Company.

(III) Financial Income and Expenditure and Profitability Analysis

The increase in revenue and operating costs compared to 2023 was primarily due to the Company's acquisition of Genovior Biotech Corporation in December 2023, with the company's financial statements consolidated into our company. Revenue and operating costs were primarily attributable to Genovior Biotech Corporation's CDMO foundry business. Operating expenses increased by 38.7% compared to 2023, mainly due to the acquisition of Genovior Biotech, which raised overall expenses, as well as the significant increase in related facility costs in response to the Group's drug license application and expansion in staffing for future mass production. Additionally, multiple Phase III clinical trials were launched in 2024, leading to an increase in clinical expenses. Non-operating income decreased by 64.7%, mainly due to the Company's lower cash levels in 2024, resulting in reduced interest income.

Unit: NTD1,000

Items	The year 2024	Domestic sales	Difference	%
Operating Income	107,000	7,481	99,519	1,330.3
Operating costs	(183,923)	(10,546)	(173,377)	(1,644.0)
Operating gross profit	(76,923)	(3,065)	(73,858)	(2,409.7)
Operating expenses	(2,557,962)	(1,852,657)	(705,305)	(38.7)
Operating profit or loss	(2,634,885)	(1,855,722)	(779,163)	(41.99)
Non-operating incomes and expenses	89,342	363,579	(274,237)	(75.4)
Net profit or loss before tax	(2,545,543)	(1,492,143)	(1,053,400)	(70.6)

(IV) R&D Status

For details, please refer to the "2024 Business Plan Implementation Results" hereinabove.

II. 2024 Business Plan Outline

(I) Operating Strategy

1. The Company has submitted a rolling application for mesothelioma drug license to the FDA and plans to complete the submission of all related information on the drug license by 2025. At the same time, we will actively seek Priority Review qualification from the FDA to accelerate the review process, aiming to bring the Product to market sooner.
2. Strategically plan clinical trials to obtain global drug licenses as soon as possible to benefit cancer patients worldwide.
3. Continue to explore the relationship between ADI-PEG 20 and biomarkers, maximize the therapeutic benefit of patients through biomarker testing, so as to achieve the ultimate goals of precision medicine, increase the penetration rate of ADI-PEG 20 in various cancer markets, and ultimately expand the market size.
4. Combining the expertise of Polaris Group and Genovior Biotech Corporation, we will expand our product line to include peptide related apis, difficult generics, and Class 505b2 drugs to better meet the needs of different patients.
5. Find and co-development or regional licensing with strategic alliance partners to secure working capital and spread risks.
6. Practically carry out relevant clinical trials on metabolic disease indications, such as severe fatty liver and diabetes, to make ADI-PEG20 the first choice for combination of metabolic therapy and various cancer drugs, so that more patients can benefit.

(II) Expected Sales and Its Basis and Important Production&Sales Policies

The Company's self-developed products are still in the clinical trial stage and have not yet been marketed. At present, the main business income comes from contracting CDMO services. Management sets the Company's operation goals and strategies every year, and then the R&D, manufacturing, and clinical teams in the U.S. and Taiwan propose various R&D and CDMO projects accordingly. The R&D/foundry projects are approved for execution after evaluating feasibility, marketing and financial status.

III. The Company's Future Development Strategy

(I) Clinical Trials for NDA Submission

As a widely effective new cancer drug, ADI-PEG20 has been successfully used in clinical trials of various indications by many international medical centers before. Therefore, ADI-PEG20 has always been highly expected by the international medical community in the field of metabolic therapy for cancer. Therefore, ADI-PEG20 has been highly expected by the international medical community in the field of metabolic therapy for cancer. Now that it's unblinded, the Company will soon obtain the first first-line drug certificate in mesothelioma, which will be a prelude to the widespread application of this drug in cancer metabolic therapy. The primary goal of the future development strategy is to obtain more definite clinical efficacy data in the shortest possible time in order to enhance the value of the Company and make metabolic therapy the main treatment method for cancer. In the future, the Group will focus its resources on accelerating phase II/III clinical trials for hepatocellular carcinoma and soft tissue sarcoma. In addition, the Company has also initiated Phase II Glioblastoma and joined the GBM AGILE platform for Phase II/III Glioblastoma trials, as well as phase I clinical trials for Acute Myeloid Leukemia. At the same time, clinical trials for metabolic related diseases such as NASH will be conducted. These trials are described as follows:

1. Soft Tissue Sarcoma

   The Phase III clinical trial program received FDA approval for IND and completed its first patient admission for ADI-PEG 20 combined with Gemcitabine and Docetaxel for leiomyosarcoma. The trial was randomized and double-blind, with multiple countries and centers involving. The main evaluation index was Progression Free Survival and the secondary evaluation index was Overall Survival.

2. Hepatic Cell Carcinoma

   In order to accelerate the clinical trial, the Company changed the enrollment condition to screening by arginine concentration. Hepatic cell carcinoma was treated with ADI-PEG 20, the new metabolic therapy. The trial was randomized and double-blind, with multiple countries and centers involving. The main evaluation index was Progression Free Survival and the secondary evaluation index was Overall Survival. In addition to patient enrollment at seven medical centers in Taiwan, approval has been obtained from the Vietnam Ministry of Health (MOH) for the trial, and a memorandum of understanding has been signed with the Vietnam National Cancer Hospital, with patient enrollment expected to commence.

3. Cerebral Cancer

This clinical trial was conducted with ADI-PEG20 combined with radiotherapy and Temozolomide in the treatment of Glioblastoma, GBM. This case was originally a Phase I clinical trial, and after completing this stage, the evaluable subjects were enrolled. The Phase II clinical trial has been continued, with a change to a control placebo group, randomized allocation, and double-blind trial. It is expected that the scale of the trial will be expanded, and the number of cases collected globally will be 100. The main evaluation indicator was the Overall Survival, and the trial physician would observe the Progression-free survival. This experiment was led by Taiwan Linkou Chang Gung Memorial Hospital and collaborated with five renowned medical centers in Korea. Patient enrollment is expected to be completed by mid-year.

At the same time, the Company joined GBM AGILE, a new clinical trial platform approved by the FDA, which allows simultaneous evaluation of multiple new drugs for cerebral cancer and sharing of patients in control group. And the platform has signed contracts with major international hospitals in order to quickly recruit patients. In August 2023, the ADI-PEG 20 group being trialled on the GBM AGILE platform will enroll patients with newly diagnosed and relapsing GBM. Dr. Nicholas Blondin, assistant professor of clinical neurology at Yale School of Medicine, and Dr. Macarena de la Fuente, associate professor of neuro-oncology and director of neuro-oncology at the Sylvester Comprehensive Cancer Center, University of Miami, will serve as the lead trial program hosts for ADI-PEG 20.

4. Acute Myeloid Leukemia

This is a Phase 1 clinical trial of ADI-PEG 20 in combination with Venetoclax and Azacitidine in patients with acute myeloid leukemia, led by MD Anderson Cancer Center. In addition to evaluating the safety and tolerability of ADI-PEG 20 in combination with Venetoclax and Azacitidine, the efficacy of this combination in the RP2D (recommended phase 2 dose) arm will also be explored.

(II) Contract Development and Manufacturing Organization (CDMO)

In addition to the production of ADI-PEG 20, DRX USA, the Group's subsidiary in Northern California, also has a very mature technology that uses E. coli as a production platform. Since officially providing Drug Development and Production (CDMO) services in November 2019, we have received positive feedback. With the success of the Phase III clinical trial for mesothelioma, DRX USA is gradually transitioning to a commercial operation model and actively promoting related preparations, including three batch validation production, GMP inspection preparation, and drug license registration application to meet the regulatory requirements for drug market launch.

In addition, the Group established Subsidiary DRX Chengdu in Chengdu, originally as a support center for new product development and research for the Northern California plant. With the completion of phased tasks, the Company has been planning since the beginning of this year to upgrade DRX Chengdu from a research and development unit to a GMP-compliant production pharmaceutical plant. This is expected to bring stable revenue to the Group in the future.

(III) Polypeptide Product Development and Process Optimization

The Company will strengthen research and innovation in the polypeptide product line at Genovior Biotech Corporation, with a special focus on the development of multiple polypeptide products and process optimization to improve production efficiency and product quality. The following are the Company's main plans for polypeptide product development and process optimization. These trials are described as follows:

1. Semaglutide

Semaglutide, a drug used to treat diabetes, is a hormone that is a receptor agonist for GLP-1 (glucagon-like peptide-1), an analogue of the insulin hormone that stimulates insulin production and lowers blood sugar levels. In addition, Semaglutide is also used for weight management in obesity, as it can promote appetite reduction and contribute to weight loss. In addition, Semaglutide is expected to continue to expand with the progress of clinical trials of the original company, including the treatment of renal failure in diabetes patients and other related indications. The Company is committed to further optimizing Semaglutide products, including the development of generic drug products from active pharmaceutical ingredients (APIs), injections, and oral formulations. Moreover, the Company also expanded the market size of its products through the development of Class505b2 new drugs to meet the needs of patients and improve therapeutic effectiveness.

The Semaglutide API 200kg production line is scheduled to be completed in 2025. In the aspect of commercial development, the Company is currently focusing on the expansion of the new market (emergingmarket). As the supply of Semaglutide products falls short of demand, the company also plans to cooperate with new market countries to enter major new market countries through joint venture, co-development or technology transfer, etc.

2. Teriparatide

As a peptide substance used in the treatment of osteoporosis, Teriparatide has a significant effect on enhancing bone mineral density and reducing the risk of fracture. The company is committed to improving the production efficiency and quality of Teriparatide to ensure that patients have access to safe and effective treatments. In 2025, we will continue to develop Teriparatide preparations, drug inspection registration, and marketing planning.

With these efforts, the Company expects to enhance its influence in the biopharmaceutical industry and lay a solid foundation for future development. This is also the Company's commitment to the field of medical science and technology, that is, providing more advanced and more effective treatment solutions while pursuing excellent quality and a high degree of market competitiveness.

IV. The Impact of External Competition, Regulations and the General Business Environment

The Company is committed to the comprehensive vertical integration and development of cancer, and equipped with all-round research and development capacities. With its unique mechanism of action, ADI-PEG 20 has shown initial efficacy and safety in multiple cancer trials, and its applicability in combination with a variety of other treatments is expected to be highly competitive in the future market. ADI-PEG 20 will face less homogeneous drug competition in the short term after obtaining the drug license.

In terms of laws and regulations, the Company has experts who have deep understanding of the drug management system of countries and have been paying close attention to the latest trends of laws and regulations to ensure the stable operating environment of the Company. The Company's senior management has profound experience in new drug research and development as well as company operation, always conducting market management and analysis of market movements in a sensitive manner, so as to ensure that the company can immediately adapt to the environment, reduce environmental pollution and maintain a high level of competitive edge.

We will strive to achieve the Company's outstanding achievements in the field of cancer management with a sense of commitment and humility, and create the maximum value for all stakeholders.

Chairman:	CEO:	Accounting Supervisor:
Chen, Hung-Wen	Hsu, Jaan-Pyng	Yi-Ming Kao

II. Corporate Governance Report

I. Information on Directors, Supervisors, President, Vice President, Assistant Directors, Heads of Departments and Branches

(I) Information on Directors and Supervisors (the Company does not have a supervisor)

1. Name, Gender, Age, Nationality or place of incorporation, Experiences, Shareholdings and Nature

March 23, 2025

Title	Nationality or place of incorporation	Name	Gender Age	Election (appointment) Date	Term	Initial Election when elected	Shareholdings Now		Hold Number of shares		Spouse, minor children now Shareholdings		Shareholdings in the name of others		Experiences	Currently holds positions in the Company and other companies	Other supervisors or directors with a spouse or relationship within the second degree			Note
							Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
Chairman	Republic of China, R.O.C. or Taiwan	Tsai, Kao-Chung	Male 64 years old	2023.06.12	3	2014.11.24	34,700	0.005	34,700	0.005	3,802,000	0.51	—	—	• Master, Institute of Electrical Engineering, National Tsing Hua University • Taiwan Semiconductor Manufacturing Co., Ltd. • Taixin Semiconductor Co., Ltd.	• Director of PPI, DRX USA, DRX Chengdu, DRX Shanghai, PPTW, LYB and Genovior Biotech • Chairman of the Board of Gemtek Technology Co., Ltd. • Chairman of the Board of Browan Communications Incorporation • Chairman of the Board of Speedlink Communications Co., Ltd. • Director of G-Technology Investment Co., Ltd • Director of Witek Investment Investment Co., Ltd. • Director of Ampak International Holding Ltd. • Director of Primax Communication(B. V.I.) • Inc. Director of Billionaire Microelectronics Co., Ltd. - - - -				

Title	Nationality or place of incorporation	Name	Gender Age	Election (appointment) Date	Term	Initial Election when elected	Shareholdings Now		Hold Number of shares		Spouse, minor children now Shareholdings		Shareholdings in the name of others		Experiences	Currently holds positions in the Company and other companies	Other supervisors or directors with a spouse or relationship within the second degree			Note
							Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
Director	Republic of China, R.O.C. or Taiwan	Chen, Shyan Tser	Male 75 years old	2023.06.12	3	2020.02.25	4,950,000	0.642	4,950,000	0. 642	3,802,000	0.51	—	—	Department of Chemistry, National Tsing Hua Universit	• Director of PPI, DRX USA, PPTW, PBI, Genovior Biotech • Supervisor of DRX Shanghai • Chairman of the Board of GlobalSat WorldCom Corporation • Director of Songhan Technology Co., Ltd. - - - -	None	None	None	None
Director	Samoa	Digital Capital Inc.	—	2023.06.12	3	2020.02.25	290,000,000	37.641	290,000,000	37.641	—	—	—	—	—	—	None	None	None	None
	Republic of China, R.O.C. or Taiwan	Representative: Hsu, Jaan-Pyng	Male 67 years old	2024.01.02	Note 1	2024.01.02	—	—	—	—	2,000	0.000	—	—	• PhD in Chemical Engineering, Massachusetts Institute of Technology, USA • Chairman/President of Savior Lifetec Corporation • VP of RD, ScinoPharm Taiwan • Manager of Pharmaceutical Department of Sinon Corporation • Senior Engineer, Production technology Department of Merck & Co., USA	• CEO of the Company • Director of PBI, PPTW, LYB • Chairman and President of Genovior Biotech • Director of Fujian Genohope Biotech Ltd.				
Director	Cayman Islands	Mai Investment Co., Ltd	—	2023.06.12	3	2023.06.12	40,527,138	5.260	40,527,138	5.260	—	—	—	—	—	—	None	None	None	None
	United States/ Republic of China	Representative: Tsai, Kao-Chung	Male 64 years old	2023.06.12	Note 2	2025.03.13	323,628	0.04	173,250	0.02	—	—	—	—	Vice Chairman of Hung Kuan Electronic Industry Co., Ltd.	Director of Polaris Group				
Independent Director	Republic of China, R.O.C. or Taiwan	Way, Tzong Der	Male 53 years old	2023.06.12	3	2020.02.25	—	—	—	—	—	—	—	—	Ph.D. in Chemistry and Molecular Biology, National Taiwan University	Professor and Dean of the Department of Biotechnology, Academy of Technology, Pharmacy and Food Science, China Medical University	None	None	None	None

Title	Nationality or place of incorporation	Name	Gender Age	Election (appointment) Date	Term	Initial Election when elected	Shareholdings Now		Hold Number of shares		Spouse, minor children now Shareholdings		Shareholdings in the name of others		Experiences	Currently holds positions in the Company and other companies	Other supervisors or directors with a spouse or relationship within the second degree			Note
							Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
Independent Director	Republic of China, R.O.C. or Taiwan	Chao, Ying-Chen	Male 65 years old	2023.06.12	3	2021.08.23	—	—	—	—	—	—	—	—	• Master of Chemical Engineering, National Taiwan University • EMBA, Sun Yat-Sen University • Factory Director, Plant VI, Taiwan Semiconductor Manufacturing Company • President of TSMC Mainland China • General Manager of TSMC Solar Ltd.	• Consultant of Board of Directors • Cheng Yi Investment Company Chairman of the Board	None	None	None	None
Independent Director	Republic of China, R.O.C. or Taiwan	Wen, Kuo-Lan	Female 59 years old	2024.5.3	Note 3	2024.5.3	—	—	—	—	—	—	—	—	• Ph.D., Old Dominion University/Eastern Virginia Medical School, US • Bachelor of Chemistry, NTU • General Manager/Co-founder of MYCENAX Biotech Inc.	• COO/CSO of Genome Frontier Therapeutics TW Co., Ltd.	None	None	None	None

Note 1: The legal representative of Digital Capital Inc., was originally the direstor, Patrick Y. Yang. On January 2, 2024, Digital Capital Inc. reassigned its representative Hsu, Jaan-Pyng, who took effect on January 2, 2024 and served until June 11, 2026.

Note 2: The corporate director representative of Mai Investment Co., Ltd was originally Lin, Wei-Yuan. On March 13, 2025, Digital Capital Inc. reassigned its representative to Tsai, Kao-Chung, effective March 13, 2025, and serving until June 11, 2026.

Note 3: Independent Director Wen, Kuo-Lan assumed office after the by-election of Independent Directors at the 2024 General Meeting of Shareholders, effective May 3, 2025, with a term ending on June 11, 2026.

2. Substantial Corporate Shareholders

March 23, 2025

Name of the Corporate Shareholder	Substantial Corporate Shareholders
Digital Capital Inc.	Chen, Shyan Tser 25%、Chen Chang, Fang Hsin 25%、Chen, Yi Ting 25%、Chen, Yi Chun 25%
Mai Investment Co., Ltd.	Digital Mobile Venture Ltd. 100%

3. Principal shareholders of legal entities whose principal shareholders are legal entities.

Name of the Legal Entity	Substantial Corporate Shareholders
Digital Mobile Venture Ltd. 100%	Chen, Shyan Tser 25%、Chen Chang, Fang Hsin 25%、Chen, Yi Ting 25%、Chen, Yi Chun 25%

4. Directors' Professional Knowledge and Independence

(1) Disclosure of Directors' Professional Qualifications and Independence of Independent Directors

Conditions / Name	Professional Qualifications and Experience	Independence	Number of Other Public Companies Currently Acting as Independent Director
Chen, Hung-Wen	1. Experience in business or corporate business. For professional qualifications and experience, please refer to the main qualifications of directors and supervisors on pages 8~10. 2. None of the circumstances described in Article 30 of the Company Act	Non-independent director.	0
Chen, Shyan Tser	1. Experience in business or corporate business. For professional qualifications and experience, please refer to the main qualifications of directors and supervisors on pages 8~10. 2. None of the circumstances described in Article 30 of the Company Act	Non-independent director.	0
Hsu, Jaan-Pyng	1. Experience in business or corporate business. For professional qualifications and experience, please refer to the main qualifications of directors and supervisors on pages 8~10. 2. None of the circumstances described in Article 30 of the Company Act	Non-independent director.	0
Tsai, Kao-Chung	1. Experience in business or corporate business. For professional qualifications and experience, please refer to the main qualifications of directors and supervisors on pages 8~10. 2. None of the circumstances described in Article 30 of the Company Act	Non-independent director.	0

Conditions / Name	Professional Qualifications and Experience	Independence	Number of Other Public Companies Currently Acting as Independent Director
Way, Tzong Der	1. Member of the Audit Committee who is at least a lecturer from a public or private college or university with a degree in business, law, finance, accounting or a related discipline required for corporate business. For professional qualifications and experience, please refer to the main qualifications of directors and supervisors on pages 8~10. 2. None of the circumstances described in Article 30 of the Company Act	1. No relative within the scope of the Company or its affiliates is a director, supervisor or employee of the Company or its affiliates. 2. None of the Company's shares are held by the individual, his/her spouse, or a relative within the second degree of consanguinity (or in the name of another person). 3. Not a director, supervisor, or employee of the company with which the Company has a specific relationship. 4. No remuneration for business, legal, financial, or accounting services provided by the Company or its affiliates in the last two years.	1
Chao, Ying-Chen	1. Audit Committee Members with experience in business or corporate business. For professional qualifications and experience, please refer to the main qualifications of directors and supervisors on pages 8~10. 2. None of the circumstances described in Article 30 of the Company Act	1. No relative within the scope of the Company or its affiliates is a director, supervisor or employee of the Company or its affiliates. 2. None of the Company's shares are held by the individual, his/her spouse, or a relative within the second degree of consanguinity (or in the name of another person). 3. Not a director, supervisor, or employee of the company with which the Company has a specific relationship. 4. No remuneration for business, legal, financial, or accounting services provided by the Company or its affiliates in the last two years.	0
Wen, Kuo-Lan	1. Audit Committee Members with experience in business or corporate business. For professional qualifications and experience, please refer to the main qualifications of directors and supervisors on pages 8~10. 2. None of the circumstances described in Article 30 of the Company Act	1. No relative within the scope of the Company or its affiliates is a director, supervisor or employee of the Company or its affiliates. 2. None of the Company's shares are held by the individual, his/her spouse, or a relative within the second degree of consanguinity (or in the name of another person). 3. Not a director, supervisor, or employee of the company with which the Company has a specific relationship. 4. No remuneration for business, legal, financial, or accounting services provided by the Company or its affiliates in the last two years.	1

(2) Board Diversity and Independence

A. Board Diversity:

Policy on Diversity of Board Members

In accordance with Article 20, Item 1 of the Company's Code of Corporate Governance Practices, the composition of the Board of Directors of Directors should consider diversity and formulate appropriate diversity policies with respect to its operations, business model and development needs, including but not limited to basic qualifications and values (gender, age, nationality, culture and ethnicity, etc.) and professional knowledge and skills (such as legal, accounting, industrial, financial, marketing or technology, etc.).

Implementation of Policy on Diversity of Board Members, Specific Management Objectives and Achievements

The Company's Board of Directors shall instruct the Company's strategy, supervise the management, and be responsible to the Company and its shareholders. The practices and arrangements of the Company's corporate governance system shall ensure that the Board of Directors of Directors shall exercise its authority in accordance with the law, the provisions of the Articles of Incorporation, or the resolutions of the shareholders' meeting. The Company's directors possess the knowledge, skills, education, and industrial decision-making and management abilities necessary for the execution of their business. The Company continues to arrange diversified training programs for its board members to enhance their decision-making quality and supervisory ability, and to strengthen the functions of the Board of Directors of directors. In addition, the Company also emphasizes gender equality in the composition of the Board of Directors. The Company currently includes one female director, but females do not yet constitute one-third of the directors. In the next election of directors, the Company will consider the diversity of gender ratio as one of the factors in the nomination and selection of directors, actively increasing the number of female director seats to achieve diversity and gender balance in the Board of Directors.

The Company's current Board of Directors consists of seven directors, including three independent directors, three corporate directors and one natural person director, and the abilities of each director based on their academic experience and the relevant implementation are as follows:

Title	Name	Gender	Age	Nationality	Biotechnology industry professional background	Business, finance and accounting experience	Coordinated planning management and leadership experience	National certification of lecturer qualification or professional technology in tertiary institutions
Chairman	Chen, Hung-Wen	Male	60~69	Republic of China, R.O.C. or Taiwan		✓	✓	
Director	Hsu, Jaan-Pyng	Male	60~69	Republic of China, R.O.C. or Taiwan	✓	✓	✓	
Director	Tsai, Kao-Chung	Male	60~69	Republic of China, R.O.C. or Taiwan		✓	✓	
Director	Chen, Shyan Tser	Male	70~79	Republic of China, R.O.C. or Taiwan		✓	✓	
Independent Director	Way, Tzong Der	Male	50~59	Republic of China, R.O.C. or Taiwan	✓		✓	✓
Independent Director	Chao, Ying-Chen	Male	60~69	Republic of China, R.O.C. or Taiwan		✓	✓	
Independent Director	Wen, Kuo-Lan	Female	50~59	Republic of China, R.O.C. or Taiwan	✓	✓	✓	

Note 1: The Company has 1 Director with employee status, accounting for 14.3%

Note 2: There are 3 Independent Directors, accounting for 42.9%, whose tenure doesn't exceed 9 years.

Note 3: There are 2 Directors aged between 50 and 59, 4 aged between 60 and 69 and 1 aged between 70 and 79.

Note 4: There are 3 Directors with Biotechnology Industry Professional Background, accounting for 42.9%.

Note 5: There is 1 Director with professional teaching position and professional certification, accounting for 14.3%

Note 6: There are 6 Directors with a background in business, finance and accounting experience, accounting for 85.7%.

Note 7: There are 6 male Directors and 1 female Director.

B. Independence of the Board of Directors

The Board of Directors of Directors is composed of six directors with professional backgrounds and extensive experience, whose role is to enhance the long-term corporate value of the Company and to protect the interests of shareholders and stakeholders through sound corporate governance, integrity and ethical values. Of the seven Directors, the Directors are nominated by candidates and are selected by the Shareholders' Meeting from a list of candidates for Director (including Independent Director). Of the six Directors, the Directors are nominated by candidates and are selected by the Shareholders' Meeting from a list of candidates for Director (including Independent Director), and the Directors have delegated the authority to establish a Compensation Committee and an Audit Committee to assist the Directors in carrying out their responsibilities.

The Board of Directors of Directors is not subject to the provisions of Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act, and there is no spouse or consanguineous relationship between the Directors.

(II) Information on Directors, Supervisors, President, Vice President, Assistant Directors, Heads of Departments and Branches

March 23, 2025

Title	Nationality	Name	Gender	Election (appointment) date	Shareholdings		Spouse, minor children shareholdings		Shareholdings in the name of others		Experiences	Currently engaged in other company duties	Manager with spouse or second degree of consanguinity			Note
					Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
CEO	Republic of China, R.O.C. or Taiwan	Hsu, Jaan-Pyng	Male	2023.12	—	—	2,000	0.000%	—	—	PhD in Chemical Engineering, Massachusetts Institute of Technology, USA Chairman/President of Savior Lifetec Corporation VP of RD, ScinoPharm Taiwan	Representative of Digital Capital Inc. Director of Fujian Genohope Biotech Ltd.	None	None	None	None
Executive Vice President	United States	John Bomalaski	Male	2007.01	—	—	—	—	—	—	MD, USA St. Louis University Registered Physician in Internal Medicine and Rheumatology, USA Founder of USA Phoenix Pharmacologics	None	None	None	None	None
Chief Financial Officer Corporate Governance Supervisor	Republic of China, R.O.C. or Taiwan	Yi-Ming Kao	Male	2025.03	—	—	—	—	—	—	Master in Finance and Real Estate, London School of Economics and Political Science Bachelor of Finance, National Taiwan University CFA (Chartered Financial Analyst) Director of the Finance Department at AVerMedia Technologies Managing Director of Deqin Capital APWC (Asia Pacific Wire & Cable Ltd.) Chief Financial Officer	None	None	None	None	None
CSO	United States	Chien-Hsing Chang	Male	2023.06	—	—	—	—	—	—	PhD in Chemistry, Johns Hopkins University Vice President of Research and Development at IMMUNOMEDICS	None	None	None	None	None
CISO	Republic of China, R.O.C. or Taiwan	Kevin Wu	Male	2023.12	—	—	—	—	—	—	Master of Law, Soochow University Master/PhD, Institute of Life Sciences, National Tsing Hua University Associate Director, Business Law firm, Deloitte & Touche	None	None	None	None	None
Audit Director	Republic of China, R.O.C. or Taiwan	Yang Wei-yao	Male	2024.10	—	—	—	—	—	—	BS, Department of Accounting, Tunghai University Manager, Risk Advisory, Deloitte & Touche Associate, Audit Services, Deloitte & Touche	None	None	None	None	None
Vice President of Production	United States	Chris Huxsoll	Male	2005.02	—	—	—	—	—	—	Ph.D. in Physiology, University of California, Davis Researcher at Hygienia Biotech, USA California, 15 years of experience in pharmaceutical quality control	None	None	None	None	None
Vice President of Clinical Affairs	United States	Amanda Johnston	Female	2010.10	140,000	0.02%	—	—	—	—	PhD in Pharmacy, University of London, UK Senior investigator and clinical team leader at Agouron Pharmaceuticals, Warner-Lambert and Pfizer	None	None	None	None	None

II. Remuneration for Directors, Supervisors, President and Vice President

(I) Remuneration for Directors, Supervisors, CEO and Vice Presidents for the Most Recent Year (2024)

1. Remuneration for Directors and Independent Directors

Unit: NTD1,000

Title	Name	Director remuneration (Note 1)								Total amount of A, B, C and D and percentage of net income after tax		Relevant remuneration received by directors who are also employees								Ratio of the Sum of Items A, B, C, D, E, F, and G to Net Profit after Tax (%)		Remuneration from Investee companies other than subsidiaries or from the parent company
		Remuneration (A)		Retirement pension (B)		Director's remuneration (C)		Business execution fee (D)				Salaries, bonus, and allowance (E) (Note 2)		Retirement Pension (F)		Employee compensation (G)						
																The Company		All companies reported in the financial statements				
		The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	Cash	Stock	Cash	Stock	The Company	All companies reported in the financial statements	
Chairman	Chen, Hung-Wen	3,600	3,600	—	—	—	—	60	60	3,660 (0.14)	3,660 (0.14)	—	—	—	—	—	—	—	—	3,660 (0.14)	3,660 (0.14)	None
Director	Digital Capital Inc. Representative: Hsu, Jaan-Pyng (Note 3)	325	325	—	—	—	—	55	55	380 (0.01)	380 (0.01)	3,969	9,087	—	—	—	—	—	—	4,349 (0.17)	9,467 (0.37)	None
Director	Mai Investment Co., Ltd. Representative: Wayne Lin	1,200	1,200	—	—	—	—	5	5	1,205 (0.05)	1,205 (0.05)	—	—	—	—	—	—	—	—	1,205 (0.05)	1,205 (0.05)	None
	Tsai, Kao-Chung (Note 1)	371	371	—	—	—	—	5	5	376 (0.01)	376 (0.01)	—	—	—	—	—	—	—	—	376 (0.01)	376 (0.01)	
Director	Chen, Shyan Tser	1,200	1,200	—	—	—	—	60	60	1,260 (0.05)	1,260 (0.05)	—	—	—	—	—	—	—	—	1,260 (0.05)	1,260 (0.05)	None
Independent Director	Way, Tzong Der	1,500	1,500	—	—	—	—	50	50	1,550 (0.06)	1,550 (0.06)	—	—	—	—	—	—	—	—	1,550 (0.06)	1,550 (0.06)	None
Independent Director	Chao, Ying-Chen	1,500	1,500	—	—	—	—	55	55	1,555 (0.06)	1,555 (0.06)	—	—	—	—	—	—	—	—	1,555 (0.06)	1,555 (0.06)	None
Independent Director	Wen, Kuo-Lan	494	494	—	—	—	—	30	30	524 (0.02)	524 (0.02)	—	—	—	—	—	—	—	—	524 (0.02)	524 (0.02)	None

1. Please explain the payment policies, systems, standards, and structures for remuneration of Independent Directors and explain the connection between factors (such as duties, risks, and time invested) and the amount of remuneration paid: According to the Articles of Incorporation of the Company, the remuneration of directors shall be submitted to the Board of Directors for resolution after being agreed by the Remuneration Committee based on the value of their participation and contribution to the operation of the Company with reference to the common standards within the industry. The Company shall set a different salary and compensation for the Independent Director than the average Director. In addition, in accordance with the rules on the scope of duties of the independent directors of the Company, the remuneration of the independent directors of the Company shall be fixed in the Articles of Incorporation of the Company or in accordance with the resolution of the shareholders' meeting, and may be subject to reasonable remuneration different from that of ordinary directors. The Company currently pays the Independent Director a monthly compensation of NTD100,000 and NTD5,000 for travel expenses for each Director meeting, taking into account domestic and international industry standards.
2. In addition to the above table, the remuneration received by the Company's Director for services rendered to all companies reported in the financial statements (such as serving as a consultant to non-employees) in the most recent year: None

Note 1: The corporate director representative of Mai Investment Co., Ltd was originally Lin, Wei-Yuan. On March 13, 2025, Digital Capital Inc. reassigned its representative to Tsai, Kao-Chung, effective March 13, 2025, and serving until June 11, 2026.

Note 2: The total amount of remuneration not actually received by directors and employees shall include the amount of expenses recognized by IFRS 2 -- Share-based Payment for stock warrants granted by the Company to employees in accordance with the standards for annual returns recorded by the Company.

Remuneration Table

Pay each Director remuneration level of The Company	Name of Director			
	First four remuneration totals (A+B+C+D)		First seven remuneration totals (A+B+C+D+E+F+G) (Note 1)	
	The Company	All companies reported in the financial statements H	The Company	All companies reported in the financial statements I
Less than NTD1,000,000	Chen, Hung-Wen, Chen, Shyan Tser, Wayne Lin, Way, Tzong Der, Chao, Ying-Cheng, Tai, Jang Huei, Patrick Y. Yang	Chen, Hung-Wen, Chen, Shyan Tser, Wayne Lin, Way, Tzong Der, Chao, Ying-Cheng, Tai, Jang Huei, Patrick Y. Yang	Chen, Shyan Tser, Wayne Lin, Way, Tzong Der, Chao, Ying-Cheng, Tai, Jang Huei, Patrick Y. Yang	Chen, Shyan Tser, Wayne Lin, Way, Tzong Der, Chao, Ying-Cheng, Tai, Jang Huei, Patrick Y. Yang
NTD1,000,000 (inclusive) to NTD2,000,000 (exclusive)	—	—	—	—
NTD2,000,000 (inclusive) to NTD3,500,000 (exclusive)	—	—	—	—
NTD3,500,000 (inclusive) to NTD5,000,000 (exclusive)	—	—	Chen, Hung-Wen	Chen, Hung-Wen
NTD5,000,000 (inclusive) to NTD10,000,000 (exclusive)	—	—	—	—
NTD10,000,000 (inclusive) to NTD15,000,000 (exclusive)	—	—	—	—
NTD15,000,000 (inclusive) to NTD30,000,000 (exclusive)	—	—	—	—
NTD30,000,000 (inclusive) to NTD50,000,000 (exclusive)	—	—	—	—
NTD50,000,000 (inclusive) to NTD100,000,000 (exclusive)	—	—	—	—
More than NTD100,000,000	—	—	—	—
Total	7 people	7 people	7 people	7 people

Note 1: The corporate director representative of Mai Investment Co., Ltd was originally Lin, Wei-Yuan. On March 13, 2025, Digital Capital Inc. reassigned its representative to Tsai, Kao-Chung, effective March 13, 2025, and serving until June 11, 2026.

2. Supervisor's Remuneration

The Audit Committee was established within the Company, so it's not applicable.

3. Remuneration for the President and Vice President

Unit: NTD1,000

Title	Name	Compensation (A)		Retirement pension (B)		Bonuses and special expenses, etc. (C)		Employee Compensation Amount (D)				Total amount of A, B, C and D and percentage of net income after tax (%)		Remuneration from investee companies other than subsidiaries or from the parent company
								The Company		All companies reported in the financial statements				
		The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	Cash	Stock	Cash	Stock	The Company	All companies reported in the financial statements	
CEO	Hsu, Jaan-Pyng	325	325	—	—	—	—	—	—	—	—	325 (0.02)	130 (0.02)	—
Executive Vice President	John Bomalaski	—	9,300	—	—	—	3,954	—	—	—	—	—	13,254 (0.83)	—
COO	You, Huei-Yuan (Note 2)	5,800	5,800	108	108	6,237	6,237	—	—	—	—	12,145 (0.76)	12,145 (0.76)	—
CSO	Chien-Hsing Chang	—	6,000	—	—	—	4,041	—	—	—	—	—	10,041 (0.63)	
Chief Financial Officer/Corporate Governance Supervisor	Kay Huang (Note 3)	1,430	2,790	45	45	1,704	4,089	—	—	—	—	3,179 (0.20)	6,924 (0.43)	—
Chief Financial Officer/Corporate Governance Supervisor	Rui-Bin Wu (Note 4)													
Chief Financial Officer/Corporate Governance Supervisor	Yan, Feng-Kui (Note 5)													

Title	Name	Compensation (A)		Retirement pension (B)		Bonuses and special expenses, etc. (C)		Employee Compensation Amount (D)				Total amount of A, B, C and D and percentage of net income after tax (%)		Remuneration from investee companies other than subsidiaries or from the parent company
		The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	The Company		All companies reported in the financial statements		The Company	All companies reported in the financial statements	
								Cash	Stock	Cash	Stock			
Chief Financial Officer/Corporate Governance Supervisor	Yi-Ming Kao													
CISO	Kevin Wu	367	367	18	18	15	15	—	—	—	—	400 (0.03)	400 (0.03)	—
Vice President of Production	Chris Huxsoll	—	6,900	—	—	—	3,081	—	—	—	—	—	9,981 (0.63)	—
Vice President of Clinical Affairs	Amanda Johnston	—	9,504	—	—	—	2,991	—	—	—	—	—	12.495 (0.78)	—
Vice President of Research and Development	Richard Showalter (Note 6)	—	6,637	—	—	—	2,921	—	—	—	—	—	9,558 (0.60)	—

Note 1: The actual total amount of bonuses and special payments received by the managers was zero. However, the amount of bonuses and special payments was calculated in accordance with the Guidelines Governing the Recordation of Financial Reports by Public Companies, plus the amount of fees recognized on the basis of IFRS 2 for employee stock options.

Note 2: The Company canceled the position of COO on July 23, 2024, and Mr. You, Huei-Yuan stepped down.

Note 3: Ms. Kay Huang stepped down as Chief Financial Officer, Corporate Governance Supervisor on June 25, 2024, and was replaced by Mr. Wu, Jui-Pin.

Note 4: Mr. Wu, Jui-Pin stepped down as Chief Financial Officer, Corporate Governance Supervisor on September 20, 2024, and was replaced by Mr. Yen, Fong-Kuei.

Note 5: Mr. Yen, Fong-Kuei stepped down as Chief Financial Officer, Corporate Governance Supervisor on September 20, 2024, and was replaced by Mr. Yi-Ming Kao.

Note 6: Richard Showalter (Note 6) stepped down as Vice President of Research and Development on January 16, 2024.

4. Remuneration of the Top 5 Executives of TWSE/TPEx-listed Companies

Unit: NTD1,000

Title	Name	Compensation (A)		Retirement pension (B)		Bonuses and special expenses, etc. (C)		Employee Compensation Amount (D)				Total amount of A, B, C and D and percentage of net income after tax (%)		Remuneration from investee companies other than subsidiaries or from the parent company
								The Company		All companies reported in the financial statements				
		The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	The Company	All companies reported in the financial statements	Cash	Stock	Cash	Stock	The Company	All companies reported in the financial statements	
Executive Vice President	John Bomalaski	—	9,300	—	—	—	3,954	—	—	—	—	—	13,254 (0.83)	—
COO	You, Huei-Yuan (Note 2)	5,800	5,800	108	108	6,237	6,237	—	—	—	—	12,145 (0.76)	12,145 (0.76)	—
CSO	Chien-Hsing Chang	—	6,000	—	—	—	4,041	—	—	—	—	—	10,041 (0.63)	
Vice President of Production	Chris Huxsoll	—	6,900	—	—	—	3,081	—	—	—	—	—	9,981 (0.63)	—
Vice President of Clinical Affairs	Amanda Johnston	—	9,504	—	—	—	2,991	—	—	—	—	—	12.495 (0.78)	—

Note 1: The actual total amount of bonuses and special payments received by the managers was zero. However, the amount of bonuses and special payments was calculated in accordance with the Guidelines Governing the Recordation of Financial Reports by Public Companies, plus the amount of fees recognized on the basis of IFRS 2 for employee stock options.

Note 2: The Company canceled the position of COO on July 23, 2024, and Mr. You, Huei-Yuan stepped down.

5. Name of the Manager Who Distributed Employee Compensation and the Distribution: The Company Did Not Distribute Employee Compensation.

(II) Provide a comparative analysis of the total compensation paid to The Company's directors, supervisors, general managers and vice presidents as a percentage of net income after tax for the most recent two years for The Company and all consolidated companies, and describe the policies, criteria and mix of compensation payments, the procedures for determining compensation, and the relationship to operating results and future risks.

1. An analysis of the total compensation paid to the Company's directors, presidents and vice presidents as a percentage of net income after income taxes for individual or separate financial statements of the Company and all consolidated reporting companies

Items	2023		2024	
	Total remuneration as a percentage of net income after tax (%)		Total remuneration as a percentage of net income after tax (%)	
	The Company	All companies in the consolidated report	The Company	All companies in the consolidated report
Director	(0.52)	(0.52)	(0.56)	(0.76)
President and Vice President	(1.24)	(5.06)	(1.01)	(4.71)

Note: The total amount of remuneration not actually received by the Director and the Manager includes the amount of fees recognized in accordance with the IFRS 2 share-based payment to employees for stock options granted by the Company, as regulated by the Guidelines on Recordable Events in Public Company Annual Reports.

2. Policies, standards and composition of compensation payments, procedures for determining compensation, and correlation with operating performance and future risks

The Company has a Compensation Committee that sets and regularly reviews the annual and long-term performance evaluation and compensation of the Directors and the Managers. The Company has a Compensation Committee that sets and regularly reviews the policies, systems, standards and structures for the annual and long-term performance evaluation and compensation of directors and managers, and the source of director compensation is based on Article 117 of the Company's Articles of Incorporation regarding the distribution of earnings. In addition, the Company has established a remuneration plan for Directors, which specifies the salaries of Independent Directors and the travel expenses for Directors to attend Directors' meetings. As for the remuneration of the President and Vice President, it is considered in accordance with the approved principles of the Company's ranking, and the bonus payment is appropriately adjusted considering the operating performance and future risks.

III. Corporate Governance

(I) Information on the Operation of the Director's Meeting

As of the printing date of the annual report for fiscal year 2024 to 2025, the Board of Directors meeting was held 16 times (A), and the Director attended the meeting as follows:

Title	Name	Actual number of attendance (B)	Attendance by proxy	Actual attendance (attendance) rate (%) [B/A]	Note
Chairman	Chen, Hung-Wen	16	0	100%	
Chairman	Chen, Hung-Wen	16	0	100%	
Director	Chen, Shyan Tser	16	0	100%	
Director	Digital Capital Inc. Representative: Hsu, Jaan-Pyng	16	0	100%	
Director	Mai Investment Co., Ltd Representative: Wayne Lin	11	0	78.6%	Note 1
Director	Mai Investment Co., Ltd Representative: Tsai, Kao-Chung	2	0	100%	Note 1
Independent Director	Wen, Kuo-Lan	11	0	91.7%	Note 2
Independent Director	Way, Tzong Der	16	0	100%	
Independent Director	Chao, Ying-Chen	16	0	100%	

Note: The general election of directors was held at the shareholders' meeting on June 12, 2023.

(1) Reappointed, Tsai, Kao-Chung was reassigned on March 13, 2025. Wayne Lin should attend 14 times and Hsu, Jaan-Pyng should attend 2 times.

(2) New entrants should attend 12 times.

Other matters to be noted:

1. If the operation of the Director meeting is one of the following, the date of the Director meeting, the period, the content of the motion, all Independent Director's opinions and the Company's handling of Independent Director's opinions shall be described.

(1) Matters set forth in Article 14-3 of the Securities and Exchange Act:

Date/Term	Motions	All Independent Director's comments and the Company's handling of Independent Director's comments
2024/01/19 (The first time in 2024)	1. Proposal of Subsidiary Polaris Biopharmaceuticals, Inc.'s Intention to Purchase Zhunan Plant. 2. Proposal of Subsidiary Polaris Biopharmaceuticals, Inc.'s Intention to Purchase Zhunan Plant. 3. Release the Ban on Directors from Participating in Competitive Business.	All Independent Director approved

2024/02/20 (The second time in 2024)	1. Proposal of Cash Increase to Subsidiary Polaris Biopharmaceuticals, Inc.	All Independent Director approved
2024/03/12 (The third time in 2024)	1. Amendments to the Company's Rules of Procedures of the Board of Directors 2. Proposal to Change CPAs Handling Financial Report in Response to the Internal Shift of PwC Taiwan	All Independent Director approved
2024/04/26 (The fourth time in 2024)	1. Proposal of Loan Extension for Subsidiary's PPI Fund Lending to Australian Subsidiary 2. The Company's application for a transaction limit with Citibank Taiwan 3. Proposal of DRX (Chengdu)'s application for bank financing limit 4. Funding loaned to Subsidiary DRX Chengdu 5. Funding loaned to Subsidiary Polaris Biopharmaceuticals, Inc. 6. Funding loaned to Subsidiary Genovior Biotech. 7. Amend the operational regulations related to financial transactions between related parties. 8. Capital increase for subsidiary TDW HK Limited.	All Independent Director approved
2024/05/14 (The fifth time in 2024)	1. Proposal of Adjustment of Approval Authority between the Parent Company and Subsidiaries in the Group	All Independent Director approved
2024/06/25 (The sixth time in 2024)	1. The Company's Employee Stock Warrant Issuing List for The Year 2024 Case 2. Funding loaned to Subsidiary DRX Chengdu 3. Funding loaned to Subsidiary Polaris Biopharmaceuticals, Inc. 4. Proposal of changing CFO	All Independent Director approved
2024/07/23 (The seventh time in 2024)	1. The Company and its subsidiary, DesigneRx Pharmaceuticals (Chengdu) Inc., plan to apply for a transaction limit with Citibank. 2. Supplementary Amendment for the Merger of Subsidiary Polaris Biopharmaceuticals, Inc. and Sub-subsidiary Genovior Biotech.	All Independent Director approved
2024/08/22 (The eighth time in 2024)	1. Accounting Supervisor Ratification Case 2. Proposal for the 2024 Q2 Consolidated Financial Statements. 3. Handle the case of issuing new shares for a cash capital increase in The year 2024. 4. The investment plan of the subsidiary DesigneRx Pharmaceuticals (Chengdu) Inc. in a peptide intermediate production base. 5. Independence Evaluation and Compensation of the Company's CPA.	All Independent Director approved
2024/09/20 (The ninth time in 2024)	1. Proposal of changing financial supervisor and accounting supervisor	All Independent Director approved
2024/10/29 (The tenth time in 2024)	1. Amend the case of issuing new shares for a cash capital increase in The year 2024. 2. The Company's Allocation Plan for the Issuance of New Shares in a Cash Capital Increase for Employees in The Year 2024. 3. The appointment of the Head of Audit of the Company. 4. Propose capital increase for USA subsidiary DRX USA. 5. Proposal of Adjustment of Approval Authority between the Parent Company and Subsidiaries in the Group	The Proposal of Adjustment of Approval Authority between the Parent Company and Subsidiaries in the Group was postponed for discussion, and all remaining motions were approved as per the proposal by all Independent Directors.
2024/11/11 (The eleventh time in 2024)	1. Proposal for the 2024 Q3 Consolidated Financial Statements.	All Independent Director approved

2024/12/24 (The twelfth time in 2024)	1. Proposal of Cash Increase to Subsidiary Genovior Biotech. 2. Proposal for capital increase for subsidiary TDW HK Limited.	All Independent Director approved
2025/01/23 (The first time in 2025)	1. The subsidiary, Northern Biopharmaceutical Co., Ltd. (Fujian), is planning a financing case with Digital Mobile Venture Ltd. 2. The cash capital increase plan for the funding loaned to the subsidiary DesigneRx Pharmaceuticals (Chengdu) Inc. by The Company.	All Independent Director approved
2025/02/20 (The second time in 2025)	1. Proposal for capital increase for subsidiary TDW HK Limited. 2. The Company proposes to serve as a joint guarantor for a NTD 15 million bank loan under the Subsidiary Genovior Biotech Corporation.	All Independent Director approved
2024/3/17 (The third time in 2025)	1. Proposal of changing financial supervisor and accounting supervisor 2. Proposal of changing Corporate Governance Supervisor	All Independent Director approved
2025/3/24 (The fourth time in 2025)	None	None

(2) In addition to the preceding items, other matters resolved by the Independent Director's meeting in which the Director opposes or reserves his or her opinion and has a record or written statement: None.

2. The Director shall state the name of the Director, the content of the motion, the reasons for recusal, and the circumstances of participation in the vote.

The date of Board Meeting	Motions	Director recusal and reasons for interest recusal	Voting participation
2025/1/23	The subsidiary, Northern Biopharmaceutical Co., Ltd. (Fujian), is planning a financing case with Digital Mobile Venture Ltd.	Director Chen, Shyan Tser has a personal interest in the case.	Director Chen, Shyan Tser recused himself from this board meeting due to his personal interest involved in the discussion of the motion; The case was approved by the other Directors present.

3. Implementation of Self (or peer) Evaluation:

Implementation of the Board of Directors's evaluation

Evaluation Period	Executed once a year
Evaluation Period	January 1, 2024 to December 31, 2024
Scope of Evaluation	Board of Directors, individual Directors and functional committees
Evaluation Method	Internal self-evaluation by Board of Directors, self-evaluation by board members
Evaluation Contents	1. Board of Directors performance evaluation: Participation in the operation of the company, improvement of the quality of Board of Directors' decisions, composition and structure of the Board of Directors of Directors, selection and continuing education of Directors, internal control.

	2. Performance evaluation of individual Director members: Mastery of company goals and tasks, knowledge of Director's responsibilities, participation in company operations, internal relationship management and communication, Director's professionalism and continuing education, and internal control. 3. Functional committee performance evaluation: Involvement in company operations, awareness of functional committee responsibilities, improvement of functional committee decision quality, composition and selection of functional committee members, internal control
Evaluation Result	1. Board of Directors performance evaluation: Excellent 2. Performance evaluation of individual Director members: Excellent 3. Performance evaluation of functional committees: Excellent The Board of Directors of Directors' self-assessment and the Director members' self-assessment overall results are excellent, and on March 17, 2025, the Board of Directors of Directors reported the internal self-assessment results for the year 202IV.

4. Assessment of the current and most recent Board of Directors' objectives (eg, establishment of an audit committee, enhancement of information transparency, etc.) and their implementation

(1) Objectives of the Board of Directors of Directors

To implement corporate governance, improve supervision functions and strengthen management functions, the Company shall, in accordance with Article 14-4 of the Securities Exchange Act, form an Audit Committee composed of all independent directors to strengthen the functions of the Board of Directors of directors. The Company regularly arranges for directors to participate in professional development courses so that directors can maintain their core values and professional advantages and capabilities.

(2) Performance Evaluation

The Company has established an Audit Committee and a Compensation Committee to assist the Board of Directors in carrying out its duties. The Company will post important resolutions on the MOPS in real time after the Board of Directors meeting after the listing of the Company to protect shareholders' rights and interests. The Company has designated dedicated personnel to be responsible for the collection and disclosure of corporate information, and established a spokesman system to ensure that all major information is disclosed in a timely manner for shareholders and interested parties to refer to the Company's financial information.

(II) Information on the Operation of the Audit Committee

The Audit Committee met 15 times (A) from 2024 to 2025 as of the printing date of the annual report, and the Independent Directors attended the meetings as follows:

Title	Name	Actual number of attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Note
Independent Director	Way, Tzong Der	15	0	100%	
Independent Director	Wen, Kuo-Lan	10	0	90.9%	Note 1
Independent Director	Chao, Ying-Chen	15	0	100%	

Note: The general election of directors was held at the shareholders' meeting on June 12, 2023.
(1) New entrants should attend 11 times.

Other matters to be noted:

I. If the Audit Committee operates in one of the following circumstances, it should state the date, period, content of the motion, results of the Audit Committee's resolution, and the Company's handling of the Audit Committee's opinion.

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

Audit Committee date /term	Motions	Results of Audit Committee resolutions and the Company's handling of Audit Committee Opinions
2024/01/19 (The first time in 2024)	1. Proposal of Subsidiary Polaris Biopharmaceuticals, Inc.'s Intention to Purchase Zhunan Plant. 2. Proposal of Cash Increase to Subsidiary Genovior Biotech. 3. Release the Ban on Directors from Participating in Competitive Business.	Approved by the Audit Committee as written
2024/02/20 (The second time in 2024)	1. Proposal of Cash Increase to Subsidiary Polaris Biopharmaceuticals, Inc.	Approved by the Audit Committee as written
2024/03/12 (The third time in 2024)	1. Adoption of "Statement on Internal Control System" for year 2023 proposal 2. The recognition of the 2023 Annual Report of Operations and Financial Statements 3. Proposal of 2023 Deficit Compensation 4. Amendments to the Company's Rules of Procedures of the Board of Directors 5. Proposal to Change CPAs Handling Financial Report in Response to the Internal Shift of PwC Taiwan	Approved by the Audit Committee as written
2024/04/26 (The fourth time in 2024)	1. Bank financing of Subsidiary Polaris Biopharmaceuticals, Inc. 2. The Company's application for a transaction limit with Citibank Taiwan 3. Proposal of DRX (Chengdu)'s application for bank financing limit 4. Funding loaned to Subsidiary DRX Chengdu 5. Funding loaned to Subsidiary Polaris Biopharmaceuticals, Inc. 6. Funding loaned to Subsidiary Genovior Biotech.	Approved by the Audit Committee as written

	7. Amend the operational regulations related to financial transactions between related parties. 8. Capital increase for subsidiary TDW HK Limited.	
2024/05/14 (The fifth time in 2024)	1. Proposal for the 2024 Q1 Consolidated Financial Statements. 2. Proposal of Adjustment of Approval Authority between the Parent Company and Subsidiaries in the Group	Approved by the Audit Committee as written
2024/06/25 (The sixth time in 2024)	1. The Company's Employee Stock Warrant Issuing List for The Year 2024 Case 2. Proposal of DRX (Chengdu)'s application for bank financing limit, funding loaned to AAA Company 3. Funding loaned to Subsidiary Polaris Biopharmaceuticals, Inc. 4. Merger of Subsidiary Polaris Biopharmaceuticals, Inc. and Sub-subsidiary Genovior Biotech. 5. Proposal of Cash Increase by Subsidiary Polaris Biopharmaceuticals, Inc. to Genovior Biotech. 6. Proposal of Adjustment of Approval Authority between the Parent Company and Subsidiaries in the Group 7. Proposal of changing CFO 8. Proposal of changing Corporate Governance Supervisor	Approved by the Audit Committee as written
2024/07/23 (The seventh time in 2024)	1. The Company and its subsidiary, DesigneRx Pharmaceuticals (Chengdu) Inc., plan to apply for a transaction limit with Citibank. 2. Supplementary Amendment for the Merger of Subsidiary Polaris Biopharmaceuticals, Inc. and Sub-subsidiary Genovior Biotech.	Approved by the Audit Committee as written
2024/08/22 (The eighth time in 2024)	1. Accounting Supervisor Ratification Case 2. Proposal for the 2024 Q2 Consolidated Financial Statements. 3. Handle the case of issuing new shares for a cash capital increase in The year 2024. 4. The investment plan of the subsidiary DesigneRx Pharmaceuticals (Chengdu) Inc. in a peptide intermediate production base. 5. Independence Evaluation and Compensation of the Company's CPA.	Approved by the Audit Committee as written
2024/09/20 (The ninth time in 2024)	1. Proposal of changing financial supervisor and accounting supervisor	Approved by the Audit Committee as written
2024/10/29 (The tenth time in 2024)	1. Amend the case of issuing new shares for a cash capital increase in The year 2024. 2. The Company's Allocation Plan for the Issuance of New Shares in a Cash Capital Increase for Employees in The Year 2024. 3. The appointment of the Head of Audit of the Company. 4. Propose capital increase for USA subsidiary DRX USA. 5. Proposal of Adjustment of Approval Authority between the Parent Company and Subsidiaries in the Group	Approved by the Audit Committee as written
2024/11/11 (The eleventh time in 2024)	1. Proposal for the 2024 Q3 Consolidated Financial Statements.	Approved by the Audit Committee as written

2024/12/24 (The twelfth time in 2024)	1. Proposal of Cash Increase to Subsidiary Genovior Biotech. 2. Proposal for capital increase for subsidiary TDW HK Limited.	Approved by the Audit Committee as written
2025/01/23 (The first time in 2025)	1. The subsidiary, Northern Biopharmaceutical Co., Ltd. (Fujian), is planning a financing case with Digital Mobile Venture Ltd. 2. The cash capital increase plan for the funding loaned to the subsidiary DesigneRx Pharmaceuticals (Chengdu) Inc. by The Company.	Approved by the Audit Committee as written
2025/02/20 (The second time in 2025)	1. Proposal for capital increase for subsidiary TDW HK Limited. 2. The Company proposes to serve as a joint guarantor for a NTD 15 million bank loan under the Subsidiary Genovior Biotech Corporation. 3. Plan to handle the case of issuing new shares for a cash capital increase in the year 2025. 4. Case of Issuing Employee Stock Option Certificates	Approved by the Audit Committee as written
2024/3/17 (The third time in 2025)	1. Proposal of changing financial supervisor and accounting supervisor 2. Proposal of changing Corporate Governance Supervisor 3. Adoption of "Statement on Internal Control System" for year 2024 proposal 4. Proposal of 2024 Business Report and Consolidated Financial Statements 5. Proposal of 2024 Deficit Compensation	Approved by the Audit Committee as written

(II) Except for the preceding matters, other matters not approved by the Audit Committee and approved by two-thirds or more of all Directors: None.

II. Where the Independent Director recuses from the implementation of the interest motion, the Independent Director's name, the content of the motion, the reasons for the recusal, and the participation in voting shall be stated:

Date	Motions	Director recusal and reasons for interest recusal	Voting participation
None	None	None	None

III. Communication between the Independent Director and the internal auditor and the accountant (including the major issues, methods and results of communication regarding the Company's financial and business status).

(I) The Internal Audit Supervisor of the Company regularly communicates with the members of the Audit Committee about the results of the audit report and the status of tracking the implementation of the report. In case of any special circumstances, the Internal Audit Supervisor shall immediately inform the members of the Audit Committee. This is not the case in the year 2024; The Company's Audit Committee is in good communication with the head of internal audit.

(II) CPAs of the Company regularly participates in the Audit Committee and communicates with the Audit Committee on matters related to the examination or review of financial statements. According to the provisions of external laws, CPAs should immediately report the significant matters found to the members of the Audit Committee. The Company's Audit Committee is in good communication with CPAs.

(III) The operation of corporate governance and the differences between it and the code of practice on governance of TWSE/TPEx-listed companies and the reasons thereof

Assessment items	Operations			Differences from the Code of Corporate Governance Practices of TWSE/TPEx-listed companies and the reasons for such differences
	Yes	No	Abstract	
1. Has the company formulated and disclosed the Code of Corporate Governance Practices in accordance with the "Code of Corporate Governance Practices for TWSE/TPEx-listed Companies"?	✓		The Company has established a "Code of Practice on Corporate Governance" adopted by the Board of Directors of Directors and disclosed on the Company's website, and all governance practices will be operated in accordance with the Code of Practice on Corporate Governance.	No significant difference.
2. Shareholding structure and shareholders' rights				
(1) Has the Company established internal procedures to deal with shareholders' proposals, questions, disputes and litigation matters, and implemented them in accordance with the procedures?	✓		(1) In addition to the protection of shareholders' rights and interests as stipulated in the Company's Articles of Incorporation and internal rules, the Company has set up a dedicated unit to handle matters relating to the Company's relations with investors, in order to properly handle shareholders' proposals, doubts and disputes.	No significant difference.
(2) Does the Company have a list of the major shareholders and the ultimate controllers of the major shareholders who actually control the Company?	✓		(2) The Company has a dedicated person and appointed a shareholder affairs organization to handle and report on the Company's affairs, which is disclosed on the public information website. The Company also keeps track of the shareholdings of directors, managers and shareholders holding more than 10% of the shares, and requests the assistance of a stock agency to provide an updated register of major shareholders.	No significant difference.
(3) Has the Company established and implemented a risk control and firewall mechanism with its affiliates?	✓		(3) The Company has established the "Regulations Governing Related Parties' Transactions", "Regulations Governing the Supervision of Subsidiaries", "Regulations Governing the Lending of Funds to Others" and "Procedures for Endorsement and Guarantee" to prevent the occurrence of financial malpractice that may have a knock-on effect on related companies.	No significant difference.
(4) Has the Company established internal regulations to prohibit insiders from trading marketable securities using undisclosed information?	✓		(4) The Company has established the "Regulations Governing the Processing of Internal Important Information and the Prevention of Insider Trading" and has informed its employees, managers and directors of the regulations to reduce the risk of insider trading.	No significant difference.
3. Compositionand Responsibilities of the Board of Directors of Directors				
(1) Has the Board of Directors of Directors established a diversity policy, specific management objectives and implemented them?	✓		(1) The composition of the directors of the Company considers diversity, except that the directors who are also managers of the Company should not be more than one third of the directors, and the Company has formulated an appropriate diversity policy for the operation, business type and development needs of the Company. The directors and independent directors of the Company have experience in biotechnology, financial accounting, business management and industry. The Board of Directors of Directors is diversely composed of with excellent competencies. <u>Implementation of diversity of Board directors in 2024:</u> The Company has 7 directors, 2 of whom are aged between 50 and 59, 4 of whom are aged between 60 and 69 and 1 of whom is aged between 70 and 79.	No significant difference.

Assessment items	Operations			Differences from the Code of Corporate Governance Practices of TWSE/TPEx-listed companies and the reasons for such differences
	Yes	No	Abstract	
			There is one director with employee status, accounting for 14.3%; Three independent directors accounted for 42.9%, and the tenure of independent directors did not exceed 9 years; There is one female member. The diversity of its membership is shown in the following aspects: (1) Biotechnology industry background: Directors Hsu, Jaan-Pyng, Way, Tzong Der, Wen, Kuo-Lan; (2) Working experience in business and accounting&financing: Directors Chen, Hung-Wen, Hsu, Jaan-Pyng, Wayne Lin, Chen, Shyan Tser, Chao, Ying-Cheng, Directors Chen, Hung-Wen, Hsu, Jaan-Pyng, Wayne Lin, Chen, Shyan Tser, Chao, Ying-Chen, Wen, Kuo-Lan; (3) Working experience in planning management and leadership: Directors Chen, Hung-Wen, Hsu, Jaan-Pyng, Wayne Lin, Chen, Shyan Tser, Way, Tzong Der, Chao, Ying-Chen, Wen, Kuo-Lan; (4) Lecturer or professional qualification certificate from a college or university: Lecturer or professional qualification certificate from a college or university: Director Way, Tzong Der For details on Board diversity, please refer to page 14 of this annual report.	
(2) Does the Company voluntarily establish various functional committees other than the Compensation Committee and Audit Committee in accordance with the law?	✓		(2) The Company has not established any functional committees other than the Salary and Compensation and Audit Committees in accordance with the law, and will establish other functional committees in the future in accordance with the law and actual needs.	Establish according to future demand.
(3) Has the Company established the Board of Directors of Directors' performance evaluation method and its evaluation method, and conducts performance evaluation annually and regularly, and submits the results of performance evaluation to the Board of Directors of Directors and uses them as reference for individual Director's salary and compensation and nomination for reappointment?	✓		(3) In order to implement corporate governance, improve the functions of the Board of Directors of Directors of the Company, and establish performance targets to enhance the operation efficiency of the Board of Directors of Directors, the Company has formulated the "Regulations Governing the Board of Directors Performance Evaluation" and has conducted performance evaluation regularly in accordance with the provisions. The internal performance evaluation of the Board of Directors of Directors in 2024 has been submitted to the Board of Directors of Directors on March 17, 2025.	No significant difference.
(4) Does the Company regularly evaluate the independence of the certified public accountants?	✓		(4) The Audit Committee of the Company regularly evaluates the independence and suitability of the accountants annually and reports the evaluation results to the Board of Directors of Directors. On August 22, 2024, the Board of Directors of Directors and Audit Committee evaluated the independence and competence of the certified public accountant: 1. Accountant's declaration of independence. 2. Audit and non-audit services provided by accountants are subject to prior approval by the Audit Committee to ensure that non-audit services do not affect the audit results.	No significant difference.

<table>
<tr><th rowspan="2">Assessment items</th><th colspan="3">Operations</th><th rowspan="2">Differences from the Code of Corporate Governance Practices of TWSE/TPEx-listed companies and the reasons for such differences</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td>4. Does the TWSE-TPXs-listed company have a suitable and appropriate number of corporate governance personnel and designate a corporate governance officer to be responsible for corporate governance-related matters? (including but not limited to providing information necessary for Directors and supervisors to carry out their business, assisting Directors and supervisors to comply with laws and regulations, handling matters related to Board of Directors and Shareholders' Meetings in accordance with the law, preparing The Company has established the Board of Directors of Directors and Shareholders' Meeting minutes.)</td><td>✓</td><td></td><td>(1) According to the laws and regulations, on November 11, 2022, the Board of Directors of Directors of the Company approved the appointment of a corporate governance supervisor, who is concurrently appointed by the chief financial officer with more than 3 years of financial experience of the Company.
(2) Main responsibilities of corporate governance personnel: Handle matters related to the meetings of the Board of Directors of Directors and the shareholders' meeting according to law, prepare the minutes of the Board of Directors of Directors and the shareholders' meeting, assist the directors in their appointment and continuing education, provide the directors with the information necessary for the performance of their business, assist the directors in complying with laws and regulations, report to the Board of Directors of Directors the results of their inspection on whether the qualifications of independent directors in the nomination, election and during the term of office comply with the relevant laws and regulations, arrange the director's training courses and director change, etc.
(3) In the year 2024, the Corporate Governance Supervisor is newly appointed and has not yet completed 18 hours of coursework, but will continue to undertake 12 hours of training within the year.
<table>
<tr><th>Date</th><th>Course Name</th><th>Hours</th></tr>
<tr><td>2024/10/30</td><td>Discussion on Audit Practices for Annual Operation Plan and Budget Preparation</td><td>6</td></tr>
</table></td><td>No significant difference.</td></tr>
<tr><td>5. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers) and set up a stakeholder area on the Company's website, and appropriately respond to important CSR issues of concern to stakeholders?</td><td>✓</td><td></td><td>(1) The Company has set up a "Stakeholder Zone" on its website and has spokespersons and proxy spokespersons to serve as a mean for the Company to express opinions externally. The Company also follows internal control systems to handle relevant response matters.
(2) Through the convenient internet, the Company has set up a website to provide financial and business related information and corporate governance information for shareholders and stakeholders to refer to. The website mentioned in the preceding paragraph has a dedicated person responsible for maintaining it, and the information listed is detailed, accurate, and updated in real-time to avoid the risk of misleading.</td><td>No significant difference.</td></tr>
<tr><td>6. Does the Company appoint a professional stock agent to handle the affairs of the Shareholders' Meeting?</td><td>✓</td><td></td><td>The Company has entrusted the acting department of Trust and Commercial Bank of China to handle the Shareholders' Meeting affairs.</td><td>No significant difference.</td></tr>
<tr><td>7. Information Disclosure
(1) Has the Company set up a website to disclose financial and corporate governance information?</td><td>✓</td><td></td><td>(1) The Company has established a website (www.polarspharma.com/investors/ [HYPERLINK: http://www.polarspharma.com/investors/]) and disclosed financial business and corporate governance information.</td><td>No significant difference.</td></tr>
<tr><td>(2) Does the Company adopt other methods of information disclosure (such as setting up an English website, appointing a dedicated person to collect and disclose company information, implementing a</td><td>✓</td><td></td><td>(2) The company has set up an English website, designated a special person to collect and disclose company information, implemented the spokesperson system, and presented the Company's website at the legal person briefing.</td><td>No significant difference.</td></tr>
</table>

Assessment items	Operations			Differences from the Code of Corporate Governance Practices of TWSE/TPEx-listed companies and the reasons for such differences
	Yes	No	Abstract	
spokesperson system, and presenting the Company's website during the legal representative briefing process)? (3) Does the Company publish and file its annual financial report within two months after the end of the fiscal year, and publish and file its financial report for the first, second and third quarters and its operating situation for each month before the prescribed time limit?	✓		(3) The Company shall announce and declare the annual financial report, the first, second and third quarter financial report and the operating situation of each month within the prescribed time limit.	No significant difference.
8. Whether the Company has other important information that can help to understand the operation of corporate governance (including but not limited to employees' rights and interests, employee care, investor relations, supplier relations, rights of interested parties, further study of directors and supervisors, implementation of risk management policies and risk measurement standards, implementation of customer policies, liability insurance purchased by the Company for directors and supervisors, etc.) ?	✓		1. Employees' rights and interests: In order to motivate employees and strengthen their motivation, the Company has established an employee stock option plan. 2. Employee care: The Company and its major operating entities have established employee welfare systems in accordance with the laws and regulations of each country to protect the rights and interests of employees. 3. Investor relations: The Company and its major operating entities have established employee welfare systems in accordance with the laws and regulations of each country to protect the rights and interests of employees. 4. Supplier relations: The Company has clear agreements with suppliers and clinical trial partner hospitals to regulate the rights and obligations of each other. 5. Rights of interested parties: The Company's Articles of Incorporation clearly regulate the Director's execution and recusal of interested parties' motions. 6. Continuing study of directors: All the directors of the company have professional backgrounds, and all of them have studied securities laws and regulations, corporate governance and other courses in accordance with the "Rules for Promoting Continuing Education for Directors and Supervisors of Listed and OTC Companies", and have complied with the training hours. For continuing study, please refer to page 40. 7. Implementation of risk management policies and risk measurement standards, implementation of customer policies: The Company formulates various internal rules and regulations according to law, and carries out various risk management and assessment. 8. Liability of directors and supervisors: The Company has insured the directors against liability.	No significant difference.
9. Please provide information on the results of the corporate governance assessment released by the Corporate Governance Center of the Taiwan Stock Exchange Corporation in the most recent year, as well as the priorities and measures for improvement for those companies that have not yet improved. As of the date of publication of the Annual Report, the results of the 2024 Corporate Governance Review have not been released.				

Continuing Study of Directors in 2024:

Title	Name	Date	Organizer	Course name	Hours of further education
Director	Chen, Hung-Wen	2024/11/05	Corporate Governance Association	Legal Planning and Design for Business Succession	3
		2024/11/08	Corporate Governance Association	Insider Trading Prevention and Countermeasures	3
Director	Chen, Shyan Tser	2024/11/05	Corporate Governance Association	Legal Planning and Design for Business Succession	3
		2024/11/08	Corporate Governance Association	Insider Trading Prevention and Countermeasures	3
Representative of Corporate Director	Wayne Lin	2024/11/05	Corporate Governance Association	Legal Planning and Design for Business Succession	3
		2024/11/08	Corporate Governance Association	Insider Trading Prevention and Countermeasures	3
Independent Director	Chao, Ying-Chen	2024/11/05	Corporate Governance Association	Legal Planning and Design for Business Succession	3
		2024/11/08	Corporate Governance Association	Insider Trading Prevention and Countermeasures	3
Independent Director	Way, Tzong Der	2024/11/05	Corporate Governance Association	Legal Planning and Design for Business Succession	3
		2024/11/08	Corporate Governance Association	Insider Trading Prevention and Countermeasures	3
Independent Director	Wen, Kuo-Lan	2024/11/05	Corporate Governance Association	Legal Planning and Design for Business Succession	3
		2024/11/08	Corporate Governance Association	Insider Trading Prevention and Countermeasures	3

(IV) If the Company Has a Compensation Committee, It Shall Disclose Its Composition, Duties and Operation.

1. Information on Members of the Compensation Committee

Identity \ Conditions / Name		Professional qualifications and experience	Independence	Number of other public companies where he/she is also a member of the compensation committee
Independent Director	Way, Tzong Der	1. Member of the Audit Committee who is at least a lecturer from a public or private college or university with a degree in business, law, finance, accounting or a related discipline required for corporate business. For professional qualifications and experience, please refer to the main qualifications of directors and supervisors on pages 8~10. 2. None of the circumstances described in Article 30 of the Company Act 3. Years of experience: 0~3 years	Refer to pages 8~10 for Director and Supervisor information.	0
Independent Director (Convener)	Chao, Ying-Chen	1. Experience in business, law, finance, accounting or corporate business. For professional qualifications and experience, please refer to the main qualifications of directors and supervisors on pages 8~10. 2. None of the circumstances described in Article 30 of the Company Act 3. Years of experience: 0~3 years	Refer to pages 8~10 for Director and Supervisor information.	0
Remuneration Committee Members	Wen, Kuo-Lan	1. Experience in business, law, finance, accounting or corporate business. For professional qualifications and experience, please refer to the main qualifications of directors and supervisors on pages 8~10. 2. None of the circumstances described in Article 30 of the Company Act 3. Years of experience: 0~3 years	Refer to pages 8~10 for Director and Supervisor information.	0

2. Information on the Operation of the Compensation Committee

(1) There are three members of the Compensation Committee in the Company.

(2) The term of office of current members: from June 12, 2023 to June 11, 2026. As of the date of publication of the Annual Report 2024 to 2025, the Remuneration Committee has met 4 times (A) with the following attendance:

Title	Name	Actual number of attendance (B)	Attendance by proxy	Actual attendance rate (%)(B/A)	Note
Members	Way, Tzong Der	4	0	100%	
Convener	Chao, Ying-Chen	4	0	100%	
Members	Wen, Kuo-Lan	3	0	100%	(Note 1)

Note 1: Compensation Committee Member Wen, Kuo-Lan was appointed as Compensation Committee Member at the Board of Directors meeting on May 14, The year 2024 and should attend 3 times.

Other matters to be noted:

1. If the Board of Directors of Directors does not adopt or amend the recommendation of the Compensation Committee, the Board of Directors of Directors shall state the date, period, content of the motion, the result of the Board of Directors of Directors' resolution and the Company's treatment of the recommendation of the Compensation Committee (if the Board of Directors of Directors' approved compensation is superior to the recommendation of the Compensation Committee, the Board of Directors of Directors shall state the date, period, content of the motion, the result of the Board of Directors of Directors' resolution and the Company's treatment of the recommendation of the Compensation Committee): None.
2. If any Members of the Compensation Committee oppose or reserve their opinions on the resolutions of the Compensation Committee and there are records or written statements, the date of the Compensation Committee, the period, the content of the motion, all Members' comments, and the handling of Members' comments shall be stated: None.

3. Reasons for Discussion and Results of Decisions of the Compensation Committee

Date/Term	Motions	All Members' Comments and the Company's Handling of Members' Comments
2024/03/12 (The first time in 2024)	1. Discussion on Undistributable Compensation for Directors and Employees for Year 2023	All attending members approved the proposal
2024/06/25 (The second time in 2024)	1. The Company's Employee Stock Warrant Issuing List for Year 2024 2. Proposal for Adjustment of COO's Compensation	All attending members approved the proposal
2024/10/29 (The third time in 2024)	1. The Company's Allocation Plan for the Issuance of New Shares in a Cash Capital Increase for Employees in The Year 2024.	All attending members approved the proposal
2025/03/17 (The first time in 2025)	1. Discussion on Undistributable Compensation for Directors and Employees for Year 2024 2. Proposal for CFO's Compensation	All attending members approved the proposal

(V) Implementation of Sustainable Development and Differences with the Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies and the Reasons for Such Differences

<table>
<tr><th rowspan="2">Items</th><th colspan="3">Operations</th><th rowspan="2">Differences with the Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies and the Reasons for Such Differences</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td>1. Does the Company have a governance structure to promote sustainable development and a dedicated (and part-time) unit to promote sustainable development that is handled by senior management authorized by the Board of Directors of Directors and supervised by the Board of Directors of Directors?</td><td>✓</td><td></td><td>The Board of Directors of Directors of the Company adopted the "Code of Practice for Sustainable Development", with the Chairman as the moderator of the sustainable development project plan, and designated the Department of Finance and Administration Management as the part-time unit to promote sustainable development, and set up an ESG project group to be responsible for the formulation and implementation of sustainable development policies, systems or related management guidelines and specific promotion plans.</td><td>No significant difference</td></tr>
<tr><td>2. Does the company conduct risk assessments on environmental, social and corporate governance issues related to its operations in accordance with the principle of materiality, and has it formulated relevant risk management policies or strategies?</td><td>✓</td><td></td><td>1. The Company's identification of material topics is based on the assessment of the "impact on business operations" and "likelihood of occurrence". The risk assessment boundary is based on the economic, environmental and social information of the Company's major operating locations in Taiwan, the United States, and Chengdu, China. Based on the principle of materiality, the risk assessment of environmental, social and corporate governance issues related to the operation of the company is conducted as a reference for risk management and business strategy.
2. The Company conducts analysis based on the material principle of the Sustainability report and communicates with internal and external stakeholders. The Company also reviews domestic and international research reports, integrates data reference of various departments and subsidiaries and international sustainability norms and standards (GRI standards,SASB,TCFD), and formulates risk management policies for effective identification, measurement, evaluation, supervision and control, and takes specific action plans to reduce the impact of related risks.
3. Based on the assessment, relevant risk management strategies are formulated as follows:
<table>
<tr><th>Significant issues</th><th>Risk assessment items</th><th>The Company's countermeasures and strategies</th></tr>
<tr><td>Corporate Governance</td><td>Law compliance</td><td>• Set up a legal compliance department to deal with the business of compliance, and update the latest legal developments in various countries in a timely manner</td></tr>
</table></td><td>No significant difference</td></tr>
</table>

Items	Operations					Differences with the Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies and the Reasons for Such Differences
	Yes	No	Abstract			
					• In order to strengthen compliance with regulations, Polaris Pharmaceutical has set up a part-time integrity unit under the Board of Directors of Directors, which is responsible for promoting the Company's integrity management and compliance with laws and regulations and other corporate governance matters • Establish internal controls for integrity management in accordance with the Company's business strategy of integrity and ethical values, in line with the legal system • Plan the internal organization, establishment and management, and set up a mutual supervision and balance mechanism for business activities with high risk of dishonest behavior within the business scope • Promote and coordinate integrity policy advocacy training • A whistleblowing system shall be established and supervised jointly by interested parties	
			Corporate Governance	Information security	• Clearly define the functions and responsibilities of the information department, and control the development and modification permissions of the system and programs • Program and data access control files and devices are subject to rigorous security control • Systematically divide business information accessible to R&D and clinical staff • Improve the internal control of information security and strengthen the division of responsibilities between the	

Items	Operations					Differences with the Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies and the Reasons for Such Differences
	Yes	No	Abstract			
					information department and the user department • Conduct risk assessment for information and network security, install network security equipment, firewalls and security software in computer systems to reduce information security concerns	
			Product aspect	Innovative management	• Sign joint research and development agreements with research institutions to expand drug indications • Set up a dedicated unit to manage the distribution and validity of patent rights • Sign confidentiality agreements with practitioners to ensure that business secrets are properly protected, de-identify research and development information, and strictly control accessible personnel	
			Product aspect	Customer health and safety/drug safety/clinical trials	• Develop a series of procedures to select external commissioned research organization (CROs) to commission clinical trials, experimental research and development or drug development consulting services according to the needs of each clinical trial • Comply with cGMP pharmaceutical factory specifications • Establish a drug safety monitoring system • Establish a quality management system • Personnel are qualified and properly trained and supervised by a third party independent body	
			Product aspect	Fraudulent medicine	• After the drug is launched, the drug will be sold to medical institutions through a proprietary channel to ensure that the sales process is fully	

Items	Operations			Differences with the Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies and the Reasons for Such Differences
	Yes	No	Abstract	
			tracked	
			Product aspect / Drug access / • Improve drug manufacturing in the new drug development phase to reduce research and development costs • Actively expand drug indications in the clinical development stage. and apply for mercy therapy to treat patients with rare diseases • Vertically integrate industrial chain in the production and manufacturing stage, and strictly check in each stage • In the future, a dedicated sales channel will be set up after the drug is launched to stabilize market supply • Plan short -, medium - and long-term drug license application programs around the world during the drug license application phase to expand equal access to health care for patients worldwide • Planning for off-label use in the drug acquisition phase allows physicians to deliver ADI-PEG 20 to appropriate patients based on their professional judgment to achieve precision medicine	
			Social Aspect / Talent attraction and retention / • Sign industry-university cooperation with schools to recruit professional talents • Provide excellent compensation and benefits • Formulate Training Management Procedures to construct staff education and training • Provide multiple appealing channels such as announcements, appeal forms, senior officer's mailboxes, holding management meetings, etc., to promote two-way communication between employers and employees	

Items	Operations					Differences with the Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies and the Reasons for Such Differences
	Yes	No	Abstract			
			Social Aspect	OHS	• Introduce an occupational safety and health management system and implement multiple management mechanisms, such as hazard identification and risk assessment, workplace safety and accident prevention mechanisms, and contractor safety management • Regular health checks for all employees • Provide SOP training on workplace safety management for new employees upon entry	
3. Environmental Issues (1) Has the company established an appropriate environmental management system in accordance with its industrial characteristics?	✓		The Company has relevant regulations for quality management, safety and health, and environmental protection, and complies with the inspection standards of relevant authorities.			No significant difference
(2) Is the Company committed to improving energy efficiency and using recycled materials with low impact on the environment?	✓		1. In response to the global climate change issue, the Company attaches importance to energy management, responds to the government's promotion of environmental protection and energy-saving policies, and implements energy-saving and carbon reduction measures to improve energy efficiency and reduce greenhouse gas emissions. In order to make the best use of various resources, the Company promotes and implements electronic form system, resource waste classification, recycling and reduction activities, and implements the use of recycled paper, and improves the utilization efficiency of various resources. 2. Because the biotechnology industry is characterized by high technology and low pollution, it is less likely to use materials that have impact on environmental load.			No significant difference
(3) Does the Company assess the potential risks and opportunities of climate change for the company now and in the future, and take relevant measures in response?	✓		1. The Company is in the new drug research and development industry and is actively facing the impact of climate change. The company assesses climate risks and opportunities in accordance with the recommendations of the TCFD Guidelines and reports climate management progress to the Chairman by the ESG Project Group. 2. Based on the degree of impact and likelihood of occurrence of the risks, the company identified two major climate-related risks as "increase in raw material costs" and "increase in average temperature", and therefore prioritized the development of response strategies and mitigation and adaptation actions.			No significant difference
(4) Has the Company compiled statistics on greenhouse gas	✓		1. The Company is a new drug research and development industry, not a highly energy intensive industry, and does not set or use facilities that produce a large amount of greenhouse gases. In order to achieve			No significant difference

<table>
<tr><th rowspan="2">Items</th><th colspan="3">Operations</th><th rowspan="2">Differences with the Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies and the Reasons for Such Differences</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td>emissions, water consumption and total weight of waste in the past two years, and formulated policies for greenhouse gas reduction, water use reduction or other waste management?</td><td></td><td></td><td>the goal of sustainable development, the Company has formulated policies on energy conservation, greenhouse gas reduction and waste management, and has promoted energy conservation and carbon reduction activities in the office area, and encouraged waste classification and recycling, thus reducing the impact on the environment.
2. As a result of the expansion of operations, greenhouse gas emissions have shown an upward trend in the past three years. Greenhouse gas emissions and water consumption are publicly disclosed in the Sustainability Report.</td><td></td></tr>
<tr><td>4. Social Issues
(1) Has the Company established relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</td><td>✓</td><td></td><td>1. The Company adheres to the principle of safeguarding the basic human rights of its employees and proclaims its support for the principles enshrined in international human rights conventions such as the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Covenant and the United Nations International Labor Organization. In this way, the "Employee Manual", "Regulations Governing Recruitment/Appointment", "Regulations Governing Sexual Harassment Prevention", "Regulations Governing Employee Complaint" and other documents are formulated, which clearly state the content of human rights commitments and related management principles.
2. For the work rights and interests of female colleagues, there are relevant protection norms in the work regulations to protect the relatively disadvantaged female colleagues. The Company's personnel management rules and regulations are in accordance with local laws and regulations, and all employees have clear and fair employment policies on attendance, assessment, awards, punishments and training, and good labor-management relations.
3. Human Rights Risk Management Measures
<table>
<tr><th colspan="2">Human right issues</th><th>Objectives</th></tr>
<tr><td>Non-disorimination</td><td>Recruitment content is non-discriminatory
Disputes over work environment</td><td>Recruitment content is non-discriminatory
No disputes over work environment</td></tr>
<tr><td>Sexual harassment</td><td>Sexual harassment in workplace</td><td>Sexual harassment workplace: 0</td></tr>
<tr><td>Young worker</td><td>No child labor of minimum employment age is employed
Young workers are not engaged in dangerous or harmful work</td><td>Employment of workers (under 15 years old): 0
Young worker (under 18 years of age)
In dangerous positions: 0</td></tr>
</table>
</td><td>No significant difference</td></tr>
</table>

<table>
<tr><th rowspan="2">Items</th><th colspan="3">Operations</th><th rowspan="2">Differences with the Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies and the Reasons for Such Differences</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Notice of changes to operating activities</td><td>The notice period for termination of the contract of employment under Article 12 or 13 of the Code of Conduct of Employee is as follows:
1. For those who have been working for three months to less than one year, notice shall be given ten days before.
2. For those who have been working for more than one year and less than three years, notice shall be given before 20 days.
3. For those who continue to work for more than three years, notice shall be given 30 days in advance.</td><td>Give notice to the employee within the prescribed time for termination of the contract of employment</td></tr>
</table>
4. Multiple communication channels
Pay attention to the ideas and opinions of every employee, and continuously improve the communication and coordination system within the Company. The Company establishes channels for regular communication and dialogue between employees, so that employees have the right to obtain information and express their opinions on the Company's operation and management activities and decisions through appeal forms, high-rise mailboxes, etc. The Company also respects the right of employee representatives to negotiate on working conditions, and provides employees with the necessary information and hardware facilities to facilitate consultation and cooperation between employers, employees and employee representatives.</td><td></td></tr>
<tr><td>(2) Has the Company established and implemented reasonable employee welfare measures (including salary, vacation and other benefits) and appropriately reflected business performance or results in employee compensation?</td><td>✓</td><td></td><td>The Company will make reference to the compensation system according to the industrial characteristics, market conditions and future development, and provide appropriate rewards to employees with contributions according to the achievement of operational objectives and the results of employee performance appraisal. Employees are encouraged to create operational performance and long-term value together with the Company through incentive mechanisms such as stock options. The Company's promotion of employee welfare and workplace diversity and equality measures are disclosed in the Sustainability Report and the Company's website.
Employee welfare measures, including compensation, leave and other benefits, and appropriately include business performance in employee compensation:</td><td>No significant difference</td></tr>
</table>

Items	Operations			Differences with the Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies and the Reasons for Such Differences
	Yes	No	Abstract	
			1. Remuneration Committee: responsible for the policy, system, standard and structure of remuneration. 2. Performance evaluation and management: Perform performance evaluation every year, and use the evaluation results as the basis for promotion, salary adjustment, bonus and remuneration. Perform performance evaluation every year, and use the evaluation results as the basis for promotion, salary adjustment, bonus and remuneration.	
(3) Does the Company provide a safe and healthy working environment for employees and implement safety and health education for employees on a regular basis?	✓		1. The Company is committed to improving the safety and health of employees at work. Each operating point has established an occupational safety and health management system according to the relevant local laws and regulations, and regularly inspects and maintains the safety and health of the working environment to reduce the harm of the working environment to the safety and health of employees. No occupational accidents occurred in 2023. Personnel entering the laboratory should wear laboratory clothes and shoes to avoid chemical or microbial operation, so as to maintain the work safety of operators. Conduct regular staff health check, care for staff health. 2. Personnel who are exposed to noise, dust or chemical poisons are required to be equipped with protective measures and receive relevant training. 3. No occupational accidents occurred in the year 2024. 4. No fire incidents occurred in the year 2024.	
(4) Has the Company established an effective career development training program for employees?	✓		The Company will, depending on the individual's situation, encourage continuing study and establish effective career ability development training. Every employee has access to the training resources provided by the company since joining the company through systematic training planning, such as new staff training, on-the-job training, professional training. to help employees of different positions and ranks to deepen their professional fields and improve management functions. The Company's current training program is divided into three categories: 1. Pre-job education and training: All new employees will be instructed with company history, organization overview, corporate cultures and core values, welfare policies and get familiar with personnel of each division. 2. Professional course training: For professional pre-job education and training, the employing department shall formulate an individual training plan for employees according to the expertise and work needs of new employees, and provide courses that meet the needs of employees to strengthen their professional knowledge and skills. Professional pre-job education and training are formulated by the employing department according to the expertise and work needs of new employees, creating an individualized training plan for employees. This provides courses that meet the needs of employees to enhance their professional knowledge and skills.	No significant difference

Items	Operations			Differences with the Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies and the Reasons for Such Differences
	Yes	No	Abstract	
			3. On-the-job training: In addition to providing expatriate opportunities for qualified employees, employees are also encouraged to participate in professional training, lectures or further study courses organized by training institutions at home and abroad.	
(5) Does the Company comply with relevant laws and regulations and international standards regarding customer health and safety, customer privacy, marketing and labeling of products and services, and has it established relevant policies and grievance procedures to protect the rights of consumers or customers?	✓		The Company's products are still in the research and development stage and have not yet been sold. The Company follows clinical trial, drug manufacturing regulations and relevant international standards with high specifications and rigorous standards for drug safety/clinical trials to ensure the health and safety of subjects and users; in addition, a special area for stakeholders is set up on the website to provide channels for questions, complaints or suggestions, and properly handle and respond to the principle of good faith to protect the rights and interests of stakeholders.	No significant difference
(6) Has the Company established a supplier management policy that requires suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor human rights, and the status of implementation?		✓	The Company follows current Good Manufacturing Practice (current Good Manufacturing Practice; cGMP) to develop Supplier Quality Control and Monitoring Procedures. From raw materials to testing, cleaning services, and even the logistics operators who transport raw materials to the company, any supplier involved in the Company's industrial chain is subject to this quality control process, in order to jointly establish a quality and stable long-term cooperation relationship. The Company will pay attention to this in the future contract with major suppliers and will gradually promote the handling	Plan to gradually promote in the future.

Items	Operations			Differences with the Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies and the Reasons for Such Differences
	Yes	No	Abstract	
5. Has the Company made reference to international standards or guidelines for the preparation of reports, such as perpetual reports, which disclose non-financial information about the Company? Has the Company obtained any third-party verification or assurance on the aforementioned reports?	✓		The Company prepared the Corporate Sustainability Report in accordance with the GRI standards issued by the Global Reporting Initiative (GRI), and the relevant information is disclosed on the Company's website and MOPS; however, the aforementioned report has not obtained any third-party verification or assurance.	Plan to gradually promote in the future.
6. If the Company has its own code of practice for sustainable development in accordance with the "Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies", please describe the differences between its operation and the code: The Company has formulated the "Code of Practice for Sustainable Development" based on the "Code of Practice for Sustainable Development of TWSE/TPEx-Listed Companies".				
7. Other important information to help understand the implementation of sustainable development: None				

Implementation of Climate-Related Information

Items	Implementation
1. Explain the oversight and governance of climate-related risks and opportunities by the Board of Directors and management.	The Company's Board of Directors regularly reviews significant risks at the group level, including operational risks at the subsidiary level that may arise from climate policies, extreme weather, or the transition to a low-carbon economy. Management is responsible for integrating the group's climate-related risk identification, response, and management mechanisms, and reporting to the Board of Directors.
2. Explain how the identified climate risks and opportunities affect the company's business, strategy, and financials. (Short-term, medium-term, long-term).	The Company, focusing on new drug research and development, is currently in the research and clinical stages with no large-scale production activities. In the short term, greenhouse gas emissions are extremely low, and the direct impact of climate change on operations and finance is limited. In the mid to long term, as drugs enter the commercialization stage, areas such as manufacturing, supply chain, and regulatory compliance may face carbon management requirements, changes in climate policies, and pressures of a low-carbon economy, which could impact strategies related to cost, risk management, and partner selection. The company will continue to evaluate the potential impact of climate risks on the transformation of R&D outcomes, investment decisions, and financial structure as a reference for strategic adjustments.
3. Describe the impact of extreme climate events and transition actions on financials.	The Company has never experienced operational disruptions or significant losses due to extreme climate events; currently, the financial impact of extreme climate events on the Company is extremely low. However, with global policies gradually moving towards a low-carbon economy, if future regulations such as carbon pricing and sustainable financial norms extend to R&D enterprises, they may indirectly impact funding costs. The company has

		initially established relevant risk identification mechanisms and incorporated them as references in long-term strategies and resource allocation.
4.	Explain how the identification, assessment, and management process of climate risks are integrated into the overall risk management system.	The Company has included climate change as one of the risk identification items and incorporated it into the overall risk management framework for supervision and management. The management conducts an annual risk assessment of the internal and external operating environment of the group, including aspects such as regulatory changes, industry trends, difficulty in obtaining capital, and reputational risk. Appropriate response strategies are proposed based on the operational progress of the subsidiaries. In the future, if entering the production or commercialization stage, a more detailed carbon risk assessment mechanism will be gradually introduced and integrated with the internal control system to establish a forward-looking and resilient climate management mechanism.
5.	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and major financial impacts used should be explained.	The Company has not yet conducted a comprehensive climate scenario analysis, primarily because it has not yet entered the large-scale production and supply stage following drug approval, resulting in very low overall carbon emissions and climate risk exposure. The timeline and location for future entry into mass production will refer to international standards for climate scenario construction and assess the resilience to potential changes in operating costs, financing conditions, and law compliance under different emission scenarios.
6.	If there is a transition plan to manage climate-related risks, explain the content of the plan, as well as the metrics and objectives used to identify and manage physical and transition risks.	The Company has not yet implemented a comprehensive climate risk transition plan, but has begun exploring feasible future carbon management and green R&D strategies. These include prioritizing energy-saving technology platforms and principles for selecting sustainable suppliers to enhance climate resilience in future mass production stages. Relevant objectives and management methods will be progressively developed in line with the Company's operational development stages.
7.	If internal carbon pricing is used as a planning tool, the basis for price determination shall be explained.	The Company has not yet implemented an internal carbon pricing system and plans to gradually promote it in the future.
8.	If climate-related objectives are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant objectives, the source and amount of carbon offsets or the amount of RECs should be explained.	As the Company has no physical production and logistics operations, greenhouse gas emissions are extremely low. Therefore, no specific carbon reduction objectives have been established, and there is no need to use carbon offsets or renewable energy certificates (RECs). The Company has planned to gradually establish measurable and verifiable environmental performance indicators to facilitate future greenhouse gas disclosure and reduction objectives design.
9.	Greenhouse gas inventory and assurance status, along with reduction objectives, strategies, and specific action plans.	The Company recognizes that greenhouse gas management has become one of the global sustainability standards in the pharmaceutical industry. In the future, it will plan to implement phased inventory operations based on the progress of its operations and regulatory trends, and formulate corresponding reduction strategies according to different areas and operational scales, enhancing the overall ESG responsiveness of the group.

Greenhouse gas inventory and assurance status for the past two years of the Company

Detail the greenhouse gas emissions for the last two years (tons of CO2e), intensity (tons of CO2e/million), and the data coverage scope.
As the ultimate parent company, Polaris Group itself has no physical operating facilities and therefore does not emit greenhouse gases.

(VI) Fulfillment of the Code of Conduct for Integrity Management and Differences from the Code of Conduct for Integrity Management of TWSE/TPEx-Listed Companies and the Reasons

Assessment items	Operations			Differences from the Code of Conduct for Integrity Management of TWSE/TPEx-listed Companies and the reasons
	Yes	No	Abstract	
1. Formulation of policies and programs for integrity management (1) Has the Company formulated an integrity management policy approved by the Board of Directors of Directors, and has the policy and practices of integrity management been clearly stated in the Articles of Incorporation and external documents, as well as the commitment of the Board of Directors of Directors and the senior management to actively implement the management policy?	✓		The Company has formulated the "Code of Conduct for Integrity Management", "Operating Procedures and Guidelines for Integrity Management" and "Code of Ethical Conduct" to govern the Company's policy on ethical practices. It also specifies that employees, managers and directors do know and comply with the provisions of the laws and regulations and do enforce them. The directors, managers and employees shall comply with the relevant laws and regulations of the Company Act and the Securities Exchange Act, and implement the principle of integrity management.	No significant difference.
(2) Has the Company set up a mechanism to assess the risk of dishonest conduct, regularly analyze and evaluate the business activities within the scope of business that have a higher risk of dishonest conduct, and accordingly, formulate a plan to prevent dishonest conduct, and at least cover the preventive measures for the conducts mentioned in Item 2 of Article 7 of the "Code of Conduct for Integrity Management of Listed Companies"?	✓		The Company has formulated the "Code of Conduct for Integrity Management", "Operating Procedures and Guidelines for Integrity Management",, which specifies the plan to prevent dishonest conduct, and evaluates the business activities with high risk of dishonest conduct within the business scope, and specifies that illegal political donations are not provided, bribery and acceptance of bribes are strictly prohibited, and relevant preventive measures are strengthened.	No significant difference.
(3) Does the Company specify the operating procedures, guidelines for conduct, disciplinary and grievance systems for non-compliance in the plan to prevent dishonest conduct, and implement them, and regularly review and revise the aforementioned plan?	✓		The Company has formulated the "Code of Conduct for Integrity Management", "Operating Procedures and Guidelines for Integrity Management",, which clearly defines the program to prevent dishonest behavior, including operating procedures and conduct guidelines, reward as well as punishment system and appeal system, and implement it and review and revise it regularly.	No significant difference.
2. Implementation of integrity management (1) Does the Company evaluate the integrity records of its customers and specify the terms of integrity behavior in the contracts signed between the Company and its customers?	✓		The Company has a high degree of self-discipline and has never engaged in business activities that are unlawful or for any other purpose; it evaluates the integrity records of its customers before dealing with them.	No significant difference.
(2) Has the Company established a dedicated unit under the Board of Directors of Directors to promote ethical corporate management and report to the Board of Directors of Directors on a regular basis (at least once a year) on its ethical management policies and plans to prevent dishonest practices and monitor their implementation?	✓		The Company has established a part-time unit (Department of Finance and Administrative Management designated) under the Board of Directors of Directors for integrity management and prevention.	No significant difference.

Assessment items	Operations			Differences from the Code of Conduct for Integrity Management of TWSE/TPEx-listed Companies and the reasons
	Yes	No	Abstract	
(3) Does the Company have a conflict-of-interest prevention policy, provide appropriate channels of representation, and implement them?	✓		The Company has established the "Code of Conduct for Integrity Management", "Operating Procedures and Guidelines for Integrity Management", and set up a special area for stakeholders on the Company's website and provide channels for employees and external complaints.	No significant difference.
(4) Has the Company established an effective accounting system and internal control system for the implementation of integrity management, and has the internal audit unit prepared an audit plan based on the assessment of the risk of dishonest acts, and checked the compliance of the plan to prevent dishonest acts or appoint an accountant to perform the audit?	✓		In order to ensure the implementation of integrity management, the Company has established an effective internal control system and accounting system, and the internal audit unit has formulated an internal audit plan, according to which various audits are carried out, and submitted the audit results and subsequent improvement plans to the Board of Directors of Directors and management to implement the audit results.	No significant difference.
(5) Does the Company regularly conduct internal and external education and training on integrity management?	✓		The Company places emphasis on the implementation of the principle of integrity by all employees in its daily operations, and holds meetings from time to time to promote the principle.	No significant difference.
3. Operation of the Company's whistleblower system (1) Has the Company established a specific whistleblower and reward system, established a convenient whistleblower channel, and assigned appropriate staff to handle whistleblowers?	✓		The company has a whistleblowing system, including whistleblowing matters and reward system, and has a whistleblowing mailbox and whistleblowing hotline. The acceptance unit for the subject of the prosecution is the audit room.	No significant difference.
(2) Has the Company established standard operating procedures for the investigation of whistleblowing matters, follow-up measures to be taken after the completion of the investigation and the relevant confidentiality mechanism?	✓		After the Audit Office accepts the complaint, the person involved in the case shall report it to the chairman or independent director, and the complaint involving a director or senior supervisor shall be reported to the Audit Committee for investigation. The company keeps the identity of the whistleblower and the contents of the whistleblower confidential, and allows the whistleblower to report anonymously. After the investigation is completed, the files are classified as confidential files and encrypted protection.	No significant difference.
(3) Does the Company take measures to protect whistleblowers from improper treatment as a result of whistleblowing?	✓		The Company's whistleblower system has established relevant provisions for the protection of whistleblowers, and the identity of whistleblowers and the contents of whistleblowers are kept confidential to ensure that whistleblowers are not improperly handled due to the whistleblowers.	No significant difference.
4. Enhance Information Disclosure Does the Company disclose the content and effectiveness of its Code of Conduct for Integrity Manageemnt on its website and MOPS?	✓		The Company has formulated various integrity management systems and implemented the disclosure of relevant information on its website to provide the public with access at any time	No significant difference.
5. If the Company has its own Code of Conduct for Integrity Management in accordance with the "Code of Conduct for Integrity Management of Listed Companies", please describe the difference between its operation and the code: The Company has formulated a Code of Conduct for Integrity Management. At present, the internal operations of the Company continue to be handled in accordance with the provisions of the Code, and there is no material difference from the content of the Code.				

Assessment items	Operations			Differences from the Code of Conduct for Integrity Management of TWSE/TPEx-listed Companies and the reasons
	Yes	No	Abstract	
6. Other important information that is helpful to understand the Company's integrity management: In addition to the Company's Code of Conduct for Integrity Management, the Company has other internal regulations (e.g., prevention of insider trading). In addition, the Company arranges directors to participate in corporate governance courses and periodically promotes integrity management policies to employees.				

(VII) Other important information that may enhance the understanding of the operation of corporate governance may also be disclosed.

Please refer to The Company's website at http://www.polarispharma.com/investors/

(VIII) Implementation Status of Internal Control System

1. Statement of Internal Control

Polaris Group
Statement of Internal Control System

Date: March 17, 2025

The Company's internal control system for fiscal year 2024 is based on the results of its self-assessment. We hereby state as follows:

1. The Company acknowledges that it is the responsibility of the Board of Directors of Directors and the Manager to establish, implement and maintain a system of internal control, and that the Company has established such a system. The Company has established such a system to provide reasonable assurance of the effectiveness and efficiency of operations (including profitability, performance and safeguarding of assets), reliability of reporting, timeliness, transparency and compliance with relevant regulations and compliance with relevant laws and regulations.
2. No matter how well designed, an effective internal control system can only provide reasonable assurance of the achievement of the above three objectives; moreover, the effectiveness of the internal control system may change due to changes in circumstances and conditions. The Company's internal control system has a self-monitoring mechanism and the Company will take corrective action once deficiencies are identified.
3. The Company determines the effectiveness of the design and implementation of the internal control system in accordance with the criteria for determining the effectiveness of the internal control system set forth in the "Guidelines Governing the Establishment of Internal Control Systems by Public Companies" (the "Guidelines"). The judgment items of the internal control system adopted in the "Guidelines" are divided into five components based on the management control process: control environment, risk assessment, control operations, information and communication, and monitoring operations. Each component includes a number of items. Please refer to the "Guidelines" for the aforementioned items.
4. 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.
5. The Company found the following matters after the evaluation: Due to the immediacy of business needs, the Company signed a loan contract (nature of the loan is shareholder to subsidiary loan) on December 26, 2024, and completed the receipt of funds on December 31, 2024. This loan transaction could not be submitted to the Board of Directors for deliberation in advance due to time constraints. However, to ensure compliance with the Company's financial and business-related operational regulations concerning related parties, it was submitted to the Board of Directors for deliberation on January 23, 2025. The reasonableness of the financing conditions was also included in the Board's agenda for discussion and approval.

6. Based on the evaluation results in the preceding paragraph, the Company believes that the internal control system (including supervision and management of subsidiaries) of the Company as of December 31, 2012, including the degree of understanding the effectiveness and efficiency goals of operations, the reliability, timeliness, transparency of reporting, and compliance with relevant regulations and laws, is effective in its design and implementation, and can reasonably ensure the achievement of the above goals.
7. This statement will be the main content of The Company's annual report and public statement, and will be made public. If any of the above-mentioned contents are disclosed in a false or concealed manner, the Company will be subject to legal liability under Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchange Act.
8. This statement has been approved by the Board of Directors of the Company on March 17, 2025 and among the seven directors present, none of them held any opposing views, and the rest of them agreed to the contents of this statement.

Polaris Group

Chairman: Chen, Hung-Wen

CEO: Hsu, Jaan-Pyng

(IX) Significant Resolutions of the Shareholders' Meeting and the Board of Directors of Directors for the Most Recent Year and up to the Date of Printing of the Annual Report

1. The dates of the Shareholders' Meetings and the important resolutions of the shareholders present are as follows:

Date	Meeting	Matters for resolution	Implementation
May 3, 2024	Regular Shareholders' Meeting	1. The recognition of the 2023 Annual Report of Operations and Financial Statements 2. The recognition of the loss of 2023 3. Proposed to the by-election of one independent director. 4. Release the restriction on New Independent Directors from Participating in Competitive Business.	Resolution passed. Resolution passed. Resolution passed. Resolution passed.

2. Board of Directors Dates and Resolutions:

The date of Board Meeting	Important resolutions
January 19, 2024	1. Proposal of Subsidiary Polaris Biopharmaceuticals, Inc.'s Intention to Purchase Zhunan Plant. 2. Proposal of appointment of secretary to the Board of Directors 3. Updated the Group's Budget for year 2024 4. Proposal of Cash Increase to Subsidiary Genovior Biotech. 5. Proposal of by-election of independent director 6. Release the restriction on New Independent Directors from Participating in Competitive Business. 7. Proposed to handle matters related to the convening of the 2024 General Shareholders' Meeting
February 20, 2024	1. Proposal of Cash Increase to Subsidiary Polaris Biopharmaceuticals, Inc.
March 12, 2024	1. Recognition of 2023 Statement on Internal Control System 2. The recognition of the 2023 Annual Report of Operations and Financial Statements 3. Proposal of 2023 Deficit Compensation 4. List of independent director candidates nominated by the Board of Directors of Directors 5. Adoption of Power of Attorney to Exercise Proxy Rights through Shareholders' Regular Meetings 6. Amendments to the Company's Rules of Procedures of the Board of Directors 7. Amendments to the Company's "Articles of Incorporation of Audit Committee" 8. Amendments to the Company's "Articles of Incorporation of Compensation Committee" 9. Proposal to Change CPAs Handling Financial Report in Response to the Internal Shift of PwC Taiwan Proposal to Change CPAs Handling Financial Report in Response to the Internal Shift of PwC Taiwan

The date of Board Meeting	Important resolutions
April 26, 2024	1. Proposal of Loan Extension for Subsidiary's PPI Fund Lending to Australian Subsidiary 2. The Company's application for a transaction limit with Citibank Taiwan 3. Proposal of DRX (Chengdu)'s application for bank financing limit 4. Funding loaned to Subsidiary DRX Chengdu 5. Funding loaned to Subsidiary Polaris Biopharmaceuticals, Inc. 6. Funding loaned to Subsidiary Genovior Biotech. 7. Amend the operational regulations related to financial transactions between related parties. 8. Capital increase for subsidiary TDW HK Limited.
May 14, 2024	1. Proposal for the 2024 Q1 Consolidated Financial Statements. 2. Proposal of Adjustment of Approval Authority between the Parent Company and Subsidiaries in the Group 3. Proposal to reappoint the Director of the Subsidiary 4. Proposal for the Appointment of Members of the Compensation Committee
June 25, 2024	1. Proposal to reappoint the Director of the Subsidiary 2. The Company's Employee Stock Warrant Issuing List for Year 2024 3. Funding loaned to Subsidiary DRX Chengdu 4. Funding loaned to Subsidiary Polaris Biopharmaceuticals, Inc. 5. Merger of Subsidiary Polaris Biopharmaceuticals, Inc. and Sub-subsidiary Genovior Biotech. 6. Proposal of Cash Increase by Subsidiary Polaris Biopharmaceuticals, Inc. to Genovior Biotech. 7. Proposal of Adjustment of Approval Authority between the Parent Company and Subsidiaries in the Group 8. Proposal for Adjustment of COO's Compensation 9. Proposal of changing CFO 10. Proposal to change spokesman 11. Proposal of changing Corporate Governance Supervisor 12. The case of appointing Langzhi Biomedical Co., Ltd. to offer shares in the securities market Authorized signatory
July 23, 2024	1. Proposal to cancel the position of COO 2. Appointment of Corporate Governance Supervisor Proposal 3. The Company and its subsidiary, DesigneRx Pharmaceuticals (Chengdu) Inc., plan to apply for a transaction limit with Citibank. 4. Supplementary Amendment for the Merger of Subsidiary Polaris Biopharmaceuticals, Inc. and Sub-subsidiary Genovior Biotech.
August 22, 2024	1. Accounting Supervisor Ratification Case 2. Proposal for the 2024 Q2 Consolidated Financial Statements. 3. Handle the case of issuing new shares for a cash capital increase in The year 2024. 4. The investment plan of the subsidiary DesigneRx Pharmaceuticals (Chengdu) Inc. in a peptide intermediate production base. 5. Independence Evaluation and Compensation of the Company's CPA. 6. Draft the 2023 Sustainability Report 7. Update the proposal of sound operation planning 8. Proposal to reappoint the Director of the Subsidiary

The date of Board Meeting	Important resolutions
September 20, 2024	1. Proposal of changing financial supervisor and accounting supervisor 2. Proposal of changing Corporate Governance Supervisor 3. Proposal to change acting spokesman and secretary to the Board of Directors
October 29, 2024	1. Amend the case of issuing new shares for a cash capital increase in The year 2024. 2. The Company's Allocation Plan for the Issuance of New Shares in a Cash Capital Increase for Employees in The Year 2024. 3. The appointment of the Head of Audit of the Company. 4. Propose capital increase for USA subsidiary DRX USA. 5. Proposal of Adjustment of Approval Authority between the Parent Company and Subsidiaries in the Group
November 11, 2024	1. Proposal for the 2024 Q3 Consolidated Financial Statements. 2. Preparation of the Group's Audit Plan for 2025 3. Preparation of the Group's Sustainable Information Management Proposal 4. The Company's Second Employee Stock Warrant Issuing List for The Year 2024
December 24, 2024	1. Preparation of the Group's Budget for 2025 2. Proposal of Cash Increase to Subsidiary Genovior Biotech. 3. Proposal for capital increase for subsidiary TDW HK Limited. 4. The subsidiary Genovior Biotech Corporation plans to establish in Zhunan. Phase II plant project proposal 5. The subsidiary Genovior Biotech Corporation plans to seek bank financing. 6. Updated the Company's Audit Plan for 2025.
January 23, 2025	1. The subsidiary, Northern Biopharmaceutical Co., Ltd. (Fujian), is planning a financing case with Digital Mobile Venture Ltd. Digital Mobile Venture Ltd. financing case 2. The cash capital increase plan for the funding loaned to the subsidiary DesigneRx Pharmaceuticals (Chengdu) Inc. by The Company.
February 20, 2025	1. Cancel the cash capital increase plan for the funding loaned to the subsidiary DesigneRx Pharmaceuticals (Chengdu) Inc. by The Company. 2. Proposal for capital increase for subsidiary TDW HK Limited. 3. The Company proposes to serve as a joint guarantor for a NTD 15 million bank loan under the Subsidiary Genovior Biotech Corporation. 4. Plan to handle the case of issuing new shares for a cash capital increase in the year 2025. 5. Proposed to handle matters related to the convening of the 2025 General Shareholders' Meeting 6. Amendments to the Company's Articles of Incorporation based on the Shareholders' Meeting's special resolution 7. Case of Issuing Employee Stock Option Certificates
March 12, 2024	1. Proposal of changing financial supervisor and accounting supervisor 2. Proposal for CFO's Compensation 3. Proposal of changing Corporate Governance Supervisor 4. Adoption of "Statement on Internal Control System" for year 2024 proposal 5. Proposal of 2024 Business Report and Consolidated Financial Statements 6. Proposal of 2024 Deficit Compensation
March 12, 2024	1. Adoption of Power of Attorney to Exercise Proxy Rights through Shareholders' Regular Meetings

(X) The main contents of the most recent year and as of the date of publication of the annual report, if the Director or supervisor has different opinions on important resolutions passed by the Board of Directors of Directors and there are records or written statements: None.

IV. Information on Accountants' Fees

Amount Unit: NTD1,000

Name of accounting firm	Name of CPAs	Audit period	Audit fee	Non- audit fee	Total	Note
PwC Taiwan	Liao Rongling	2024.01.01~ 2024.12.31	3,656	780	4,436	CPA for the financial statements
	Alan Chien					

(I) If the non-audit fees paid to the certified public accountant, the certified public accountant's firm and its affiliates amount to more than one-fourth of the audit fees, the amount of audit and non-audit fees and the content of non -audit services should be disclosed:

The non-audit fees mainly include NTD780,000 for expert review services.

(II) If the audit fee paid in the year of change of accounting firm is less than the audit fee in the year before the change, the amount of audit fee before and after the change and the reasons for the change should be disclosed: None .

(III) If the audit fee is reduced by 10% or more from the previous year, the amount, percentage and reasons for the reduction shall be disclosed: None.

V. Information on Change of Accountant

If the audit fee is reduced by 10% or more from the previous year, the amount, percentage and reasons for the reduction shall be disclosed: In response to the internal shift of PwC Taiwan

The internal shift of the firm will result in the CPA handling the Company's financial report being changed to Liang starting from the first quarter of the year 2024.

CPA Liang, Wendy Liang, and Alan Chien will be replaced by CPA Liao Rongling and Alan Chien.

VI. The Chairman of the Board of Directors, the General Manager, and the Manager in Charge of Financial or Accounting Matters of the Company, Who Have Worked in the Firm of the Certified Public Accountant or Its Affiliates within the Last Year: None.

VII. Changes in the Shareholding of Directors, Supervisors, Managers and Shareholders Holding More Than 10% of the Shares and Pledges of Shares in the Most Recent Year and up to the Date of Publication of the Annual Report

(I) Changes In Shareholdings of Directors, Supervisors, Managers and Major Shareholders

Unit: Shares

Title	Name	2024		2025 As of March 23	
		Holding Number of shares increase (decrease) number	Pledge Number of shares increase (decrease) number	Holding Number of shares increase (decrease) number	Pledge Number of shares increase (decrease) number
Chairman	Chen, Hung-Wen	1,000,000	—	—	—
Director	Chen, Shyan Tser	—	—	—	—
Director, major shareholder	Digital Capital Inc. Representative: Hsu, Jaan-Pyng	—	—	—	—
Director	Mai Investment Co.,Ltd Representative: Tsai, Kao-Chung (Note 1) Wayne Lin (Note 1)	— —	— —	— —	— —
Independent Director	Way, Tzong Der	—	—	—	—
Independent Director	Chao, Ying-Chen	—	—	—	—
Independent Director	Wen, Kuo-Lan	—	—	—	—
Manager	Hsu, Jaan-Pyng	1,000,000	—	—	—
Manager	John Bomalaski	—	—	—	—
Manager	You, Huei-Yuan (Note 2)	(5,000)	—	—	—
Manager	Chien-Hsing Chang	—	—	—	—
Manager	Kevin Wu	—	—	—	—
Manager	Kay Huang (Note 3)	(132,000)	—	—	—
Manager	Rui-Bin Wu (Note 4)	—	—	—	—
Manager	Yan, Feng-Kui (Note 5)	—	—	—	—
Manager	Yi-Ming Kao (Note 6)	—	—	—	—

Note 1: On March 13, 2025, the corporate director Mai Investment Co., Ltd reassigned its representative to Tsai, Kao-Chung, with Wayne Lin stepping down.

Note 2: The Company canceled the position of COO on July 23, 2024, and Mr. You, Huei-Yuan stepped down.

Note 3: Resigned on June 25, 2024, and was replaced by Mr. Wu, Jui-Pin.

Note 4: Resigned on September 20, 2024, and was replaced by Mr. Yen, Fong-Kuei.

Note 5: Resigned on January 24, 2025, and was replaced by Yi-Ming Kao.

Note 6: Assumed office on March 17, 2025.

(II) Information on the transfer of shares to related parties: None.

(III) Information on pledges of shares to related parties: None.

VIII. Information on the Top Ten Shareholders Who Are Related to Each Other or Are Related to Each Other as Spouses or Relatives within Second Generation:

Shareholding information as of March 23, 2025; Unit: Shares; %

Name	Shareholdings held by me		Spouse, minor children shareholdings		Bominal total of shareholdings using others' names		The names or names and relationships of the top ten shareholders who are related to each other or who are related to each other as spouses or second degree relatives, etc.		Note
	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Name	Relation	
Digital Capital Inc.	290,000,000	37.64	—	—	—	—	Mai Investment Co., Ltd., Digital Mobile Venture Ltd.	Same ultimate beneficiary	—
Representative: Hsu, Jaan-Pyng	1,000,000	0.13	2,000	0.00	—	—	—	—	—
Digital Mobile Venture Ltd.	61,729,295	8.01	—	—	—	—	Mai Investment Co., Ltd., Digital Capital Inc.	Same ultimate beneficiary	
Representative: Chen, Shyan Tser	4,950,000	0.67	3,802,000	0.49	—	—	—	—	—
Mai Investment Co., Ltd.	40,527,138	5.45	—	—	—	—	Digital Capital Inc., Digital Mobile Venture Ltd	Same ultimate beneficiary	—
Representative: Tsai, Kao-Chung	—	—	—	—	—	—	—.	—	—
G-Technology Investment Co., Ltd.	26,467,465	3.44	—	—	—	—	Gemtek Technology Co., Ltd.	Same shareholder and representative	—
Representative: Chen, Hung-Wen	34,700	0.00	—	—	—	—	—	—	—
Cathay United Bank entrusted with the custody of the investment account of Lineage Tech Co., Ltd.	14,800,669	1.39	—	—	—	—	—	—	—
Chen, Yi-Chun	10,739,761	1.39	—	—	—	—	Chen, Yi-Ting	The shareholders are the same ultimate beneficiary/ relatives of these three companies.	—
Chen, Yi-Ting	10,633,094	1.38	—	—	—	—	Chen, Yi-Chun	The shareholders are the same ultimate beneficiary/ relatives of these three companies.	—
Masterpiece Enterprise Co., Ltd.	10,000,000	1.30	—	—	—	—	—	—	—

Name	Shareholdings held by me		Spouse, minor children shareholdings		Bominal total of shareholdings using others' names		The names or names and relationships of the top ten shareholders who are related to each other or who are related to each other as spouses or second degree relatives, etc.		Note
	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Name	Relation	
Representative: King Regent Management Limited	—	—	—	—	—	—	Gemtek Technology Co., Ltd., G-Technology Investment Co., Ltd.	Same shareholder and representative	—
Capital World Investment Corporation	9,340,456	1.09	—	—	—	—	Gemtek Technology Co., Ltd., G-Technology Investment Co., Ltd.	The shareholders are the spouses of the representatives of these two companies.	—
Representative: Lu, Hsiao-Ju	—	—	—	—	—	—	—	—	—
Gemtek Technology Co., Ltd.	7,784,542	1.01	—	—	—	—	G-Technology Investment Co., Ltd.	Same representative	—
Representative: Chen, Hung-Wen	34,700	0.00	—	—	—	—	—	—	—

IX. Number of Shares Held by the Company, Its Directors, Supervisors, Managers and Businesses Directly or Indirectly Controlled by the Company in the Same Business to Which the Company Invests, and Combined to Calculate the Consolidated Shareholding Percentage

Unit: Shares; %

Reinvestment business	The Company investment		Director, manager and investment in directly or indirectly controlled business		Comprehensive investment	
	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %
Polaris Pharmaceuticals, Inc.	23,000	100	—	—	23,000	100
DesigneRx Europe Limited	1	100	—	—	1	100
Polaris Pharmaceuticals Australia Pty Ltd.	100	100	—	—	100	100
Polaris Pharmaceuticals Ireland Limited	100	100	—	—	100	100
Polaris Pharmaceuticals, Inc.	43,800,000	100	—	—	43,800,000	100
DesigneRx Pharmaceuticals, Inc.	136,979,257	100	—	—	136,979,257	100

Reinvestment business	The Company investment		Director, manager and investment in directly or indirectly controlled business		Comprehensive investment	
	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %
TDW HK Limited	88,750,001	100	—	—	88,750,001	100
DesigneRx Pharmaceuticals (Shanghai) Inc.	(Note 1)	100	—	—	(Note 1)	100
DesigneRx Pharmaceuticals (Chengdu) Inc.	(Note 1)	100	—	—	(Note 1)	100
Nanotein Technologies, Inc.	6,347,330	54.89	—	—	6,347,330	54.89
Polaris Biopharmaceuticals, Inc.	125,000,000	100	—	—	125,000,000	100
Lin Yang Biopharma, Ltd.	168,138,001	100	—	—	168,138,001	100
Genovior Biotech Corporation	79,806,000	65.05	122,681,000	100	122,681,000	100
Northern Biopharmaceutical Co., Ltd. (Fujian)	—	—	(Note 1)	100	(Note 1)	100

Note 1: There is no number of shares given that it's a limited company.

III. Capital Raising

I. Capital and Shares

(I) Source of Capital

March 23, 2025, Unit: NTD1,000; Foreign Currency; USD; Shares

Year and month	Issue price (USD)	Authorized share capital		Paid-in capital		Note		
		Number of shares (Stock)	Amount (USD)	Number of shares (Stock)	Amount (USD)	Source of equity (USD)	Offset by property other than cash	Others
March 2011	0.35	500,000,000	5,000	252,185,594	2,521,856	Cash capital increase of $2,000,000	None	—
May 2011	0.315	500,000,000	5,000	265,542,770	2,655,428	Debt to stock conversion of $4,207,510	None	—
May 2011	0.35	500,000,000	5,000	277,377,134	2,773,771	Debt to stock conversion of $4,142,027	None	—
May 2011	0.45	500,000,000	5,000	279,599,357	2,795,994	Cash capital increase of $1,000,000	None	—
February 2012	0.35	500,000,000	5,000	285,313,641	2,853,136	Cash capital increase of $2,000,000	None	—
September 2012	0.50	600,000,000	6,000	306,533,641	3,065,336	Cash capital increase of $10,610,000	None	—
January 2013	0.60	600,000,000	6,000	356,457,529	3,564,575	Cash capital increase of $29,954,333	None	—
February 2014	0.75	600,000,000	6,000	356,817,529	3,568,175	Conversion of stock warrants $270,000	None	—
May 2014	0.50	600,000,000	6,000	356,852,529	3,568,525	Conversion of stock options $17,500	None	—
May 2014	0.60	600,000,000	6,000	356,877,662	3,568,777	Conversion of stock options $15,080	None	—
June 2015	0.47	600,000,000	6,000	421,076,250	4,210,763	Conversion of preferred shares to common shares (Note 1)	None	—
September 2015	1.50	600,000,000	6,000	428,212,261	4,282,123	Cash capital increase of $10,704,000	None	—

Year and month	Issue price (USD)	Authorized share capital		Paid-in capital		Note		
		Number of shares (Stock)	Amount (USD)	Number of shares (Stock)	Amount (USD)	Source of equity (USD)	Offset by property other than cash	Others
October 2015	—	600,000,000	6,000	517,873,234	5,178,732	Exchange 1 share of TDWG stock for 1.13 shares of Polaris Pharmaceuticals stock, issuing 89,660,973 new shares	None	—
Change of denomination from USD0.01 to USD10 per share and exchange of new shares								

Year and month	Issue price (NTD)	Authorized Share Capital		Paid-in capital		Note		
		Number of shares (Stock)	Amount (1,000 dollars)	Number of shares (Stock)	Amount (1,000 dollars)	Source of equity capital (1,000 dollars)	Offset by property other than cash	Others
October 2015	—	240,000,000	2,400,000	207,149,255	2,071,493	Change of capitalization currency and 2.5 share consolidation	None	—
November 2015	—	240,000,000	2,400,000	206,630,589	2,066,306	Share buyback $5,187,000	None	—
July 2017	18.00	320,000,000	3,200,000	246,630,589	2,466,306	Cash capital increase of $400,000,000	None	(Note 2)
August 2017	**33.60**	**320,000,000**	**3,200,000**	**255,630,589**	**2,556,306**	**Private placement of common stock Cash capital increase of $90,000,000**	**None**	**—**
September 2017	USD 0.875~ 1.25	320,000,000	3,200,000	255,924,589	2,559,246	Exercise of employee stock options $2,940,000	None	—
October 2017	USD 0.875~ 1.25	320,000,000	3,200,000	256,305,089	2,563,051	Exercise of employee stock options $3,805,000	None	—
October 2017	**63.00**	**320,000,000**	**3,200,000**	**265,555,089**	**2,655,551**	**Private placement of common stock Cash capital increase of $92,500,000**	**None**	**—**
November 2017	$0.875	320,000,000	3,200,000	265,612,589	2,656,126	Exercise of employee stock options $575,000	None	—
January 2018	USD 1.25~ 1.925	320,000,000	3,200,000	265,659,255	2,656,593	Exercise of employee stock options $467,000	None	—
March 2018	USD 0.875	320,000,000	3,200,000	265,689,255	2,656,893	Exercise of employee stock options $300,000	None	—
April 2018	USD 0.875~ 1.25	320,000,000	3,200,000	265,727,825	2,657,278	Exercise of employee stock options $385,000	None	—

Year and month	Issue price (NTD)	Authorized Share Capital		Paid-in capital		Note		
		Number of shares (Stock)	Amount (1,000 dollars)	Number of shares (Stock)	Amount (1,000 dollars)	Source of equity capital (1,000 dollars)	Offset by property other than cash	Others
September 2018	30.00	420,000,000	4,200,000	285,727,825	2,857,278	Cash capital increase of $200,000,000	None	(Note 3)
September 2018	USD 0.875	420,000,000	4,200,000	285,756,396	2,857,564	Exercise of employee stock options $286,000	None	—
October 2018	USD 0.875	420,000,000	4,200,000	285,796,396	2,857,964	Exercise of employee stock options $400,000	None	—
November 2018	USD 0.875	420,000,000	4,200,000	285,836,396	2,858,364	Exercise of employee stock options $400,000	None	—
March 2019	**21.83**	**420,000,000**	**4,200,000**	**292,901,396**	**2,929,014**	**Private placement of common stock Cash capital increase of $70,650,000**	**None**	**—**
July 2019	12.00	720,000,000	7,200,000	352,901,396	3,529,014	Cash capital increase of $600,000,000	None	(Note 4)
December 2019	**10.00**	**720,000,000**	**7,200,000**	**652,901,396**	**6,529,014**	**Private placement of common stock Cash capital increase of $3,000,000**	**None**	**—**
March 2021	USD 1.25	720,000,000	7,200,000	652,915,396	6,529,154	Exercise of employee stock options $140,000	None	
April 2021	USD 0.875~ 1.68	720,000,000	7,200,000	653,374,110	6,533,741	Exercise of employee stock options $4,587,000	None	
June 2021	USD 0.875~ 1.25	720,000,000	7,200,000	654,612,109	6,546,121	Exercise of employee stock options $12,380,000	None	
July 2021	USD 0.875~ 1.25	720,000,000	7,200,000	654,751,109	6,547,511	Exercise of employee stock options $1,390,000	None	
August 2021	USD 1.25	720,000,000	7,200,000	654,761,109	6,547,611	Exercise of employee stock options $100,000	None	
August 2021	80	1,000,000,000	10,000,000	718,761,109	7,187,611	Cash capital increase of $640,000,000	None	(Note 5)
October 2021	USD 0.875	1,000,000,000	10,000,000	718,825,109	7,188,251	Exercise of employee stock options $640,000	None	
November 2021	USD 1.25~ 1.68	1,000,000,000	10,000,000	718,835,109	7,188,351	Exercise of employee stock options $100,000	None	
December 2021	USD 0.33	1,000,000,000	10,000,000	718,845,109	7,188,451	Exercise of employee stock options $100,000	None	
January 2022	USD 0.33~ 1.25	1,000,000,000	10,000,000	719,368,681	7,193,687	Exercise of employee stock options $5,236,000	None	

Year and month	Issue price (NTD)	Authorized Share Capital		Paid-in capital		Note		
		Number of shares (Stock)	Amount (1,000 dollars)	Number of shares (Stock)	Amount (1,000 dollars)	Source of equity capital (1,000 dollars)	Offset by property other than cash	Others
February 2022	USD 0.33~ 2.0575	1,000,000,000	10,000,000	719,641,681	7,196,417	Exercise of employee stock options $2,730,000	None	
March 2022	USD 0.33~ 3.30	1,000,000,000	10,000,000	720,047,945	7,200,480	Exercise of employee stock options $4,063,000	None	
April 2022	USD 0.47~ 2.0575	1,000,000,000	10,000,000	720,944,893	7,209,449	Exercise of employee stock options $8,969,000	None	
June 2022	USD 0.33~ 2.0575	1,000,000,000	10,000,000	721,037,823	7,210,378	Exercise of employee stock options $929,000	None	
June 2022	84.57	1,000,000,000	10,000,000	741,037,823	7,410,378	Cash capital increase of $200,000,000	None	(Note 6)
July 2022	USD 0.33~ 1.5	1,000,000,000	10,000,000	741,451,866	7,414,519	Exercise of employee stock options $4,141,000	None	
August 2022	USD 0.33~ 1.68	1,000,000,000	10,000,000	741,604,297	7,416,043	Exercise of employee stock options $1,524,000	None	
September 2022	USD 0.47~ 3.3	1,000,000,000	10,000,000	741,746,313	7,417,463	Exercise of employee stock options $1,420,000	None	
October 2022	USD 1.68~ 2.0575	1,000,000,000	10,000,000	741,804,313	7,418,043	Exercise of employee stock options $580,000	None	
November 2022	USD 0.33~ 0.47	1,000,000,000	10,000,000	741,967,691	7,419,677	Exercise of employee stock options $1,634,000	None	
December 2022	USD 0.33~ 1.68	1,000,000,000	10,000,000	742,048,378	7,420,484	Exercise of employee stock options $807,000	None	
January 2023	USD 0.47	1,000,000,000	10,000,000	742,050,378	7,420,504	Exercise of employee stock options $20,000	None	
February 2023	USD 0.33~ 2.0575	1,000,000,000	10,000,000	742,206,378	7,422,064	Exercise of employee stock options $1,560,000	None	
March 2023	USD 0.33~ 2.0575	1,000,000,000	10,000,000	742,897,253	7,428,973	Exercise of employee stock options $6,909,000	None	
April 2023	USD 0.33~ 2.0575	1,000,000,000	10,000,000	743,000,460	7,430,005	Exercise of employee stock options $1,032,000	None	
June 2023	USD 0.33~ 2.0575	1,000,000,000	10,000,000	743,076,606	7,430,766	Exercise of employee stock options $761,000	None	

Year and month	Issue price (NTD)	Authorized Share Capital		Paid-in capital		Note		
		Number of shares (Stock)	Amount (1,000 dollars)	Number of shares (Stock)	Amount (1,000 dollars)	Source of equity capital (1,000 dollars)	Offset by property other than cash	Others
July 2023	USD 0.33~ 2.4	1,000,000,000	10,000,000	743,423,606	7,434,236	Exercise of employee stock options $347,000	None	
August 2023	USD 0.33~ 0.47	1,000,000,000	10,000,000	743,425,064	7,434,251	Exercise of employee stock options $15,000	None	
September 2023	USD 0.47~ 1.5	1,000,000,000	10,000,000	743,463,314	7,434,633	Exercise of employee stock options $383,000	None	
October 2023	USD 0.33~ 0.47	1,000,000,000	10,000,000	743,745,936	7,437,460	Exercise of employee stock options $2,826,000	None	
November 2023	USD 0.33~ 2.4	1,000,000,000	10,000,000	743,759,153	7,437,592	Exercise of employee stock options $132,000	None	
January 2024	USD 0.47~ 1.68	1,000,000,000	10,000,000	743,859,153	7,438,592	Exercise of employee stock options $1,000,000	None	
February 2024	USD 0.33~ 1.68	1,000,000,000	10,000,000	744,324,732	7,443,247	Exercise of employee stock options $4,656,000	None	
March 2024	USD 0.47	1,000,000,000	10,000,000	744,420,732	7,444,207	Exercise of employee stock options $960,000	None	
May 2024	USD 0.33~ 1.68	1,000,000,000	10,000,000	745,142,092	7,451,421	Exercise of employee stock options $7,214,000	None	
June 2024	USD 0.35~ 1.68	1,000,000,000	10,000,000	745,677,829	7,456,778	Exercise of employee stock options $5,357,000	None	
July 2024	USD 0.33~ 2.0575	1,000,000,000	10,000,000	746,100,479	7,461,004	Exercise of employee stock options $4,226,000	None	
August 2024	USD 0.47	1,000,000,000	10,000,000	746,132,479	7,461,325	Exercise of employee stock options $320,000	None	
September 2024	USD 0.33~ 1.68	1,000,000,000	10,000,000	746,195,438	7,461,954	Exercise of employee stock options $1,824,000	None	

Year and month	Issue price (NTD)	Authorized Share Capital		Paid-in capital		Note		
		Number of shares (Stock)	Amount (1,000 dollars)	Number of shares (Stock)	Amount (1,000 dollars)	Source of equity capital (1,000 dollars)	Offset by property other than cash	Others
October 2024	USD 0.47	1,000,000,000	10,000,000	746,206,272	7,462,063	Exercise of employee stock options $158,000	None	
December 2024	NTD 10	1,000,000,000	10,000,000	770,206,272	7,702,063	Cash capital increase $240,000,000	None	(Note 6)
December 2024	USD 0.47	1,000,000,000	10,000,000	770,251,272	7,702,513	Exercise of employee stock options $694,000	None	
January 2025	USD 0.47~ 1.68	1,000,000,000	10,000,000	770,287,272	7,702,873	Exercise of employee stock options $794,000	None	
February 2025	USD 0.47	1,000,000,000	10,000,000	770,320,272	7,703,203	Exercise of employee stock options $509,000	None	
March 2025	USD 0.33~ 0.47	1,000,000,000	10,000,000	770,433,022	7,704,330	Exercise of employee stock options $1,395,000	None	

Note 1: Convertible preferred shares were issued in February 2012 at a total price of USD 30,000,000 and fully converted to common shares in June 2015.
Note 2: Cash capital increase approval date: June 6, 2017; Approval No. 1060021095.
Note 3: Approval date of cash capital increase: August 3, 2018; Approval No. 1070327709.
Note 4: Approval date of cash capital increase: May 7, 2019; Approval No. 1080313697.
Note 5: Approval date of cash capital increase: June 15, 2021; Approval No. 1100346636.
Note 6: Approval date of cash capital increase: April 18, 2022; Approval No. 1111701116.

Shareholding information as of March 23, 2025

Type of shares	Authorized share capital (Shares)			Note
	Outstanding	Unissued	Total	
Registered Common Shares	770,251,272 (Including private placement of 307,065,000)	229,748,728	1,000,000,000	

(II) List of Major Shareholders

The names, amounts and percentages of the top ten shareholders with at least 5% or more of the shares are listed below.

Shareholding information as of March 23, 2025

Shares / List of major shareholders name	Number of shares held (Shares)	Shareholding %
Digital Capital Inc.	290,000,000	37.65
Digital Mobile Venture Ltd.	61,729,295	8.01
Mai Investment Co., Ltd.	40,527,138	5.26
G-Technology Investment Co., Ltd.	26,467,465	3.44
Cathay United Bank entrusted with the custody of the investment account of Lineage Tech Co., Ltd.	14,800,669	1.92
Chen, Yi-Chun	10,739,761	1.39
Chen, Yi-Ting	10,633,094	1.38
Masterpiece Enterprise Co., Ltd.	10,000,000	1.30
Capital World Investment Corporation	8,414,456	1.09
Gemtek Technology Co., Ltd.	7,784,542	1.01

(III) Dividend Policy and Implementation Status

1. Dividend policy as stated in the Company's Articles of Incorporation

The Company shall set aside at least 1% of the Company's annual profit as employee bonus and not more than 3% of the Company's annual profit as director compensation, provided that the Company shall reserve the amount of compensation in advance if there is an accumulated deficit.

Employee bonuses may be paid in cash or in stock to employees of the Company's subsidiaries who meet certain criteria established by the Board of Directors of Directors.

The Company may distribute earnings in accordance with a plan of distribution prepared by the Board of Directors of Directors and approved by the shareholders by ordinary resolution. The Board of Directors of Directors shall distribute or appropriate in the following order: (i) final tax contributions; (ii) to cover losses; (iii) a further 10% of the statutory surplus reserve; Except when the legal surplus reserve has reached the total capital of the Company; (iv) The Company may set aside special surplus reserves as required by the listing Act or the competent authority.

Subject to the aforesaid, the Board of Directors may distribute any remaining profits for the relevant financial year plus all accumulative and undistributed profits from previous years ("Distributable Profit") in the following manner upon approval by the Shareholders. The Company's business belongs to a capital intensive industry and is in a growing stage. As the Company may have capital requirements for further capital expenditures in the next few years, when making the proposal of dividends distribution, the Board of Directors may take into consideration financial, business and operational factors for proposing a dividend/bonus distribution plan in accordance with the Law and the Applicable Listing Rules. The total amount of dividends to be paid to shareholders shall not be less than 10% of the current year's distributable earnings, and the percentage of cash dividends to be distributed shall not be less than 10% of the current year's total dividends to shareholders.

2. Proposed Dividend Distribution at the Shareholders' Meeting

The Company will not distribute dividends this year due to negative retained surplus on the books.

(IV) Impact of the proposed stock dividend on the Company's operating results and earnings per share: There was no stock dividend distribution for the year.

(V) Compensation for Employee, Director and Supervisor

1. The percentage or scope of compensation for employees, directors and supervisors as stated in the Company's Articles of Incorporation

The Company shall set aside at least 1% of the Company's annual profit as employee bonus and not more than 3% of the Company's annual profit as director compensation, provided that the Company shall reserve the amount of compensation in advance if there is an accumulated deficit. Employee bonuses may be paid in cash or in stock to employees of the Company's subsidiaries who meet certain criteria established by the Board of Directors of Directors.

The Company may distribute earnings in accordance with a plan of distribution prepared by the Board of Directors of Directors and approved by the shareholders by ordinary resolution. The Board of Directors of Directors shall distribute or appropriate in the following order: (i) final tax contributions; (ii) to cover losses; (iii) a further 10% of the statutory surplus reserve; Except when the legal surplus reserve has reached the total capital of the Company; (iv) The Company may set aside special surplus reserves as required by the listing Act or the competent authority.

Subject to the aforesaid, the Board of Directors may distribute any remaining profits for the relevant financial year plus all accumulative and undistributed profits from previous years ("Distributable Profit") in the following manner upon approval by the Shareholders. The Company's business belongs to a capital intensive industry and is in a growing stage. As the Company may have capital requirements for further capital expenditures in the next few years, when making the proposal of dividends distribution, the Board of Directors may take into consideration financial, business and operational factors for proposing a dividend/bonus distribution plan in accordance with the Law and the Applicable Listing Rules. The total amount of dividends to be paid to shareholders shall not be less than 10% of the current year's distributable earnings, and the percentage of cash dividends to be distributed shall not be less than 10% of the current year's total dividends to shareholders.

2. The basis for estimating the amount of compensation for employees, directors and supervisors, the basis for calculating the number of shares for employee compensation distributed by stock, and the accounting treatment if the actual amount of distribution differs from the estimated amount.

The Company has accumulated losses in the accounts for the year 2024, which have not been assessed or distributed for the compensation of employees, directors and supervisors.

3. The Board of Directors of Directors approved the distribution of compensation:

   (1) The amount of compensation to employees, directors and supervisors is distributed in cash or stock. If the amount of compensation is different from the amount estimated in the year in which the expense is recognized, the amount of the difference, the reason for the difference and the treatment of the difference should be disclosed: Not applicable.

   (2) The proportion of employee compensation distributed in stock to the total amount of net profit after tax and employee compensation for the period: not applicable.

4. The Shareholders' Meeting reported the distribution of compensation and the results:

   The Company still has losses accumulated in its books for fiscal year 2024, so it is not applicable.

5. The actual distribution of compensation to employees, directors and supervisors in the previous year (including the number of shares distributed, the amount and share price), the difference between the distribution and the recognition of compensation to employees, directors and supervisors, and the number of differences, the reasons for the differences and the treatment of the differences: Not applicable.

(VI) The Company's repurchase of The Company's shares: The Company has not repurchased shares of the Company in the most recent year and as at the date of publication of the Annual Report.

II. Corporate Bonds

   (I) Outstanding bonds in process: None.

   (II) Convertible bonds: None.

III. Preferred Share: None.

IV. Overseas Depositary Receipts: None.

V. Employee Stock Options

(I) Stock options that have not yet expired

March 23, 2025

Type of Employee Stock Option Certificate	Polaris Group 2011Annual Stock Option Plan	Polaris Group 2011Annual Stock Option Plan	Polaris Group 2011Annual Stock Option Plan	Polaris Group 2011Annual Stock Option Plan
Declaration Effective Date	Not applicable.	Not applicable.	Not applicable.	Not applicable.
Issue Date	April 15, 2015	July 7, 2015	October 30, 2015	November 17, 2015
Period of Existence	10 years			
Number of units issued (1 share / 1 unit)	519,999 (Among them, 399,999 shares have expired)	128,000 (Among them, 128,000 shares have expired)	312,000 (Among them, 312,000 shares have expired)	3,128,000 (Among them, 1,994,750 shares have expired)
Number of units can be issued	—	—	—	—
Number of shares issued as a percentage of the total number of shares issued	0.07%	0.02%	0.04%	0.41%
Subscription period	9 years			
Performance method	Issuance of new shares			
Restricted period and ratio (%)	25% for 1 year and the remaining 75% for the next 36 months, 1/36th per month			
Number of shares exercised	—	—	—	64,829
Executed subscription amount	—	—	—	USD213,936
Number of shares not executed	120,000	—	—	1,118,421
Subscription price per share for unexecuted stock options	USD2.5	USD2.5	USD2.5	USD3.3
Number of shares outstanding as a percentage of the total number of shares issued (%)	0.02%	0.00%	0.00%	0.15%
Effect on shareholders' equity	No significant impact.	No significant impact.	No significant impact.	No significant impact.

March 23, 2025

Type of Employee Stock Option Certificate	The First Employee Stock Option Certificate in 2017	The First Employee Stock Option Certificate in 2017	The First Employee Stock Option Certificate in 2019	The Second Employee Stock Option Certificate in 2019	The First Employee Stock Option Certificate in 2021	The Second Employee Stock Option Certificate in 2021
Declaration Effective Date	December 04, 2017	December 04, 2017	November 19, 2019	November 19, 2019	May 14, 2021	May 14, 2021
Issue Date	January 03, 2018	May 31, 2018	November 20, 2019	April 01, 2020	June 24, 2021	December 13, 2021
Period of Existence	10 years					
Number of units issued (1 share / 1 unit)	6,111,000 (Among them, 3,690,450 shares have expired)	210,000 (Among them, 60,000 shares have expired)	1,788,000	4,697,000 (Among them, 718,147 shares have expired)	818,000 (Among them, 93,833 shares have expired)	640,000 (Among them, 120,000 shares have expired)
Number of units can be issued	—	—	—	—	—	—
Number of shares issued as a percentage of the total number of shares issued	0.79%	0.03%	0.24%	0.61%	0.11%	0.08%
Subscription period	8 years					
Performance method	Issuance of new shares					
Restricted period and ratio (%)	50% for 2 years and the remaining 50% for the next 48 months, 1/48th per month					
Number of shares exercised	1,112,550	10,000	1,760,500	3,277,040	21,167	—
Executed subscription amount	USD1,869,084	USD16,800	USD580,965	USD1,540,209	USD50,589	—
Number of shares not executed	1,308,000	140,000	27,500	701,813	703,000	520,000
Subscription price per share for unexecuted stock options	NTD 50.87	NTD 51.02	NTD 10.05	NTD 14.26	NTD 67.27	NTD 71.26
Number of shares outstanding as a percentage of the total number of shares issued (%)	0.17%	0.02%	0.00%	0.09%	0.09%	0.07%
Effect on shareholders' equity	No significant impact.	No significant impact.	No significant impact.	No significant impact.	No significant impact.	No significant impact.

March 23, 2025

Type of Employee Stock Option Certificate	The Third Employee Stock Option Certificate in 2021	The First Employee Stock Option Certificate in 2022	The Second Employee Stock Option Certificate in 2022	The Third Employee Stock Option Certificate in 2022
Declaration Effective Date	May 14, 2021	December 06, 2022	December 06, 2022	December 06, 2022
Issue Date	May 10, 2022	December 14, 2022	June 20, 2023	December 21, 2023
Period of Existence	10 years			
Number of units issued (1 share / 1 unit)	570,000 (Expired 120,000 shares)	7,262,500 (Expired 1,250,000 shares)	1,450,000 (Expired 250,000 shares)	2,820,000 (Expired 365,000 shares)
Number of units can be issued	—	4,467,500		
Number of shares issued as a percentage of the total number of shares issued	0.07%	0.94%	0.19%	0.37%
Subscription period	8			
Performance method	Issuance of new shares			

Restricted period and ratio (%)	50% for 2 years and the remaining 50% for the next 48 months, 1/48th per month			
Number of shares exercised	—	—	—	—
Executed subscription amount	—	—	—	—
Number of shares not executed	450,000	6,012,500	1,200,000	2,455,000
Subscription price per share for unexecuted stock options	NTD 123.71	NTD 101.50	NTD 83.9	NTD 70.70
Number of shares outstanding as a percentage of the total number of shares issued (%)	0.06%	0.78%	0.16%	0.32%
Effect on shareholders' equity	No significant impact.	No significant impact.	No significant impact.	No significant impact.

Type of Employee Stock Option Certificate	The Fourth Employee Stock Option Certificate in 2022	The Fifth Employee Stock Option Certificate in 2022
Declaration Effective Date	December 06, 2022	December 06, 2022
Issue Date	July 01, 2024	November 14, 2024
Period of Existence	10 years	
Number of units issued (1 share / 1 unit)	2,570,000 (Expired 0 shares)	1,880,000 (Expired 0 shares)
Number of units can be issued	0	
Number of shares issued as a percentage of the total number of shares issued	0.33%	0.24%
Subscription period	8 years	
Performance method	Issuance of new shares	
Restricted period and ratio (%)	50% for 2 years and the remaining 50% for the next 48 months, 1/48th per month	
Number of shares exercised	—	—
Executed subscription amount	—	—
Number of shares not executed	2,100,000	1,880,000
Subscription price per share for unexecuted stock options	NTD 75.10	NTD 51.20
Number of shares outstanding as a percentage of the total number of shares issued (%)	0.27%	0.24%
Effect on shareholders' equity	No significant impact.	No significant impact.

Note: TDW Group, a subsidiary of The Company, originally had the 2013 Annual Stock Option Plan, which was originally subject to the common shares issued by TDW Group. In September 2015, the company acquired the outstanding shares other than TDW Group shares held by the Board of Directors of Directors through equity exchange. As a result, TDW Group, through a Director's resolution, adjusted the performance of its 2013 Annual Stock Option Plan by converting one share of TDW Group common stock into 1.13 shares of The Company common stock at the same proportional exercise price. The exercise price will be adjusted in the same proportion.

(II) Name, Acquisition and Subscription of the Top Ten Employees Who Have Acquired Employee Stock Options and the Number of Shares Authorized by the Stock Options as of the Publication Date of the Annual Report

1. Managers who obtained employee stock options

March 23, 2025

	Title	Name	Number of share subscribed (1,000 shares)	Ratio of the number of subscribed shares to the total number of issued shares	Executed				Not Executed			
					Number of share subscribed (1,000 shares)	Subscription price	Subscription amount (1,000 dollars)	The ratio of the number of shares recognized to the total number of issued shares	Number of share subscribed (1,000 shares)	Subscription price	Subscription amount (1,000 dollars)	The ratio of the number of shares recognized to the total number of issued shares
Manager	CEO	Hsu, Jaan-Pyng	3,683	0.48%	1,120	USD0.33~1.5	USD606	0.15%	1,900	USD0.33~3.32	USD4,510	0.25%
	Executive Vice President	John Bomalaski										
	COO (Note 1)	You, Huei-Yuan										
	Chief Financial Officer	Yan, Feng-Kui										
	CSO	Chien-Hsing Chang										
	CISO	Kevin Wu										

Note 1: The Company canceled the position of COO on July 23, 2024, and Mr. You, Huei-Yuan stepped down.

2. Obtaining stock warrant certificates can be recognized as the top ten employees of number of shares

March 23, 2025

	Title	Name	Number of share subscribed (1,000 shares)	Ratio of the number of subscribed shares to the total number of issued shares	Executed				Not Executed			
					Number of share subscribed (1,000 shares)	Subscription price	Subscription amount (1,000 dollars)	The ratio of the number of shares recognized to the total number of issued shares	Number of share subscribed (1,000 shares)	Subscription price	Subscription amount (1,000 dollars)	The ratio of the number of shares recognized to the total number of issued shares
Employee	Science Consultant (PPI) (PPI)	Chen, Tsao-Chen	6,222	0.81%	3,018	USD 0.33~3.30	USD2,027	0.39%	1,864	USD 0.33~3.32	USD4,826	0.24%
	Vice president of Clinical Division (PPI) (PPI)	Amanda Johnston										
	Vice president of Production Division (DRX USA) (DRX USA)	Chris Huxsoll										
	Consultant of Production Department (DRX USA) (DRX USA)	Liang Xia										
	Vice President of Finance (DRX USA) (DRX USA)	Bishoram Guragai										
	Director of Clinical Department (TDW TW) (TDW TW)	Liu, Hui-Fen										
	Senior Clinical Project Manager/Clinical Statistics	Kuo, Chi-Ling										
	Manager of Production Department (DRX USA) (DRX USA)	Christopher Starr										
	Senior Clinical Project Manager	Huang Yalun										
	Accounting Manager	Hsu, Shu-Yen										

VI. New Shares with Restricted Employee Rights:

(I) For new shares with restricted employee rights that have not fully met the acquired conditions, the transaction status as of the date of publication of the annual report and the impact on shareholders' rights and interests shall be disclosed : None.

(II) The managers who have obtained new shares with restricted employee rights and the names of the top ten employees who have obtained number of shares until the date of publication of the annual report : None.

VII. Issuance of New Shares through Merger, Acquisition or Transfer of Shares of Other Companies: None.

VIII. Implementation of the Fund Utilization Plan:

As of the quarter before the publication date of the annual report, the plan content and execution status of the previous issuance or private placement of securities that have not been completed or have been completed within the last three years and the plan benefits have not yet materialized: None

IV. Operation Overview

I. Business Contents

(I) Scope of Business:

1. Main Content of the Business

Polaris Pharmaceutical Group is a fully vertically integrated biological new drug development company, and provides contract development and manufacturing organization (CDMO) services for biological drugs. Through the upstream and downstream division of labor, the group integrates the design and improvement of ADI-PEG20 new drug development, the planning and execution of clinical trials in many countries around the world, the production of ADI-PEG20 clinical trial drugs, the active pharmaceutical ingredients of polypeptide drugs, generic drug development, and CDMO business, quality control, sales and other all-round service projects.

2. Proportion of Sales of Major Products

The Group's operating income in the year 2024 was NTD107,000,000, which was derived from the CDMO business of biopharmaceuticals; ADI-PEG20 products are still in the research and development stage and have no operating income yet.

3. The Company's current goods (services) projects

Product	Introduction	Application
ADI-PEG20 new drug research and development	ADI-PEG 20 is an innovative biological drug produced by coupling arginine deiminase and polyethylene glycol with a molecular weight of 20,000 . After intramuscular injection into the human body, it can completely decompose arginine in the blood circulation. Ultimately, any cancer cells that are unable to synthesize arginine on their own due to a metabolic defect die. It has now entered clinical trials for a variety of cancers around the world.	Hepatic cell carcinoma, mesothelioma, soft tissue sarcoma, acute myeloid leukemia, non-small cell lung cancer, pancreatic cancer, malignant melanoma and brain cancer, etc.
CDMO Drug development and production services	Utilizing the Group's sophisticated technology in the production of Escherichia coli and an experienced R&D team, we can provide customers with biological drug development, manufacturing, clinical trials or marketing applications, covering all stages. If there are problems with specific technologies, international standards or regulations, Provide overall project solutions. In addition, Genovior Biotech, a subsidiary of the Group, has the ability to complete product development, production, quality control and regulatory documentation from APIs to sterile preparations, focusing on the one-stop CDMO service model for HPAPIs, peptides, macromolecular APIs and injections. It can provide global customers with convenient, practical and effective pharmaceutical finished products solutions.	A variety of biological drugs, cell therapy, APIs, injections, etc.
Multiple peptide drugs Generic drug development	Genovior Biotech, a subsidiary of the Group, is the only company in Taiwan capable of producing polypeptide APIs with more than 30 amino acids through a fully synthetic or microbial process, and can produce polypeptide injections using a combination of API production, aseptic filling of cassette bottles, and medical devices (such as injection pen). At the same time, we focus on the research and development of generic drugs, APIs and injection products, and have obtained more than 20 drug certificates.	Raw materials, biosimilar drugs, peptide drugs, etc.

4. New products (services) planned to be developed

ADI-PEG 20

ADI-PEG 20 is a broad-spectrum innovative biological drug. Due to its different mechanism of action, good efficacy and mild side effects, it is also suitable for use in combination with other cancer drugs. Since 2013, the Group has initiated a series of clinical trials of combination drugs in top cancer hospitals in Europe and the United States. The clinical trials of ADI-PEG 20 combination drugs in progress are as follows :

Cancer Type	Stage	Lead Cancer Center	Intervention/Treatment
Soft Tissue Sarcoma	Phase III	University of Washington	ADI-PEG 20 + Gemcitabine + Docetaxel
Cerebral cancer	Phase II/III	Linkou Chang Gung Memorial Hospital Taiwan/Global Coalition for adaptive Research	ADI-PEG 20 +Temozolomide +Radiotherapy
Hepatic cell Carcinoma	Phase II/III (Note)	Linkou Chang Gung Memorial Hospital, Taiwan	Monotherapy
Acute Myeloid Leukemia	Phase I	MD Anderson Cancer Center Houston, Texas, United States	ADI-PEG 20 + Venetoclax + Azacitidine
NASH	Phase II	Linkou Chang Gung Memorial Hospital, Taiwan	Monotherapy

Note: Proof of Concept (POC)

(1) Soft Tissue Sarcoma

The Phase III clinical trial program received FDA approval for INA and completed its first patient admission for ADI-PEG 20 combined with Gemcitabine and Docetaxel for leiomyosarcoma. The trial was randomized and double-blind, with multiple countries and centers involving. The main evaluation index was Progression Free Survival and the secondary evaluation index was Overall Survival.

(2) Cerebral cancer

This clinical trial was conducted with ADI-PEG20 combined with radiotherapy and Temozolomide in the treatment of Glioblastoma, GBM. This case was originally a Phase I clinical trial, and after completing this stage, the evaluable subjects were enrolled. The Phase II clinical trial has been continued, with a change to a control placebo group, randomized allocation, and double-blind trial. It is expected that the scale of the trial will be expanded, and the number of cases collected globally will be 100. The main evaluation indicator was the Overall Survival, and the trial physician would observe the Progression-free survival. This experiment was led by Taiwan Linkou Chang Gung Memorial Hospital and collaborated with five renowned medical centers in Korea. Patient enrollment is expected to be completed by mid-2025.

At the same time, the Company joined GBM AGILE, a new clinical trial platform approved by the FDA, which allows simultaneous evaluation of multiple new drugs for cerebral cancer and sharing of patients in control group. And the platform has signed contracts with major international hospitals in order to quickly recruit patients. The Company aims to recruit 300 patients. In August 2023, the ADI-PEG 20 group being trialled on the GBM AGILE platform will enroll patients with newly diagnosed and relapsing GBM. Dr. Nicholas Blondin, assistant professor of clinical neurology at Yale School of Medicine, and Dr. Macarena de la Fuente, associate professor of neuro-oncology and director of neuro-oncology at the Sylvester Comprehensive Cancer Center, University of Miami, will serve as the lead trial program hosts for ADI-PEG 20.

(3) Hepatic cell Carcinoma

In order to accelerate the clinical trial, the Company changed the enrollment condition to screening by arginine concentration. Hepatic cell carcinoma was treated with ADI-PEG 20, the new metabolic therapy. The trial was randomized and double-blind, with multiple countries and centers involving. The main evaluation index was Progression Free Survival and the secondary evaluation index was Overall Survival. In addition to patient enrollment at seven medical centers in Taiwan, approval has been obtained from the Vietnam Ministry of Health (MOH) for the trial, and a memorandum of understanding has been signed with the Vietnam National Cancer Hospital, with patient enrollment expected to commence.

(4) Acute Myeloid Leukemia

This is a Phase 1 clinical trial of ADI-PEG 20 in combination with Venetoclax and Azacitidine in patients with acute myeloid leukemia, led by MD Anderson Cancer Center. In addition to evaluating the safety and tolerability of ADI-PEG 20 in combination with Venetoclax and Azacitidine, the efficacy of this combination in the RP2D (recommended phase 2 dose) arm will also be explored.

Contract Development and Manufacturing Organization (CDMO)

In addition to the production of ADI-PEG 20, DRX USA, the Group's subsidiary in Northern California, also has a very mature technology that uses E. coli as a production platform. Since officially providing Drug Development and Production (CDMO) services in November 2019, we have received positive feedback. With the success of the Phase III clinical trial for mesothelioma, DRX USA is gradually transitioning to a commercial operation model and actively promoting related preparations, including three batch validation production, GMP inspection preparation, and drug license registration application to meet the regulatory requirements for drug market launch.

In addition, the Group established Subsidiary DRX Chengdu in Chengdu, originally as a support center for new product development and research for the Northern California plant. With the completion of phased tasks, the Company has been planning since the beginning of this year to upgrade DRX Chengdu from a research and development unit to a GMP-compliant production pharmaceutical plant. This is expected to bring stable revenue to the Group in the future.

Genovior Biotech, a subsidiary of the Group, is one of the few CDMO companies in Asia that can actually commercialize API and injection, and now uses its technology and capacity advantages to continuously provide global pharmaceutical customers with technical services such as advanced process development, scale-up, dosage form development and pharmaceutical finished product solutions. The following CDMO/CMO services are available:

- Process development of peptides or protein APIs produced by microbial fermentation or human cell processes
- Development of dosage forms for biological injections
- Provide biological APIs,lyophilized injection,preperfusion syringe and injection pen and other dosage forms. The number of manufacturing services ranges from preclinical and clinical research to commercial volume production.

Polypeptide Product Development and Process Optimization

The Company will strengthen research and innovation in the polypeptide product line at Genovior Biotech Corporation, with a special focus on the development of multiple polypeptide products and process optimization to improve production efficiency and product quality. The following are the Genovior Biotech's main plans for polypeptide product development and process optimization.

(1) Semaglutide

Semaglutide, a drug used to treat diabetes, is a hormone that is a receptor agonist for GLP-1 (glucagon-like peptide-1), an analogue of the insulin hormone that stimulates insulin production and lowers blood sugar levels. In addition, Semaglutide is also used for weight management in obesity, as it can promote appetite reduction and contribute to weight loss. In addition, Semaglutide is expected to continue to expand with the progress of clinical trials of the original company, including the treatment of renal failure in diabetes patients and other related indications. The Company is committed to further optimizing Semaglutide products, including the development of generic drug products from active pharmaceutical ingredients (APIs), injections, and oral formulations. Moreover, the Company also expanded the market size of its products through the development of Class505b2 new drugs to meet the needs of patients and improve therapeutic effectiveness.

The Semaglutide API 200kg production line is scheduled to be completed in 2025. In the aspect of commercial development, the Company is currently focusing on the expansion of the new market (emergingmarket). As the supply of Semaglutide products falls short of demand, the company also plans to cooperate with new market countries to enter major new market countries through joint venture, co-development or technology transfer, etc.

(2) Teriparatide

As a peptide substance used in the treatment of osteoporosis, Teriparatide has a significant effect on enhancing bone mineral density and reducing the risk of fracture. The company is committed to improving the production efficiency and quality of Teriparatide to ensure that patients have access to safe and effective treatments. In 2025, we will continue to develop Teriparatide preparations, drug inspection registration, and marketing planning.

(II) Industry Overview

1. Current Status and Development of the Industry

(1) Cancer Medication

According to IQVIA's statistics, including COVID-19 vaccines and drugs, the global drug market size in 2023 is about 1.61 trillion US dollars, an increase of approximately 8.78% compared to 1.48 trillion US dollars in 2022. The market size of advanced countries is about 1.28 trillion US dollars, accounting for approximately 79.50% of the global drug market, which is a significant increase from 73.42% in 2022. The drug market size of the top 10 advanced countries in the United States, Germany, France, the United Kingdom, Italy, Spain, Japan, Canada, Australia, and South Korea in 2023 also reached about 1.0816 trillion US dollars, accounting for 67.18% of the global drug market; emerging drug markets, mainly China, Brazil, India, and Russia, had a drug market size of $303.7 billion in 2023, accounting for about 18.86% of the global drug market, while low-income countries and regions had drug sales of $27.6 billion, accounting for only 1.71%.

According to IQVIA's survey, the world's top five therapeutic drugs in 2028 are Cancer Medication, immunosuppressants, hypoglycemic drugs, cardiovascular drugs, and central nervous system drugs, as shown in Table 2-2. Among them, cancer remains a major disease that the world is urgently trying to overcome. Including newly approved drugs or items under development in various countries, Cancer Medication remains in the leading position. With the development of various innovative cancer therapies, Cancer Medication is expected to maintain high growth in the future. The market size is projected to reach $444 billion by 2028, with a compound annual growth rate of 14-17% from 2024 to 2028. The sales of immunosuppressants have slowed down due to the approval and listing of biosimilar drugs, with the market size estimated at $192 billion in 2028, and a compound annual growth rate of only 2-5% from 2024 to 2028. It is worth noting that obesity medications show significant growth due to the better effects achieved by using innovative therapies, with the market size projected to reach $74 billion by 2028.

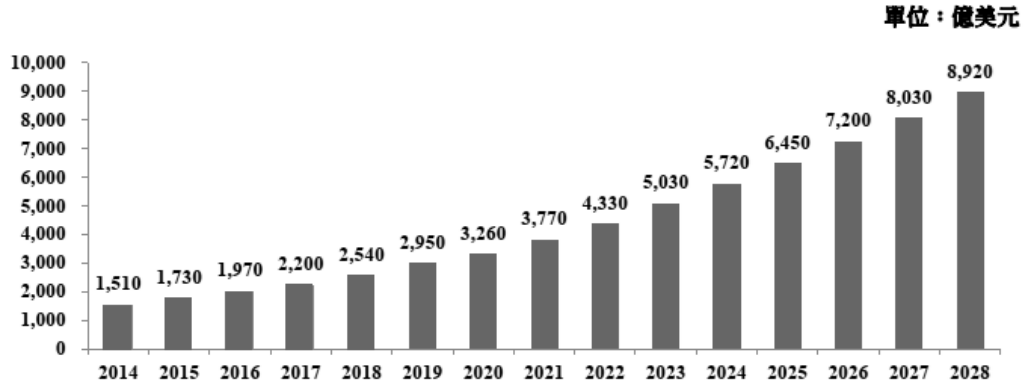
Uni: USD 100M, %

Field of Drug	2028 Forecast Sales Volume	Between 2024 and 2028
Oncologics (anticancer drug)	4,440	14~17
Immunosuppressants (immunosuppressor)	1,920	2~5
Anti-diabetics (hypoglycemic drugs)	1,840	3~6
Cardiovascular (drugs for cardiovascular diseases)	1,260	2~5
Central Nervous System (central nervous system drugs)	1,030	6~9
Respiratory (respiratory medication)	990	3~6
Mental health (mental health medication)	810	9~12
Infectious diseases (drugs for infectious diseases)	750	3~6
Obesity (anti-obesity drugs)	740	24~27
GU sexual health (drugs for genitourinary and sexual health)	620	3~3

Source: Source: Global Use of Medicines 2024: Outlook to 2028, IQVIA, January 2024.

(2) Biopharmaceuticals / Commissioned Development and Manufacturing Services of Biopharmaceuticals (CDMO)

According to IQVIA's research report, the global biologics market size will increase from $503 billion in 2023 to $892 billion in 2028, with a compound annual growth rate of about 9.5-12.5%. With the development and launch of new types of biological drugs such as cell therapy and gene therapy, along with the continuous growth of monoclonal antibody drugs, the expansion of the biological drugs market is being driven. However, the rapid development of biosimilar drugs, especially the United States' strengthened promotion of biosimilar drugs, will also exert some pressure on the biological drugs market. The development trend of the global biological drugs market is shown in the following figure.



Source: Source: Global Use of Medicines 2024: Outlook to 2028, IQVIA, January 2024.

Biological drugs are new types of drugs that have emerged in the past decade. These drugs can be used to treat common chronic diseases such as cancer, rheumatoid arthritis, and leukemia. These drugs are expensive to produce and require long-term use, so they can easily sell for hundreds of millions of dollars. Amounts make biological preparations the target of research and development, and the market trend of these drugs is also the focus of attention of major pharmaceutical companies. According to the annual reports published by international pharmaceutical companies, the top ten global brand drugs in 2020 are counted, of which five are biological drugs, as shown in the following table .

Uni: USD 0.1 Billion, %

Brand Name/Manufacturer Name	Major Indications	Sales Volume of 2022	Sales Volume of 2023	Growth rate from 2022 to 2023	Product Name
Keytruda® (Merck & Co)	Advanced melanoma	20.937 billion	25.011 billion	19.46%	Monoclonal antibody drug
Humira® (AbbVie)	Rheumatoid arthritis, Crohn's disease, psoriasis, juvenile idiopathic polyarthritis, etc	21.237 billion	14.404 billion	-32.17%	Monoclonal antibody drug
Ozempic® (Novo Nordisk)	Diabetes	8.446 billion	13.894 billion	64.50%	Chymotrypsinogen
Dupixent® (Sanofi)	Dermatitis, asthma, chronic sinusitis.	8.720 billion	11.588 billion	32.89%	Monoclonal antibody drug
Comirnaty® (Pfizer/BioNTech)	COVID-19	43.020 billion	11.202 billion	-73.96%	Vaccine
Stelara® (Johnson & Johnson)	Psoriasis	9.723 billion	10.858 billion	11.67%	Monoclonal antibody drug
Darzalex® (Johnson & Johnson)	Multiple myeloma	7.977 billion	9.721 billion	21.86%	Monoclonal antibody drug
Opdivo® (Bristol-Myers Squibb)	Melanoma	8.249 billion	9.009 billion	9.21%	Monoclonal antibody drug
Gardasil®/Gardasil 9® (Merck & Co)	HVP	6.897 billion	8.886 billion	28.84%	Vaccine

Source: GlobalData, May 2024

According to Grand View Research's report, in 2023, the global emerging therapies CDMO market size is approximately $5.64 billion. The demand for emerging therapies, the increasing number of clinical trials, and treatment methods for emerging therapy products drive the overall growth of the emerging therapies CDMO. The CAGR from 2024 to 2030 is 18.92%.

In addition, in 2019, the Group began to cooperate with Nanotein to develop nanoprotein medium (medium) products, which can be used for cell culture activation and expansion. At present, this main product is mainly used for CAR-T cell therapy, CAR-T cell therapy The market size of CAR-T was USD467 million in 2018, and it is estimated that the market size of CAR-T will reach USD8.68 billion in 2026, with a compound growth rate of 44.1%, and the market potential is amazing.

(3) GLP-1 Peptide

According to the market research report by Coherent Market Insights in November, the global market for GLP-1 receptor agonists is expected to reach nearly $56 billion by 2031; GlobalData's market research report in June even predicts that the global market size for GLP-1 receptor agonists will reach an astonishing $111 billion by 2033.

In addition to diabetes and weight loss, an increasing number of preliminary efficacy studies further indicate that GLP-1 receptor agonists may have broader pharmacological effects and therapeutic potential in other diseases, with the prospect of expanding to more indications. For example, in March 2024, the United States Food and Drug Administration (FDA) approved Novo Nordisk's Wegovy (semaglutide) for reducing cardiovascular risk in patients who are overweight or have obesity.

The financial report of Novo Nordisk in the year 2024 shows that the global sales of Semaglutide were approximately 201.8 billion Danish Krone (about 29.3 billion US dollars). The sales of the hypoglycemic Semaglutide injection Ozempic in the year 2024 were 120.3 billion Danish Krone (approximately 17.5 billion US dollars), ranking first with a year-on-year increase of 26%. The oral hypoglycemic Semaglutide tablets Rybelsus had sales of 23.3 billion Danish Krone (approximately 3.4 billion US dollars), with the same year-on-year increase of 26%. The weight loss version of Semaglutide injection Wegovy had sales of 58.2 billion Danish Krone (approximately 8.5 billion US dollars), with a year-on-year increase of 86%.

2. The relationship between the upper, middle and lower reaches of the industry

Upstream	Midstream	Downstream
※ Material supplier • Raw materials and consumables for the production of medicines ※ Outsourcing R&D institutions • Assist in the execution of clinical trials or the development of specific assays ※ Engineering Company • cGMP factory design, construction and maintenance	※ GM ppharmaceutical factory • Production of pharmaceutical raw materials that meet specifications • Packaging of pharmaceutical raw materials • Quality and quality control of pharmaceutical raw materials and finished products	※ Medical institutions ※ Drug agent sales and distributors

3. Various development trends of products

In recent years, new cancer drugs are mostly targeted drugs, aiming at various possible differences between tumor cells and normal cells, and designing new drugs that can effectively kill tumor cells without affecting normal cells.

The ADI-PEG 20 being developed by the Company is a biological drug developed by taking advantage of the significant difference in metabolism between tumor cells and normal cells. Since the first human clinical trial was carried out at USA MD Anderson Cancer Center in 2001, The Company has completed 24 Phase I, II and III clinical trials, and more than 1,600 terminal cancer patients worldwide are in clinical trials Treated with ADI-PEG 20. In many patients, ADI-PEG 20 effectively inhibited cancer cell growth with minimal side effects. The results of completed clinical trials have been compiled into reports and submitted to the USA FDA and relevant competent authorities, and most of them have also been published in internationally renowned scientific journals .

Development trend of ADI-PEG 20 in the next few years will focus on three directions:

A. WWOX Biomarkers

Due to the existence of single nucleotide polymorphism (SNP) in the gene sequence between people, there are different responses to the occurrence of diseases and the efficacy of drugs. It is a future trend to use this gene detection. In addition to the traditional methods of performing routine tests and genetic testing, modernized precision medicine can select the most suitable treatment methods or drugs for patients, so that the efficacy can be maximized.

WWOX is an oxidoreductase with a WW domain. It is a tumor suppressor. In cells, it can regulate cell growth or death, inhibit cell cancerization, and even inhibit cancer cell invasion. According to the research data of The Company and Linkou Chang Gung, WWOX GG-type hepatic cell carcinoma patients had better tumor shrinkage response and longer survival to ADI - PEG 20 treatment .

The Company's future clinical trials will actively explore the relationship between ADI-PEG 20 and genes, hoping that based on Taiwan's genetic data, suitable patients can be found, and treatment methods suitable for them can be developed, creating a product with fewer side effects and a longer disease control period., Medical care with high survival rate, economic value, and high mobility will drive the development of Taiwan's biotechnology industry and contribute to global patients .

B. Expand the market

Since tumor cells of various cancers have metabolic mutations that cannot produce arginine, the indications of ADI-PEG 20 should include a variety of cancers, and the company will continue to conduct clinical trials on various cancers to expand the market for ADI-PEG 20.

C. Combined medication to enhance the efficacy

In the future, the treatment of cancer will tend to be a combination of multiple drugs with different mechanisms of action, curative effects and relatively mild side effects. The mechanism of action of ADI-PEG 20 is completely different from that of all drugs currently approved or entering Phase II and III human clinical trials, with clear efficacy and mild side effects, making it suitable for use in combination with any other treatment methods. Currently, the Company has multiple ongoing clinical trials targeting different cancers, combining different drugs with ADI-PEG 20. In the future, The Company will continue to test various combinations to find the most effective and safest combination in order to fully expand the market share of ADI-PEG 20 in each different cancer market .

The Company's subsidiary, Genovior Biotech, focuses on the development, manufacture and distribution of difficult-to-mimic biosimilars, generic drugs and injectable formulations, which are high margin pharmaceutical products with high market potential. Teriparatide, Glucagon Kit, Liraglutide, Semaglutide and other difficult to imitate polypeptide drugs developed by Genovior Biotech have many process steps and technical links in API and preparation, and are difficult to produce. They can be applied to indications such as osteoporosis, glucagon, diabetes, and slimming, making their market potential endless. It is expected that they will be developed and marketed in the next few years. Genovior Biotech's refractory anticancer drug Carfilzomib is designed to treat multiple myeloma in patients who have received at least two prior treatments (bortezomib and immunomodulators). In addition, the Company will actively develop oral preparations for niche products to prepare for the expansion of a larger consumer market.

4. Competitive Situation

A. Other Arginine Deprivation Therapy

In addition to Polaris, two companies are also working on reducing arginine to treat cancer, Bio-Cancer Treatment International (BCT) and Aeglea Biotherapeutics (Aeglea), the drug they used was PEGylated recombinant arginase . Arginase is an enzyme in the human body that catalyzes the final step of the urea cycle, decomposing arginine into urea and ornithine. The urea cycle is the body's way of removing excess nitrogen to avoid ammonia poisoning.

Polaris' ADI-PEG 20 (Pegargiminase) has a different mechanism of action. ADI catalyzes the hydrolysis of arginine to produce citrulline and ammonia. Microorganisms use ADI to utilize arginine as an energy source. The human body itself does not produce ADI .

Arginase is an inherent enzyme in the human body and does not produce antibodies, it has two major differences as a cancer drug and ADI-PEG 20 (Dillon 2002, Keshet 2018): First, Arginase has a low affinity (Km, activity) for arginine and requires a higher dose. Second, the ornithine produced by its action leads to an increase in polyamines and thus cancer progression. The Arginase properties of Polaris' ADI-PEG 20 and the other two companies are compared as follows:

BCT-100

BCT has been testing BCT-100 as a single drug since 2000, and recently published a 27 -person Phase 2 hepatic cell carcinoma clinical trial (Chan 2021), because it is a small single-group trial, its survival results cannot be interpreted. There is only one ongoing trial (NCT03455140) on the ClinicalTrials.gov website, last updated March 25, 2020 .

Aeglea

In order to solve the problem of low Km of Arginase, Aeglea replaced the original manganese ion with cobalt and renamed it peglizarginase (Stone 2010) . In a 2019 report to the U.S. Securities and Exchange Commission (SEC), Aeglea described its trials in small cell lung cancer, which included a phase I/II small (35 participants) monotrial with pembrolizumab, and a phase I multi-tumor trial. But cancer was not mentioned in the 2020 report. The 2021 report only covered studies conducted in collaboration with Immedica Pharma AB for Arginase deficiency, a disease related to arginine metabolism There was no progress in cancer, and no information regarding the development of cancer indications in cooperation with other manufacturers.

In addition to the two aforementioned companies, Athenex, a company in Buffalo, USA, claims that its new pegylated arginase (Yu 2021) has anticancer effects in preclinical cell and animal studies. A recent literature (Zhang 2021) summarizes possible competitors to current arginine -lowering therapies, including new drugs in preclinical and clinical trials.

To sum up, there are currently no clinical trials from companies other than Polaris actively testing arginine -lowering cancer therapies.

B. Therapies of other mechanisms

The Company's core drug, ADI-PEG 20, has a unique mechanism of action, which is different from traditional chemotherapy or radiotherapy. It has high specificity for cancer cells, which can improve the effect of cancer treatment and its impact on normal cells. Smaller, but also more able to slow down the occurrence of side effects. This drug is also suitable for use in combination with a variety of other treatment modalities, and will have strong competitiveness in the cancer market in the future, and there is currently no homogenous drug (see the aforementioned arginase) and ADI-PEG 20 . competition in the future market.

C. Generic drug market

According to Precedence Research's report, the global generic drug market size in 2023 is approximately $464.98 billion and is estimated to reach $776.78 billion by 2033, with a compound annual growth rate of 5.2%. Among them, North America is the largest market for generic drugs, accounting for approximately 34.69%, followed by Europe at 25.40%. Although the Asia-Pacific region accounts for 22.57%, the growth rate of the market is expected to reach 8% in the future due to the increasing number of people with chronic diseases and changes in lifestyle habits.

The generic drug market is large and crowded with competitors. There are many aspects to consider in order to make a profit, the most important of which is the choice of topic. The Company focuses on difficulto-mimic drugs in the development of chemical synthetic drugs and biological agents, with high technical difficulty of difficulto-mimic drugs, few competitors, and high gross profit margin of products. Supplemented by the Company's integrated development capability from API to injection, the Company can maximize its competitive advantage in the market of generic drugs.

(III) Overview of Technology and Research and Development

1. R&D expenses in the most recent year and up to the date of printing the annual report

Unit: NTD1,000

Items	2024	By the end of March 2025 (Note 1)
R&D expenses (A)	2,192,469	-
The amount of paid-in capital at the end of the period (B)	7,702,513	-
(A) / (B)(%)	28.46	-

Note 1: As of the date of publication of the Annual Report, the financial report for the first quarter of 2025 has not yet been issued.

2. Successfully developed technology or product

The Company's principal developed drug, ADI-PEG 20, is still in clinical trials and has not yet been licensed for sale. However, ADI-PEG 20 is not only patented in many countries, but also has a certain degree of efficacy against many different cancers due to its innovative and unique mechanism of action. Since the first clinical trial was conducted at MD Anderson Cancer Center in 2001, 24 Phase I, II, and III trials have been completed worldwide.

In addition, the Company has nearly 20 years of experience in R&D and manufacturing of ADI-PEG 20 clinical trial drugs, and has mastered the key technologies of the whole process of biopharmaceuticals (E.coli), which can manufacture high-end protein drugs, including recombinant proteins, recombinant protein vaccines, nano-antibodies, hormones and interferons, etc., and also plans to produce mRNA vaccines in the future. Since the Company's process development platform has excellent R&D capabilities and rich experience in microbial systems (E. coli systems), it has been using the excess production capacity of the United States Northern California plant to provide external biopharmaceuticals commissioned development and production services (CDMO) since the end of 2019.

Genovior Biotecg, a subsidiary of the Group, focuses on the development and production of generic drugs, APIs and injection products, and has obtained more than 20 drug licenses.

(IV) Long-term and Short-term Business Development Plans

1. Short-term Development Strategies and Plans

(1) The rolling application for mesothelioma drug license has been submitted to the FDA, and it is expected to complete the submission of all drug license-related information in 2025. The company is actively pursuing the FDA's Priority Review qualification.

(2) Strategically plan clinical trials to obtain global drug licenses as soon as possible to benefit cancer patients worldwide.

(3) Continue to explore the relationship between ADI-PEG 20 and genes, maximize the therapeutic benefit of patients through genetic testing, so as to achieve the ultimate goal of precision medicine, increase the penetration rate of ADI-PEG 20 in various cancer markets, and ultimately expand the market size.

(4) Combining the expertise of Polaris Group and Genovior Biotech Corporation, we will expand our product line to include peptide related apis, difficult generics, and Class 505b2 drugs to better meet the needs of different patients.

(5) Find and co-development or regional licensing with strategic alliance partners to secure working capital and spread risks.

(6) Practically carry out relevant clinical trials on metabolic disease indications, such as severe fatty liver and diabetes, to make ADI-PEG20 the first choice for combination of metabolic therapy and various cancer drugs, so that more patients can benefit.

(7) In regards to Semaglutide products, the Company plans to focus on the expansion of the emerging market, and also plans to cooperate with emerging market countries to enter major emerging market countries through joint venture, co-development, or technology transfer.

(8) Continue to develop Teriparatide preparations, drug inspection registration, and marketing planning.

2. Medium and Long-term Development Strategies and Plans

(1) ADI-PEG 20 will be licensed and marketed for at least two indications, and will actively negotiate drug licensing.

(2) Complete hardware facilities and certification of Taiwan cGMP factory, conduct production and quality control training, and officially produce.

(3) The Company will strengthen research and innovation in the polypeptide product line at Genovior Biotech Corporation, with a special focus on the development of multiple polypeptide products and process optimization to improve production efficiency and product quality. Create dual engines for Polaris Pharmaceuticals' ADI-PEG 20 cancer drug and chemically synthesized peptide products, driving future company growth.

II. Market and Production Overview

(I) Market Analysis

1. Sales (supply) Areas of Major Commodities (Services)

The core technology of the Group's research is the new cancer target drug ADI-PEG 20. Clinical trials have been carried out on humans with various cancers around the world. Due to its unique mechanism of action, efficacy and safety have been observed in trials of various cancers. After The Company obtains the drug license, the sales strategy will cover the whole world. In addition, the Company's CDMO business is currently mainly serving the USA .

Genovior Biotech, a subsidiary of the Group, now derives its main revenue from CDMO and its main customers are Japan and Taiwan.

2. Market Share

The Company's ADI-PEG 20 have not yet been sold in the market, so there is no complete market share analysis yet. In addition, Genovior Biotech, a subsidiary of the Group, has the ability to complete product development, production, quality control and regulatory documentation from APIs to sterile preparations, focusing on the one-stop CDMO service model for HPAPIs, peptides, macromolecular APIs and injections. It can provide global customers with convenient, practical and effective pharmaceutical finished products solutions.

3. The Supply and Demand and Growth Potential of the Market in the Future

According to IQVIA's survey, Cancer Medication is projected to be the leading global therapeutic drug by 2028. Among them, cancer remains a major disease that the world is urgently trying to overcome. Including newly approved drugs or items under development in various countries, Cancer Medication remains in the leading position. With the development of various innovative cancer therapies, Cancer Medication is expected to maintain high growth in the future. The market size is projected to reach $444 billion by 2028, with a compound annual growth rate of 14-17% from 2024 to 2028.

According to MarketsandMarkets' research report, in 2023, the global pharmaceutical CDMO market size reached $176.5 billion and is expected to grow at a compound annual growth rate of 7.9%, reaching $258.3 billion by 2028. Among them, chemical drugs still account for the biggest proportion of CDMO business opportunities, but the proportion of biological drugs has been rising year by year. Rising biopharmaceutical consumption, increasing demand for advanced therapies, demand for orphan drug discovery, surge in the number of clinical trials, and growing demand for one-stop CDMOS are expected to positively impact the global market.

4. Competitive Niche

(1) As an innovative cancer target therapy, ADI-PEG 20 has a completely different mechanism of action than other therapies, and there are currently no similar drugs entering the market or in late-stage clinical trials globally.

(2) In advanced clinical development, more than 1,600 patients with various end-stage cancers worldwide have been treated with ADI-PEG 20 in clinical trials with clear efficacy and mild side effects.

(3) Many different cancers are potentially treatable with ADI-PEG 20 and the market is huge.

(4) Due to its completely different mechanism of action from other therapies and high safety, ADI-PEG 20 can be used in combination with any other therapy, resulting in better efficacy and further expanding the market.

(5) Equipped with vertically integrated manufacturing capabilities, ADI-PEG 20 will have future production lines in the United States and China that meet international specifications, so that drug supply, quality control, storage, transportation and marketing can be planned in a unified manner.

(6) Supported by strong teams, the Company cooperates with the world's top cancer centers and authorities to stay number 1 in the world.

(7) ADI-PEG20 has obtained 49 international patents, covering the USA, Canada, Europe, Australia, Singapore, and South Korea, etc., and another 20 patents are pending .

(8) We have achieved achievements in the development of polypeptides and anti-cancer refractory drugs, and have the ability to integrate biochemistry, synthesis and formulation to provide customers with one-stop CDMO services from research and development to production.

(9) We're able to produce polypeptide apis with more than 30 amino acids in a fully synthetic or microbial process and to produce polypeptide injections in combination with API production, sterile filling of cassette bottles, and medical devices (such as injection pens)

5. Advantages, Disadvantages and Countermeasures of the Development Prospect

(1) Favorable factors for the development prospect:

(i) With the increase of human lifespan, the number of cancer patients worldwide is increasing rapidly every year .

(ii) ADI-PEG 20 could potentially be used to treat a number of different cancers with a very different mechanism of action and a high safety profile, and it could also be used in combination with other therapies to improve efficacy and expand the market.

(iii) The government has actively promoted the biotechnology industry and included biotechnology medicine into one of the five innovation industry research and development plans to promote the biotechnology industry, making it the country's next economic growth momentum.

(iv) Many important drug patents will expire in the coming years. Under the financial pressure of health insurance, countries are encouraging the use of generic drugs. The importance of generic drugs in the pharmaceutical market is increasing year by year, and the growth rate of the generic drug market will still be significantly higher than that of brand name drugs.

(2) Unfavorable factors and countermeasures of development prospects:

(i) The development of new cancer drugs is the focus of most pharmaceutical companies. In the future, more new drugs will obtain drug certificates and be marketed.

Countermeasures:

ADI-PEG 20 has a unique mechanism of action and is developed into a market different from other drugs . And any new drug may be used in combination with ADI-PEG 20 to enhance the efficacy.

(ii) The development of new drugs is lengthy and risky

The biotechnology and medical profession is an industry that requires the combination of talents, technology and capital, and must be invested in long-term research and development and high-level research and development experience.

Countermeasures:

ADI-PEG 20 is an innovative cancer target therapy with a completely different mechanism of action from other therapies. There are currently no drugs with a similar mechanism of action entering the market or in late-stage clinical trials globally. The Company does not rule out that it will consider a strategic alliance with international manufacturers at an appropriate time in the future. Through the acquisition of technology licensing funds, it will reduce research and development costs and speed up product development.

(iii) A large number of competitors for new generic drugs, resulting in lower prices and shorter product life cycles.

Countermeasures:

We focus on the development of difficult-to-imitate drugs, and make good use of production advantages to reduce production costs.

(II) Important Uses and Production Processes of Main Products

1. Important uses of main products: The ADI-PEG 20 series developed by the Company is a non-single-indication anticancer drug. Genovior Biotech, a subsidiary of the Group, now derives its main revenue from CDMO and its main products are used as orphan drugs and detox drug. The polypeptide drugs and anticancer drugs that will be listed in the future can be used for different indications such as osteoporosis, glucagon, diabetes, weight loss, myeloma, etc.
2. Production processes of main products: E. coli fermentation, protein purification, raw material modification, preparation bottling, refrigeration.

(III) Supply status of main raw materials: This mainly refers to the consumables required for production. Each consumable has more than two suppliers, so that its supply is stable. Therefore, there is no centralized transaction.

(IV) The names of customers who have accounted for more than 10% of the total purchases (sale) in any one of the last two years, and their purchases (sale) amounts and proportions, and explain the reasons for their increase or decrease:

The Company's AD I - PEG 20 is still in the clinical trial stage, so there is no operating income and operating gross profit yet. The Company's biopharmaceutical CDMO revenue for 2023 and the year 2024 were NTD7,481,000 and NTD107,000,000, respectively.

The Company is mainly engaged in the development of new biologics cancer drug ADI-PEG 20 and drug commissioned development and manufacturing services (CDMO). Since the Company's new cancer drug ADI-PEG 20 is still in the clinical trial stage, and theoperating income in 2023 was from the signing of the CDMO business of biopharmaceuticals with the American business Helix BioMedix, Inc. and the joint development agreement with Nanotein Technologies. In the pre-development stage of biological drugs in 2023 and 2024 , only the expenses for experimental consumables such as buffers, experimental bottles, and reagents required for the execution of the plan are incurred, and there is no purchase of raw materials, so it is not applicable.

In 2024, purchases accounting for more than 10% of the total purchase amount were from Friend Pharma, Shandong Weigao, and Livzon Group, with purchase amounts of NTD7,065,000, NTD3,203,000, and NTD2,438,000, respectively, accounting for 10.49%, 4.75%, and 3.62% of the purchases during this period, mainly for common packaging materials, consumables, and raw materials required for production.

Information on Major Sales Customers in the Last Two Years

Unit: NTD1,000

	2023				2024				As of March 31, 2025 (Note 1)			
Items	Name	Amount	Proportion of annual net sales (%)	Relationship with the issuer	Name	Amount	Proportion of annual net sales (%)	Relationship with the issuer	Name	Amount	Proportion of annual net sales (%)	Relationship with the issuer
1	Helix BioMedix, Inc.	2,945	39	None	OrphanPacific Inc.	52,547	49	None	-	-	-	-
2	MegaPro Biomedical	2,101	28	None	Hangzhou YidanBiotechnology Co.,Ltd.	12,143	11	None	-	-	-	-
3	Hangzhou YidanBiotechnology Co.,Ltd.	1,166	16	None	-	-	-	-	-	-	-	-
4	Others	1,269	17	None	Others	42,310	40	None	-	-	-	-
	Net sales volume	7,481	100	-	Net sales volume	107,000	100	-	-	-	-	-

Note 1: As of the date of publication of the Annual Report, the first quarter of 2024 has not yet ended.

III. Information on Employees

Profile of Employees in the Last Two Years and as of the Date of Publication of the Annual Report

Year		2023	2024	As of March 25, 2025
Number of workers	R&D personnel	322	323	319
	Other personnel	66	242	237
	Total	388	565	556
Average age		38.72	38.61	38.50
Average years of service		3.50	2.66	2.80
Education distributed ratio (%)	PhD	9.54	6.73	6.83
	Master	30.41	28.32	28.60
	College	56.44	59.12	59.35
	High school	3.61	5.13	5.08
	Below high school	0.00	0.71	0.14

IV. Information on Environmental Protection Expenditure

In the most recent year and up to the date of publication of the annual report, the total amount of losses (including compensation) and punishments suffered as a result of environmental pollution, as well as the future countermeasures (including improvement measures) and possible expenses (including the estimated amount of losses, punishments and compensation that may occur without taking countermeasures, and the fact that it is impossible to reasonably estimate if it is impossible to reasonably estimate) : None.

V. Labor Relations

(I) List the Company's various employee welfare measures, further education, training, and retirement systems and their implementation, as well as labor-management agreements and various employee rights and interests protection measures:

1. Taiwanese employees

(1) Employee welfare measures

The Company's employee welfare measures are regulated by the Labor Standards Act, Labor Insurance Act and related laws and regulations. The main items of the current welfare system include: Dragon Boat Festival, Mid-Autumn Festival, Spring Festival, wedding and other gifts, funeral subsidies, hospitalization subsidies for injuries and illnesses, maternity condolences, group insurance, etc.

(2) Employees' further education and training

The Company's well-planned education and training system is mainly divided into pre-employment training and on-the-job training. It provides employees with various learning channels and professional course training to achieve the Company's goal of creating a work environment for further study and development and cultivating professional talents.

(3) Retirement system

New system: in accordance with the Labor Pension Act.

(4) The agreement between labor and management and various measures to protect the rights and interests of employees

Through various communication, incentive, education, fellowship campaign and other activities, the company timely understands the needs of employees and actively explores and solves employee problems, so that employees can establish a harmonious relationship with the company, improve their centripetal force force and satisfaction, thus creating a better future with the Company. The Company has formulated relevant protection norms in the work rules for the work rights and interests of female colleagues to protect the relatively disadvantaged female colleagues. The Company also stipulates the way to complain about sex in the workplace, in order to ensure respect for the fundamental human rights of both genders.

2. Employees from USA

In addition to complying with the relevant provisions of the United State Federal Government's Social Security Act and labor laws, it also provides employee health insurance and work injury compensation to protect employee benefits.

3. Employees from Mainland China

The Company's subsidiaries in Mainland China, in addition to implementing the Labour Contract Law and its relevant sub-laws as the labor policy of the Company's subsidiaries in Mainland China, also adopt the practice of avoiding labor discrimination, not employing child labor, and providing normal and good working conditions for laborers and other measures.

(II) Set out the losses suffered as a result of labour disputes in the most recent year and up to the date of publication of the annual report, and disclose the estimated amounts and measures currently and possibly in the future and, if not reasonably estimated, the fact that they are not reasonably estimated: None.

VI. Infocomm Security Management

(I) State the Infocomm Security Risk Management Framework, the Infocomm Security Policy, the Specific Management Plan and the Resources Invested in the Infocomm Security Management, Etc.

1. Infocomm security risk management framework

The information engineer under the Management Department is responsible for coordinating and implementing information security policies, publicizing information security information, enhancing employees' information security awareness, collecting and improving the Company's information security management system, and ensuring the confidentiality, integrity and availability of information. The Audit Office conducts information security audits on the internal control system - computer information system cycle every year to evaluate the effectiveness of the internal control of the Company's information operations .

2. Infocomm Security Policy

- Ensure that data access is regulated according to departmental functions.
- Avoid unauthorized access and modification of data and systems to ensure their correctness and integrity.
- Ensure the continuous operation of the information system.
- Regularly perform information security audits to ensure that information security is actually implemented.
- Regularly publicize information security policies, promote employees' awareness of information security and strengthen their awareness of related responsibilities.

3. The specific management plan and the resources invested in the security management of information communication

The information security business is coordinated, managed and supervised by the information engineer, who is responsible for handling the information security work. The information security business is coordinated, managed and supervised by the information engineer, who is responsible for handling the information security work, including regular Internet information security control, data access control, fulfillment of backup and emergency recovery mechanisms, and provision of relevant information security publicity and education&training courses. Through the implementation of relevant information security policies, the Company's information security can be protected and a safe and secure information security environment can be available. The Company also actively improves and strengthens the data security mechanism and improves data security to ensure the Company's continued security.

(II) Set out the losses suffered in the last two years and up to the date of publication of the annual report as a result of major security incidents, the possible impact and the response measures, and if it is not reasonably possible to estimate the fact that it is not reasonably possible to estimate: None.

VII. Important Contracts

Nature of Contract	Party	Duration of Contract	Main Content	Restrictive Clause
Cooperative research agreement	Polaris/ Ludwig Institute for Cancer Research Ltd	January 3, 2011 to the completion of the contract	USA Human Clinical Trial Study	Confidentiality Clause
Clinical research agreement	Polaris/ Polaris Pharmaceuticals	July 1, 2020 to the completion of the contract	Human clinical trials in Asia	Confidentiality Clause
Mutual licensing agreement	Polaris/ Polaris Pharmaceuticals/ DRX USA	2014.12.17	DRX USA Patent Mutual License	Confidentiality Clause
Outsourced manufacturing agreement	Polaris/ DRX USA	2012.10.01	Manufacture of outsourced clinical medicines	Confidentiality Clause
Quasi-contractual service	Polaris/ PPI	2021.01.01-2024.12.31	Outsourced R&D, clinical trials and administrative service	Confidentiality Clause
Land Transfer Contract	DRX Chengdu/ Chengdu Municipal Bureau of Land and Resources	August 6, 2013 (the term of land release shall be 50 years from the date of delivery. Prior to the expiration of the useful life, the land user may apply for the contract, which shall be approved by the issuer unless recovered in accordance with the needs of the public interest. However, the term of the use right of the residential construction land shall be automatically renewed.)	State-owned construction land for sale	None
Lease agreement	PPI / SAN Diego SYCAMORE, LLC	2020.02.01-2024.05.31	USA San Diego Office Rental	None
Lease agreement	PPI/ Allison Commercial, LLC	2013.08.01-2028.07.31	USA Va caville plant lease	None
Outsourced manufacturing agreement	PPI/ Helix BioMedix, Inc.	2019.11.14-	Development of E. coli expression system for UVDE-TAT production	Confidentiality Clause
Joint Development Agreement	Polaris/ Nanotein Technologies., Inc.	2020.09.30	Cooperative Development Agreement	Confidentiality Clause
Property sale and purchase contract	DRX USA / Agenus West, LLC	2021.05.14	Purchase of land	None
Clinical research agreement	PPI/ Global Coalition for Adaptive Research.	November 19, 2022 to the completion of the study	Clinical trial study of cerebral cancer	Confidentiality Clause
Lease agreement	Polaris Pharmaceuticals/ WEST FORTUNE INDUSTRIES LIMITED	2022.10.01-2027.12.31	Rental of Taipei Office	None
Loan contract	DRX Chengdu/Shanghai Commercial & Savings Bank	2023.03.27-2024.03.26	Short-term loan in Renminbi 136,000,000 dollars	None
Loan contract	DRX Chengdu/Bank of Chengdu	2023.08.18-2024.08.17	Short-term loan in Renminbi 20,000,000 dollars	None
Loan contract	DRX Chengdu/KGI Bank	2023.10.12-2028.10.11	Long-term loan in Renminbi 68,000,000 dollars	None
Property sale and purchase contract	DRX USA / Asset Preservation, Inc.	2023.12.01	Purchase of land and building	None
Property sale and purchase contract	Polaris Pharmaceuticals Inc./Epistar	2024.01.25	Purchase of plant	None
Authorization supply contract	Genovior Biotech/Company A	2022.07.26	Drug distribution	Confidentiality Agreement
Inspection guidance agreement	Genovior Biotech/FAMTRIZ PHARMACEUTICAL CONSULTING LDA EMONA BIOPHARMA d.o.o.	2023.09.11	Instructed Europe GMP to inspect the plant in Southern Taiwan Science Park	None
Audit services agreement	Genovior Biotech/Youth CDMO	2023.10.11	EU QP audit and MHRA on-site audit	None
Lease agreement	Genovior Biotech/Hsinchu Science Park	2021.01.01-2028.12.31	Plant rental in Zhunan	None
Lease agreement	Genovior Biotech/Southern Taiwan Science Park	2024.01.01-2024.12.31	Plant rental in Southern Taiwan Science Park	None
Loan contract	Genovior Biotech/First Bank	2020.01.20-2025.01.20	Long-term loan in New Taiwan Dollars 20,000,000 dollars	None
Loan contract	Genovior Biotech/First Bank	2020.04.09-2025.04.09	Long-term loan in New Taiwan Dollars 17,500,000 dollars	None

Nature of Contract	Party	Duration of Contract	Main Content	Restrictive Clause
Loan contract	Genovior Biotech/First Bank	2020.08.12-2025.08.12	Long-term loan in New Taiwan Dollars 30,000,000 dollars	None
Loan contract	Genovior Biotech/First Bank	2022.12.09-2027.12.28	Long-term loan in New Taiwan Dollars 30,000,000 dollars	None
Loan contract	Genovior Biotech/First Bank	2023.07.28-2028.07.28	Long-term loan in New Taiwan Dollars 34,726,000 dollars	None
Loan contract	Genovior Biotech/Hua Nan Commercial Bank Ltd.	2020.04.09-2025.04.09	Long-term loan in New Taiwan Dollars 15,000,000 dollars	None
Loan contract	Genovior Biotech/Taiwan Cooperative Bank	2023.12.07-2028.12.07	Long-term loan in New Taiwan Dollars 30,000,000 dollars	None
Loan contract	Genovior Biotech/Taiwan Cooperative Bank	2023.08.07-2028.05.30	Long-term loan in New Taiwan Dollars 16,500,000 dollars	None
Land lease agreement	Zhunan Science Park	2024.04.30-2043.12.31	Land lease agreement in Zhunan Science Park	None
Loan contract	Polaris Pharmaceuticals Inc./Polaris	2024.04.29-2025.04.28	Short-term loan in US Dollars 1,000,000 dollars	None
Loan contract	DesigneRx Pharmaceuticals (Chengdu)/Polaris	2024.05.14-2025.05.13	Short-term loan in US Dollars 7,000,000 dollars	None
Loan contract	Polaris Pharmaceuticals Inc./Polaris	2024.07.10-2025.07.09	Short-term loan in US Dollars 1,000,000 dollars	None
Loan contract	Polaris Pharmaceuticals Inc./Shanghai Commercial & Savings Bank	2024.06.27-2031.06.27	Long-term loan in New Taiwan Dollars 500,000,000 dollars	None
Company Merger Agreement	Polaris Pharmaceuticals Inc./Genovior Biotech	2024.07.11	Merger of Polaris Biopharmaceuticals, Inc. and Genovior Biotech.	None

V. Review and Analysis of Financial Condition and Financial Performance and Risks

I. Financial Status

Unit: NTD1,000

Year / Accounting items	2023	2024	Difference	
			Amount	%
Current assets	5,105,125	3,325,148	(1,779,977)	(34.87)
Investments using the equity method	-	-	-	-
Property, plant and equipment	1,437,857	2,725,805	1,287,948	89.57
Right-of-use asset	162,382	241,348	78,966	48.63
Intangible assets	2,145,356	2,180,637	35,281	1.64
Other assets	286,401	617,502	331,101	115.61
Total Assets	9,137,121	9,090,440	(46,681)	(0.51)
Current liabilities	959,373	468,894	(490,479)	(51.12)
Non-current liabilities	505,411	1,850,951	1,345,540	266.23
Total liabilities	1,464,784	2,319,845	855,061	58.37
Equity attributable to owners of parent company	7,672,337	7,366,027	(306,310)	(3.99)
Share capital	7,437,592	7,702,573	264,981	3.56
Capital reserve	11,696,587	12,828,313	1,131,726	9.68
Retained surplus	(12,065,124)	(14,567,766)	(2,502,642)	20.74
Other equities	336,139	732,294	396,155	117.85
Non-controlling interests	267,143	75,181	(191,962)	(71.86)
Total Equity	7,672,337	6,770,595	(901,742)	(11.75)

1. The main reasons for the major changes in assets, liabilities and equity in the last two years and their impact, (analyzing and explaining the changes of more than 20 % in the previous and later periods, and the amount of the changes has reached NTD10 million)
   (1) Current assets: The principal purchase of equipment, plant, and the maintenance of daily operating activities resulted in a decrease in current assets.
   (2) Property, plant and equipment: The principal construction of a new plant in Zhunan by the subsidiary Genovior and the addition of equipment by each subsidiary resulted in an increase in property, plant and equipment.
   (3) Right-of-use asset: Mainly due to the subsidiary Genovior leasing land in Zhunan from the government for constructing a new plant.
   (4) Other assets: Mainly due to the prepayments for machinery and equipment by the subsidiary Genovior.
   (5) Current liabilities: Mainly due to the extension of bank loan maturity.
   (6) Non-current liabilities: It's mainly due to the acquisition of bank loan.
   (7) Retained surplus: Please refer to the details of the net loss for this year, 2. Financial Performance (1) Business Result Analysis Form.
   (8) Other equities: Mainly due to exchange profit margin caused by exchange rate fluctuations.
   (9) Non-controlling interests: It was mainly caused by the acquisition of two subsidiaries, Nanotein Technologies, Inc. and Linyang.
2. Future countermeasures: The above changes have no material adverse effect on the Company or its subsidiaries.

Data from financial report audited and certified by an accountant.

II. Financial Performance

(I) Business Result Analysis Form

Unit: NTD1,000

Year / Items	2023	2024	Increase (Decrease) amount	Change ratio %
Operating Income	7,481	107,000	99,519	1330.29
Operating costs	(10,546)	(183,923)	(173,377)	1644.01
Operating gross profit	(3,065)	(76,923)	(73,858)	2409.72
Operating expenses	(1,852,657)	(2,557,962)	(705,305)	38.07
Operating losses	(1,855,722)	(2,634,885)	(779,163)	41.99
Non-operating incomes and expenses	363,579	89,342	(274,237)	(75.43)
Net loss before tax	(1,492,143)	(2,545,543)	(1,053,400)	70.60
Income tax expense	(15,554)	(5,210)	10,344	(66.50)
Net loss for the current period	(1,507,697)	(2,550,753)	(1,043,056)	69.18
Other comprehensive profit or loss (net)	(14,087)	396,155	410,242	(2912.20)
Total comprehensive loss for the current period	(1,521,784)	(2,154,598)	(632,814)	41.58

Change of the increase/decrease ratio of more than 20% and the amount of NTD 10 million or more and its impact analysis are explained as follows :

(1) Operating Income: Mainly due to the inclusion of income from Nanotein and Linyang for the entire year of 2024.

(2) Operating Costs: Mainly due to the inclusion of costs from Nanotein and Linyang for the entire year of 2024.

(3) Operating expenses: Mainly due to the inclusion of expenses from Linyang for the entire year of 2024, as well as an increase in clinical trial expenses and salary expenditures.

(4) Non-operating incomes and expenses: Mainly due to the decrease in interest income.

(5) Income tax expense: Mainly due to the withholding of income tax by the US subsidiary.

(6) Other comprehensive profit or loss: Due to exchange rate fluctuations caused by the reduction of exchange profit margin.

Data from financial report audited and certified by an accountant.

(II) Expected Sales Volume and Its Basis:

The Company is currently in the stage of new drug research and development, with its revenue mainly from the CDMO business. The Company will actively develop customized CDMO services, with it and its subsidiaries continuing to develop ADI-PEG 20 and provide biopharmaceutical development technology services and OEM production services. Currently, the Company and its subsidiaries have sound finances and have no significant adverse impact on our ongoing research and development plans and financial operations.

(III) Possible impact on the Company's future financial business and corresponding plans: Please refer to V-I-(IV) "Long-term and Short-term Business Development Plans" in this annual report.

III. Cash Flow

(I) Analysis and Explanation of Cash Flow Changes in Recent Years

Unit: NTD1,000

Items\Year	2023	The year 2024	Increase (Decrease) amount	Increase (Decrease) ratio (%)
Increase (Decrease) in ratio (%)	(1,255,446)	(2,025,733)	(770,287)	61.36
Net cash inflows (outflows) from investing activities	(3,235,367)	(1,629,453)	1,605,914	(49.64)
Net cash inflows (outflows) from financing activities	919,161	1,851,109	931,948	101.39
Analysis of cash flow changes : (1) Operating activities: This is mainly due to the rise of net loss before tax for current period. (2) Investing activities: Primarily the acquisition of property, plant and equipment, the acquisition of investments using the equity method, the acquisition of subsidiaries, and the reclassification of time deposits to financial assets measured at amortized cost. (3) Financing activities: This is mainly due to the acquisition of loan.				

(II) Improvement Plan for Insufficient Liquidity:

The Company is in the clinical trial stage of developing new drugs, and the cash remains without insufficient liquidity. However, in order to strengthen the financial structure of the Company, improve the ratio of self owned funds, and pursue the long-term stable development of the Company, the cash capital increase plan will be carried out as appropriate.

(III) Analysis of Cash Flow in the Next Year

Unit: NTD1,000

Initial cash balance (1)	Expected net cash flow from operating activities throughout the year (2)	Expected net cash flow from other activities throughout the year (3)	Cash surplus (deficit) amount (1)+(2)+(3)	Remedies for insufficient cash	
				Investment plan	Financial plan
1,946,210	(4,991,717)	3,628,358	582,851	—	—
Cash liquidity in the coming year : (1) In 2024, new drugs are still in the research and development stage. Although there is already income from CDMO. As for the overall net operating activities, there is still in the stage of cash outflow. (2) Investing and financing activities: In 2024, we plan to obtain bank borrowings and support capital expenditure of the Group's various plants.					

IV. The Impact of Major Capital Expenditures on Financial Business in the Most Recent Year :

The Group's capital expenditures for the most recent year amounted to approximately NTD333,176,000, which were mainly related to the addition of real estate, plant and equipment for future product development and manufacturing. Therefore, there were no adverse events resulting from the increase in capital expenditures to the financial condition of the Company.

V. Reinvestment Policy in the Most Recent Year, the Main Reasons for Its Profit or Loss, Improvement Plan and Investment Plan for the Next Year

(I) Reinvestment Policy

The Company's current re-investment policy is mainly based on investment targets related to the development of its own industry, and does not engage in investment in other industries. The relevant executive departments implement in accordance with the "Investment Cycle" and "Procedures for Acquiring or Disposing of Assets" under the internal control system. The foresaid regulations or procedures have been discussed and approved at the Board of Directors Meeting or the Shareholders' Meeting.

(II) The Main Reasons for the Profit or Loss of Reinvestment in the Most Recent Year and the Improvement Plan :

The reinvestment businesses of the Company are all still in the research and development stage and have not yet generated operating income, so up to now, the reinvestment businesses are still in a state of loss. With the completion of the clinical trial and successful launch of products, the reinvestment businesses will generate revenues and profits.

(III) Investment Plan for the Next Year:

The Company will strengthen research and development and innovation in the polypeptide product line, with a special focus on the development of multiple polypeptide products, while optimizing the process to improve production efficiency and product quality. It is planned to build an injection plant and a peptide API plant in the newly acquired Taiwan Zhunan plant and Chengdu plant, and gradually expand the production capacity according to future demand.

The Semaglutide API 200kg production line is scheduled to be completed in 2025, and focus will be on the expansion of the emerging market. As the supply of Semaglutide products falls short of demand, the company also plans to cooperate with emerging market countries to enter major emerging market countries through joint venture, co-development, or technology transfer, etc.

VI. Analysis and Evaluation of Risks

(I) The Impact of Interest Rate, Exchange Rate Changes and Inflation on the Company's Profit and Loss and Future Countermeasures

1. The impact of interest rate changes on the profit and loss of the Group and future countermeasures

The Company continues to monitor interest rate market dynamics and maintains stable credit relations with financial institutes to secure competitive financing conditions, reduce capital costs, and manage the potential risks posed by rising interest rates. In view of the characteristics of high capital demand and long payback period in new drug research and development, the Company, in its financial planning, will comprehensively consider the amount and cost of different financing tools and flexibly adjust its financial structure to ensure liquidity and cost stability. Overall, the current impact of interest rate changes on the Company's profit and loss remains within a controllable range.

2. The impact of exchange rate changes on the profit and loss of the Group and future countermeasures

The Company's operations mainly use NTD, US dollars, and RMB as functional currencies. In daily transactions, the foreign exchange risk adopts the natural write-off principle, achieving a natural hedging effect by matching revenues and expenses in the same currency, thereby reducing the need for currency exchange and consequently minimizing the risk of exchange gains and losses due to exchange rate fluctuations. The overall impact is relatively limited. To further mitigate the potential impact of foreign exchange fluctuations on profit and loss, the Company also maintains close cooperation with correspondent banks, monitors exchange rate market dynamics, and flexibly uses appropriate hedging tools as needed to enhance financial risk management and maintain operational stability.

3. Influence of inflation on the profit and loss of the Group and future countermeasures

The Company's profit and loss has so far not been significantly affected by inflation. In view of the fact that the Company's core business is new drug development and CDMO services at this stage, its operational nature has a certain resilience to raw material price fluctuations. The impact of inflation is mainly concentrated on specific Items such as labor costs and equipment procurement. In the face of high global economic uncertainty and potential inflationary pressures, the Company has proactively established a sensitivity monitoring mechanism and strengthened the flexibility of cost structure allocation. In the future, the Company will continue to adjust its operational strategies in real-time based on economic indicators, industry dynamics, and market variables to ensure organizational adaptability and financial stability, maintaining a long-term competitive advantage.

(II) Policies, Main Reasons for Profit or Loss and Future Countermeasures for Engaging in High-Risk, High-Leverage Investments, Lending Funds to Others, Endorsement Guarantees and Derivatives Trading

The Company focuses on the development of its own business. In the most recent year and up to the date of publication of the annual report, it has not engaged in high-risk, high-leverage investments and transactions, and nor engaged in fund loans to others or endorsed guarantees to others. To strengthen financial discipline and internal control, the Company has established clear systems such as the "Procedures for Acquiring or Disposing of Assets", "Regulations Governing Lending Loans to Others", and "Regulations Governing Endorsement". The relevant operations are carefully executed in accordance with the standardized procedures. Regarding loaning funds and endorsement guarantees between the Company and its subsidiaries, all matters are handled according to the established systems. The related risks are strictly managed within a controllable range to ensure the safety of capital utilization, maintain the integrity of the Company's assets, and protect the rights and interests of all shareholders.

(III) Future R&D Plans and Estimated R&D Expenses

The company's core research and development product, ADI-PEG 20, is a highly promising new drug. Its development history dates back to 1990, initiated at the laboratories of the global non-profit cancer research organization, the Ludwig Institute for Cancer Research. The first human clinical trial began in 2001 at MD Anderson Cancer Center. To date, The Company has successively completed more than 20 clinical trials covering Phase I to Phase III, with a high degree of completeness in the accumulated clinical data, offering strong evidence and subsequent analytical value.

Compared to the development of generic drugs or contract manufacturing, new drug development generally involves high capital investment, long development timelines, and significant technical risks. However, according to current clinical trial results, ADI-PEG 20 has shown stable efficacy potential in multiple cancer indications. The overall development process has entered the later stages, with major indications including mesothelioma, soft tissue sarcoma, and hepatic cell carcinoma. The overall risk structure has significantly reduced compared to the initial development stage. In the future, the Company will continue to maintain close communication with drug regulatory authorities of various countries (including FDA, EMA, TFDA, and CFDA) and actively promote the drug license application process to accelerate the transformation of clinical outcomes. In addition, to enhance the commercial benefits of technology and global market deployment, the company has also initiated a feasibility assessment of strategic alliances, actively seeking partners with complementary and international resource integration capabilities, to further unlock product value and enhance overall R&D synergy.

The Company estimates that research and development expenditure in 2025 will reach NTD 2.4 billion. In the future, adjustments to related investments will be made flexibly based on clinical progress and overall operational resource allocation to ensure resources are focused on key technologies and advantageous product lines. This will continuously strengthen research and development momentum, consolidate technological leadership, and solidify the Company's long-term competitive advantage in the global biotech research and development field.

(IV) The Impact of Important Domestic and Foreign Policies and Legal Changes on the Company's Financial Business and Countermeasures

In response to the international business expansion and long-term development plan for the capital market, The Company is lawfully established in the British Cayman Islands (hereinafter referred to as "Cayman Islands") and has completed the company establishment and registration procedures according to local laws. Choosing the Cayman Islands as the place of registration is based on an institutional plan for global operational structure allocation and capital market operation flexibility, in order to enhance The Company's overall operational efficiency and international competitiveness.

The Company executes all its operational activities in accordance with the policies and legal regulations of the location, and continuously monitors the trends of domestic and international policy directions and changes in regulations. For potential significant changes, professional consultants (such as lawyers and accountants) are commissioned to conduct risk assessments from legal and financial perspectives, and formulate corresponding strategies to ensure operational compliance and controllable risks. Up to the most recent financial year and the date of publication of the annual report, there have been no significant adverse impacts on the Company's finances or operations due to changes in policies or regulations in various regions. In the future, the Company will also continue to strengthen its compliance monitoring mechanisms, dynamically grasp changes in the policy environment to ensure operational stability, and maintain the foundation of Corporate Governance and protect the rights and interests of all shareholders.

(V) The Impact of Technological Changes (including Information Security Risks) and Industrial Changes on The Company's Financial Business and Countermeasures

The Company possesses highly professional research and development capabilities and continuously keeps abreast of real-time industrial technology development trends and market changes, adjusting its R&D direction and operational strategies in a timely manner to respond to the rapidly evolving technological environment and changes in industry structure. In response to information security risks, the Company has an information security team responsible for formulating and implementing information security policies. Following the spirit of international information security standards, this team establishes internal control mechanisms and contingency procedures to comprehensively enhance information security resilience and operational stability. Up to the most recent financial year and the date of publication of the annual report, technological developments and industrial changes have not yet had a significant impact on the Company's finances or business. In the future, the Company will continue to focus on technological advancements and changes in the industrial environment, enhancing investment and management in information security and the stability of key systems to ensure the Company maintains a long-term competitive advantage amid technological and market changes.

(VI) The Impact of Corporate Image Change on Corporate Crisis Management and Countermeasures

The Company implements the principles of integrity management and steady development, placing importance on maintaining corporate reputation and external trust. Up to the most recent financial year and the date of publication of the annual report, there have been no significant adverse impacts on the Company's finances or operations due to changes in corporate image. To effectively manage potential reputation risks and enhance the efficiency of external communication, the Company has established a spokesperson system and is gradually improving relevant internal contingency mechanisms. This ensures that in the face of unforeseen events, accurate information can be promptly delivered, maintaining openness and transparency in information disclosure. The Company is also attentive to global sustainable development trends, continuously assessing the feasibility of integrating various practices and governance structures concerning environmental, social responsibility, and corporate governance issues.

(VII) Expected Benefits, Possible Risks and Countermeasures of Merger and Acquisition

As of the publication date of the Annual Report, the Company currently has no major mergers or acquisition plans in progress or planned. In the future, if there are related plans, they will be carefully evaluated based on operational strategies for potential benefits and possible risks and conducted in accordance with relevant legal regulations to ensure the implementation of corporate governance principles, thereby protecting the rights and interests of all shareholders.

The Company also continues to monitor market dynamics and potential merger and acquisition risks. For any situation that might affect operational stability or control, preliminary planning regarding equity structure, internal governance mechanisms, and legal response tools has been conducted. Necessary defensive measures will be taken as required by actual circumstances to ensure that the long-term development benefits of the Company and the overall rights and interests of the shareholders are not affected.

(VIII) Expected Benefits, Possible Risks and Countermeasures of Plant Expansion

The Group's plants in Northern California and Chengdu are built in accordance with the United States and European Union specifications of cGMP, and the production environment and process design are planned and established according to applicable regulations. Among these, the Northern California production plant has sufficient capacity to meet the initial global market demand for the Company's main product after obtaining drug licensing. The Chengdu plant is currently focusing on the research and development of freeze-drying processes for biological agents, aiming to optimize the stability and transportation efficiency of the core product ADI-PEG 20, while also expanding the CDMO business territory.

In addition, after completing the acquisition of Genovior Biotech, the Group further strengthened the technical capabilities and research depth of the peptide product line, focusing on the development of multiple peptide products, and continuously optimizing the process to enhance production efficiency and product quality. It is also planned to build an injection plant and a peptide API plant in the newly acquired plants in Taiwan Zhunan Science Park and Chengdu, and gradually expand the overall production capacity according to market development needs.

The Semaglutide API 200kg production line is scheduled to be completed in 2025.

(IX) Risks Involving Centralized Purchase or Sale of Goods and Countermeasures

1. Risks involving centralized purchase and countermeasures

The Company's main product is ADI-PEG 20. For its production process, a supplier management system has been established for key consumables and equipment. There are at least two alternative qualified sources for the main items, leading to relatively diversified procurement, and the supply risk is controllable. In the future, the Company will also continue to strengthen the evaluation and substitution mechanism of key raw material sources to ensure supply chain stability and operational resilience.

2. Risks involving centralized sale and countermeasures

The Company's core product, ADI-PEG 20, is still in the clinical trial stage and has not yet generated substantial sales transactions. However, starting from the year 2024, a small amount of revenue from the CDMO business began to be generated, and it mainly comes from a single customer. Such collaborations are mostly characterized by a high technical threshold and project-oriented nature, which differ slightly from the traditional product-type sales model.

(X) Directors, Supervisors or Major Shareholders Holding More Than 10% of the Shares, the Impact, Risks and Countermeasures of the Large-Scale Transfer or Replacement of Shares on the Company

In the recent year and up to the date of publication of the annual report, there has been no large-scale transfer or replacement of equity interests .

(XI) The Impact, Risks and Countermeasures of the Change of Management Rights on the Company

In the recent year and up to the date of publication of the Annual Report, there is no change in the management rights on the Company.

(XII) Litigation or Non-litigation Event :

Please refer to page 193 of this annual report for the company's litigation or non-litigation matters in the past year and as of the date of publication of the prospectus.

(XIII) Other Important Risks and Countermeasures:

The Company is a fully vertically integrated new drug development company, with the main research project being ADI-PEG20. The new drug development phase costs a lot of money, takes a long time to develop, and needs to go through a series of fairly rigorous review procedures before the drug can be licensed to the market and then be profitable. Therefore, the Company has to bear the risk of huge investment and development failure. The Company may encounter different levels of challenges in the new drug development process and subsequent clinical trials, so the risk analysis and countermeasures of various new drug development plans are as follows:

1. There is a risk that a new drug will not be marketed due to the risk of failure in the development of it, as well as delays in conducting human clinical trials or if the results are not as expected.

The Company is a fully vertically integrated new drug development company, with the main development product being the macromolecular biologic drug ADI-PEG 20. The development of new drugs is a long-term and capital-intensive process, encompassing stages such as pre-clinical trials, Phase I to III clinical trials, and new drug inspection registration. Any stage may face delays or failure due to technical, clinical results, or regulatory requirements, which could affect the product launch timeline or lead to the termination of the development plan.

Countermeasures

Integration of R&D resources and team building:

The Company has established an experienced interdisciplinary R&D team covering drug design, production processes, clinical sample analysis, and quality control. It also employs internationally experienced consultants and outsourcing R&D institutions to assist in technological development at various stages, reducing technical risks in the R&D process.

Establishment of quality and clinical trial system:

The cGMP manufacturing plant built by the company has introduced more than 20 QC testing items that meet international standards, using advanced instruments and equipment for quality control operations to ensure product quality stability and increase the probability of new drug approval.

Strategic Alliances and Academic Collaborations:

The Company has signed cooperation agreements with more than 20 top universities and research institutions worldwide, conducted clinical trials in over 100 cancer hospitals globally, and published more than 100 research findings related to ADI-PEG 20 in international journals. Through the clinical and scientific support of partners, the success rate of new drug development and international visibility are effectively improved.

Mechanism for Risk Diversification:

The Company is conducting multiple clinical trials for various cancer indications simultaneously, with a certain degree of product portfolio diversification mechanism. If the results of individual trials do not meet expectations, there are still other Items that can continue to advance, reducing the impact of a single trial on operations.

2. Risks of product quality control

Medicinal products are directly related to human health and safety, and clinical medicines have extremely strict requirements for their quality, safety, and consistency. If there are quality errors or non-compliance issues in the product development, manufacturing, or distribution processes, it could affect the progress of clinical trials, drug approval applications, commercialization timelines, and even impact the company's reputation and finances.

Countermeasures

The Company is a fully vertically integrated new drug development enterprise, covering all aspects from drug design, R&D, production and manufacturing, GMP plant establishment and validation, to the planning and execution of clinical trials in many countries around the world, all carried out by a dedicated professional team. The company has established a complete internal quality management system and is equipped with QA and QC personnel with practical experience. They rigorously implement quality control processes and equipment verification mechanisms that comply with international standards.

In addition, the company's manufacturing sites are designed and built in accordance with the cGMP standards of the United States and European Union to ensure that drug quality complies with the regulatory requirements of global regulatory agencies. In the future, the Company will continue to optimize the quality management system and strengthen the quality culture through internal audits and continuous training to reduce quality risks and ensure product stability and regulatory compliance.

3. Long-term investment and capital requirements for new drug development

New drug research and development requires undergoing long-term clinical trials and regulatory reviews, which take a long time and involve high investment costs. During the development stage, it does not generate immediate Operating Income, resulting in a delayed net cash inflow from operating activities. If drug approval is not obtained and commercialization is not achieved within the expected timeline, it may result in insufficient working capital, thereby affecting the overall research and development progress and the company's financial stability.

Countermeasures

Cash reserves are stable.

As of December 31, 2024, The Company's cash on the books is approximately NTD1.94 billion, which is sufficient to cover more than one year of operating capital and research and development needs.

Diversified Revenue Source Development:

In addition to continuing to advance the clinical trials and drug application of ADI-PEG 20, The Company has initiated CDMO business revenue with Genovior Biotech and accelerated the establishment of Semaglutide API capacity at the Zhunan plant to strengthen the sources of operating cash inflow.

Financing and Resource Integration Strategies:

The Company will, in light of capital market conditions and funding requirements, timely activate diverse financing mechanisms, including equity, debt, or other capital instruments. In addition, it will actively seek strategic alliance opportunities with international pharmaceutical companies to reduce financial pressure and accelerate product advancement through technology licensing, cost-sharing in research and development, or co-development models.

4. The impact of information security risks on the Company's financial business and countermeasures:

As the digitalization and information operations of the Company continue to deepen, if information security incidents (including malicious software attacks, improper access, data leaks, etc.) are not properly managed, they may have a substantial impact on the Company's operations.

Countermeasures

Information security management system:

The Company has established an information security department and implemented various information security protection measures, including account identification, password control, firewalls, antivirus software, and system monitoring mechanisms, to prevent unauthorized intrusion, deletion, or data tampering.

Information security equipment and system control:

The Company has deployed multi-layer network security equipment internally, with firewalls and abnormal traffic detection mechanisms in place to address external intrusion risks. Regular tests and updates are conducted. Important data is encrypted and managed with permission control, with log recording and access tracking mechanisms in place.

Workflow and personnel management:

All critical system passwords are regularly updated, important documents and software are encrypted and backed up, information processes are periodically reviewed to strengthen software and hardware upgrades, and information security education and training are conducted to reduce the risk of human error and the likelihood of information security incidents.

The Company will continue to review and strengthen the overall information security framework based on international information security requirements to reduce the impact of potential information security risks on financial and operational stability.

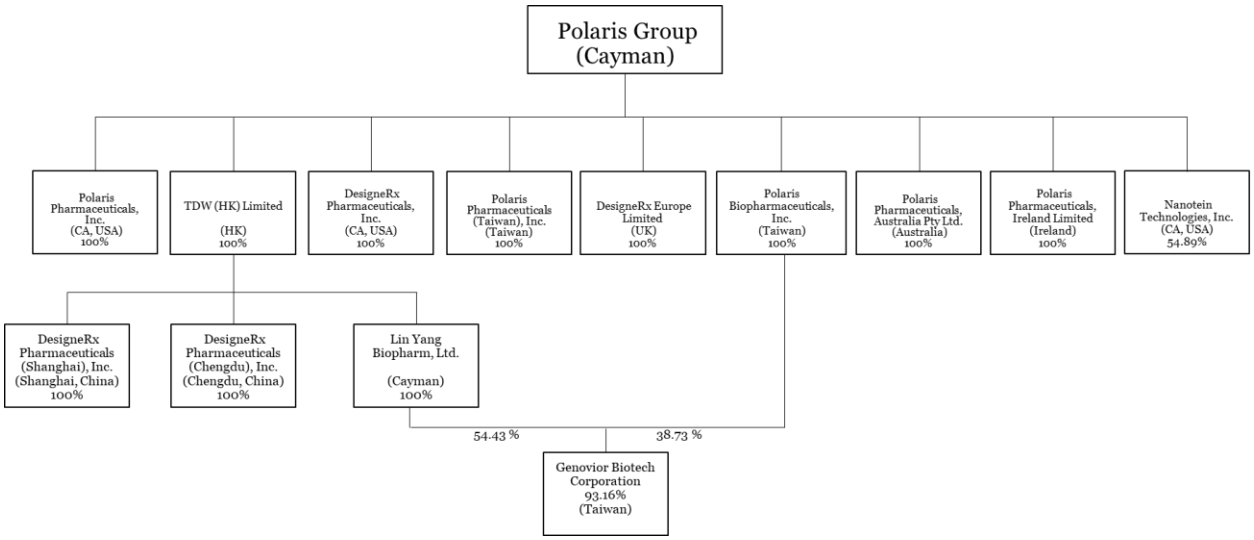
VII. Other Important Matters : None

VI. Special Notes

I. Information about Affiliate Enterprises:

(I) Organization Chart of Affiliated Enterprises

December 31, 2024



(II) Basic Information of Affiliated Enterprises

December 31, 2024 Unit: NTD1,000

Company name	Date of establishment	Address	Paid-up capital	Main business or production
Polaris Group	2006.02.09	P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	7,702,513	Holding Company
Polaris Pharmaceuticals, Inc.	2006.03.29	10675 Sorrento Valley Rd. San Diego, CA92121, USA	150,811	Biotechnology research and development
DesigneRxEurope Limited	2011.04.27	90 High Holborn, London, WC1V 6XX	-	Biotechnology service
Polaris Pharmaceuticals Australia Pty Ltd	2017.01.05	58 Gipps Street ,Collingwood VIC3066, Australia	2	Biotechnology service
Polaris Pharmaceuticals Ireland Limited	2018.12.21	88 Harcourt Street, Dublin 2, Ireland	-	Biotechnology service
DesigneRx Pharmaceuticals, Inc.	2002.04.17	4941 Allison Parkway, Suite B, Vacaville, CA95688, USA	4,166,286	R&D and manufacturing of new drugs
Polaris Pharmaceuticals, Inc.	2003.03.25	7F., No. 298, Ruiguang Rd., Neihu Dist., Taipei City, Taiwan (R.O.C.)	438,000	Biotechnology research and development, drug testing
TDW HK Limited	2012.12.28	6/F Alexandra Hse 18 Chater Rd Central Hong Kong	2,909,669	Holding Company
Nanotein Technologies, Inc.	2019.03.13	2950 San Pablo Ave Berkeley, CA 94702, USA	290,115	Biotechnology service, drug testing
DesigneRx Pharmaceuticals (Shanghai) Inc.	2007.07.03	201B, 5F, No. 60 Naxian Rd., Zhangjiang, Pudong New Area, Shanghai	119,665	Research and development of new drugs
DesigneRx Pharmaceuticals (Chengdu) Inc.	2013.02.25	No. 198, Tiansheng Rd., Gaoxin West Dist., Chengdu	1,639,250	R&D and manufacturing of new drugs

Company name	Date of establishment	Address	Paid-up capital	Main business or production
Lin Yang Biopharma, Ltd.	2018.07.24	The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman, KY1-1208, Cayman Islands	489,092	Holding Company
Genovior Biotech Corporation	2015.04.23	4F., No. 50-8, Keyan Rd., Zhunan Township, Miaoli County 350401, Taiwan (R.O.C.)	1,226,810	Research and development, manufacturing and production for new drugs
Northern Biopharmaceutical Co., Ltd. (Fujian)	2024.11.21	ROOM 204, BUILDING 255, JIESHAN VILLAGE, JIESHAN TOWN, QUANZHOU CITY, FUJIAN PROVINCE, CHINA	-	Manufacturing and sales of drugs

(III) Information on the Same Shareholders of Those Who Are Presumed to Have Control and Affiliation: None.

(IV) Industries Covered by the Business of the Overall Affiliated Enterprise:

The Group is engaged in manufacturing and sales of new drug research and development, biotechnology services, drug testing, etc. The Group's core research is the novel cancer target drug ADI-PEG 20, which is currently undergoing human clinical trials for various cancers worldwide.

(V) Information on Directors, Supervisors and General Managers of Affiliated Enterprises

Company name	Title	Name or representative	Name shareholding of Polaris Group (contribution) (Note 1)	
			Number of share (contribution)	Shareholding %
Polaris Pharmaceuticals, Inc.	Director	Chen, Hung-Wen	23,000	100%
	Director	Chen, Shyan Tser		
DesigneRx Europe Limited	Director	Chen, Hung-Wen	1	100%
	Director	Chen, Shyan Tser		
Polaris Pharmaceuticals Australia Pty Ltd	Director	Chen, Hung-Wen	100	100%
	Director	Chen, Shyan Tser		
Polaris Pharmaceuticals Ireland Limited	Director	Chen, Hung-Wen	100	100%
	Director	Chen, Shyan Tser		
Polaris Pharmaceuticals, Inc.	Chairman	Chen, Hung-Wen	43,800,000	100%
	Director	Chen, Shyan Tser		
	Director	Hsu, Jaan-Pyng		
	Supervisor	Ke Kaide		
DesigneRx Pharmaceuticals, Inc.	Director	Chen, Hung-Wen	136,979,257	100%
	Director	Chen, Shyan Tser		
TDW HK Limited	Director	Chen, Hung-Wen	82,300,001	100%
DesigneRx Pharmaceuticals (Shanghai) Inc.	Director	Chen, Hung-Wen	108,950	100%
	Supervisor	Chen, Shyan Tser		
DesigneRx Pharmaceuticals (Chengdu) Inc.	Director	Chen, Hung-Wen	1,621,858	100%
	Supervisor	Kay Huang		
Nanotein Technologies, Inc.	Director	Curtis Hodge	6,347,330	54.89%
	Director	Greg Hura		
	Director	Chris Huxsoll		
Lin Yang Biopharma, Ltd.	Director	Hsu, Jaan-Pyng	168,138,001	100%
	Director	Ke Kaide		
	Director	Chen, He-Chuan		
	Director	Chen, Hung-Wen		
	Director	Chen, Li-Jue		
Genovior Biotech Corporation	Chairman	Hsu, Jaan-Pyng	79,806,000	65.05%
	Director	Chen, Hung-Wen		
	Director	Chen, Shyan Tser		
	Supervisor	Ke Kaide		
Northern Biopharmaceutical Co., Ltd. (Fujian)	Director	Hsu, Jaan-Pyng	-	100%

Note 1: DesigneRx Pharmaceuticals (Shanghai) Inc., DesigneRx Pharmaceuticals (Chengdu) Inc., and Northern Biopharmaceutical Co., Ltd. (Fujian) are limited companies, listed as contribution.

(VI) Operational Overview of Affiliated Enterprises

December 31, 2024 Unit: NTD1,000

Company name	Capital	Total assets	Total liabilities	Net value	Operating income	Operating profit (loss)	Current profit/loss	EPR (after tax)
Polaris Pharmaceuticals, Inc.	150,811	284,838	39,670	245,168	150,860	(18,983)	(17,927)	(Note 1)
DesigneRx Europe Limited	—	—	—	—	—	—	—	(Note 1)
Polaris Pharmaceuticals Australia Pty Ltd	2	281	35,593	(35,311)	—	(1,431)	(3,016)	(Note 1)
Polaris Pharmaceuticals Ireland Limited	—	—	—	—	—	—	—	(Note 1)
Polaris Pharmaceuticals, Inc.	438,000	88,354	40,006	48,347	150,699	(10,689)	(7,845)	(Note 1)
DesigneRx Pharmaceuticals, Inc.	4,166,286	793,875	95,684	698,191	107,583	(716,825)	(715,832)	(Note 1)
Polaris Biopharmaceuticals, Inc.	—	—	—	—	—	—	—	(Note 1)
TDW HK Limited	2,909,669	2,555,501	1,499	2,554,003	—	(23)	161	(Note 1)
DesigneRx Pharmaceuticals (Shanghai) Inc.	119,665	537	—	537	—	—	9	(Note 1)
DesigneRx Pharmaceuticals (Chengdu) Inc.	1,639,250	1,792,055	1,555,869	236,186	19,401	(35,786)	(39,449)	(Note 1)
Nanotein Technologies, Inc.	290,115	95,658	4,014	91,645	1,208	(105,741)	(100,835)	(Note 1)
Lin Yang Biopharma, Ltd.	489,092	263,779	—	263,779	—	—	(133,565)	(Note 1)
Genovior Biotech Corporation	1,226,810	1,752,945	998,211	754,733	106,131	(326,956)	(330,347)	(Note 1)
Northern Biopharmaceutical Co., Ltd. (Fujian)	-	80,482	80,482	—	—	—	—	(Note 1)

Note 1: As the Company's consolidated financial statements are its primary financial statements, there is no information about earnings per share.

(VII) Consolidated Financial Statements of Affiliated Enterprises : Please refer to the consolidated financial statements attached hereto.

(VIII) Relationship Report: The Company is not a subsidiary company of other companies, so there is no need to prepare a relationship report.

II. The Handling Status of Private Equity Securities in the Most Recent Fiscal Year and as of the Date of Publication of the Annual Report:

Items	The First Private Placement in 2019 Issue Date: April 3, 2019					The second private placement in 2019 Issue Date: January 17, 2020				
Types of Private Securities	Common Stock					Common Stock				
Date and amount approved by shareholders meeting	June 26, 2018 The total number of common stocks to be issued shall not exceed 80,000,000					June 11, 2019 The total number of common stocks to be issued shall not exceed 300,000,000				
The basis and reasonableness of pricing	The price of common shares in this private placement shall be determined by dividing the sum of the transaction amount of common shares in each business day within the 30 business days prior to the pricing date by the sum of the number of shares in each business day, deducting the the value of bonus shares issued as stock dividends or ex-dividend, and the share price after the reversal of the capital reduction or determined based on the net value per share as shown in the latest financial report audited or reviewed by accountants before the date of pricing. The higher of the two prices set out above shall be the reference price, and the price shall be determined at a rate not less than 80% of the reference price.					The price of common shares in this private placement shall be determined by dividing the sum of the transaction amount of common shares in each business day within the 30 business days prior to the pricing date by the sum of the number of shares in each business day, deducting the the value of bonus shares issued as stock dividends or ex-dividend, and the share price after the reversal of the capital reduction or determined based on the net value per share as shown in the latest financial report audited or reviewed by accountants before the date of pricing. The higher of the two prices set out above shall be the reference price, and the price shall be determined at a rate not less than 80% of the reference price.				
The way a certain person chosen	The private placement of ordinary shares shall be subject to certain persons in accordance with the provisions of Section 43 (6) of the Securities Exchange Act and (91) Tai-Tsai-Cheng-Yi Zi No. 0910003455 issued by the Financial Supervisory Commission on June 13, 2002. The subscribers are selected for the purpose of directly or indirectly benefiting the Company and providing support for the operation or development of the Company.					The private placement of ordinary shares shall be subject to certain persons in accordance with the provisions of Section 43 (6) of the Securities Exchange Act and (91) Tai-Tsai-Cheng-Yi Zi No. 0910003455 issued by the Financial Supervisory Commission on June 13, 2002. The subscribers are selected for the purpose of directly or indirectly benefiting the Company and providing support for the operation or development of the Company.				
Necessary reasons for handling private placement	To meet the operational needs of the company and the needs of clinical trials of new drugs and working capital, the Company considers that it may not be easy to obtain the required funds smoothly in a short period of time if the funds are raised through the issuance of marketable securities, in addition, private placement is relatively timely, convenient and equity stable in raising capital, so it is necessary to raise funds from specific persons through private placement.					To meet the operational needs of the company and the needs of clinical trials of new drugs and working capital, the Company considers that it may not be easy to obtain the required funds smoothly in a short period of time if the funds are raised through the issuance of marketable securities, in addition, private placement is relatively timely, convenient and equity stable in raising capital, so it is necessary to raise funds from specific persons through private placement.				
Number of shares (or bonds)	7,065,000 shares					300,000,000 shares				
Payment completion date	March 07, 2019					December 12, 2019				
Delivery date	April 03, 2019					January 17, 2020				
Information of subsciber	Object of private placement	Qualification	Subscription number (shares)	Relationship with the Company	Participation in the operation of the Company	Object of private placement	Qualification	Subscription number (shares)	Relationship with the Company	Participation in the operation of the Company
	Iconluck Limited	Item 2	2,817,224	None	None	Digital Capital Inc.	Item 2	290,000,000	None	None
	G-Technology Investment Co., Ltd.	Item 3	2,267,522	Director of The Company	None	Masterpiece Enterprise Co., Ltd.	Item 2	10,000,000	None	None
	Chang, Yue-Chi	Item 2	1,130,254	None	None					
	Henry Shaw	Item 2	500,000	None	None					
	Ultimate Beyond Limited	Item 2	350,000	None	None					
Actual subscription price	NTD 21.83 per share					NTD 10 per share				

Items	The First Private Placement in 2019 Issue Date: April 3, 2019	The second private placement in 2019 Issue Date: January 17, 2020
Difference between actual subscription price and reference price	The actual subscription price is 80.02% of the reference price, not less than 80% of the reference price.	The actual subscription price is 94.61% of the reference price, not less than 80% of the reference price.
Impact of private placement on shareholders' equity (e.g., increase in cumulative losses...)	The value per share has been increased and the liability structure has been improved, which has a positive impact on the liability and equity rights of the company.	The value per share has been increased and the liability structure has been improved, which has a positive impact on the liability and equity rights of the company.
The use of private funds and plan implementation progress	It was raised on March 07, 2019 to increase working capital for the Company's future long-term development and to improve its financial ratio.	It was raised on December 12, 2019 to strengthen the working capital needed for the Company's future long-term development and improve the financial ratio.
Presentation of private equity benefits	Enrich the working capital to support the operating requirements and various capital needs of the Company and its subsidiaries, support the clinical trials for various indications of new drugs, facilitate the acquisition of drug licenses, improve the financial structure, provide the future long-term business development needs and improve the financial ratio, enhance the overall shareholders' equity, and have a positive impact on the Company's finance and shareholders' equity.	Enrich the working capital to support the operating requirements and various capital needs of the Company and its subsidiaries, support the clinical trials for various indications of new drugs, facilitate the acquisition of drug licenses, improve the financial structure, provide the future long-term business development needs and improve the financial ratio, enhance the overall shareholders' equity, and have a positive impact on the Company's finance and shareholders' equity.
Subscribed (converted) share payment certificate (certificates of bond-to-stock conversion), shares and stock grants	None	None

III. Other Supplementary Information Required: None.

IV. Explanation of the Major Differences with My Country's Provisions on the Protection of Shareholders' Rights and Interests:

Due to the slight inconsistency between the British Cayman Islands Act and the R.O.C. Act, the Taiwan Stock Exchange's recently revised "Checklist for the Protection of Shareholders' Rights and Interests in the Country of Registration of Foreign Issuers" (hereinafter referred to as the "Checklist for the Protection of Shareholders' Rights and Interests") can not be applicable to the Company. The following list describes the differences between the current and effective articles of association of the Company (hereinafter referred to as the "Articles of Incorporation") and the protection of shareholders' rights and interests due to the provisions of the British Cayman Islands Act, as well as the provisions of the Articles of Incorporation of the Company .

Important Matters for the Protection of Shareholders' Rights and Interests	Acts Related to the Corporations Act or the Securities Exchange Act	Articles of Incorporation and Reasons for Differences
I. Formation and Changes of the Company's Capital		
1. The Company shall not issue Shares in bearer form. 2. A company that has adopted par value shares cannot convert them into no par value shares; likewise, a company that has adopted no par value shares cannot convert them into par value shares.	1. Article 137 of the Company Act 2. Article 156-1, Items 5 and 6 of the Company Act.	In response to the amendments to the Tai-Cheng-Shang-Er-Zi No. 11317018041, "Checklist for the Protection of Shareholders' Rights and Interests in the Country of Registration of Foreign Issuers" (hereinafter referred to as the "Checklist for the Protection of Shareholders' Rights and Interests") issued by TSEC on May 2, 2024, and in accordance with the provisions of Taiwan's Company Act, Polaris Pharmaceuticals Inc. (hereinafter referred to as Polaris Company) intends to amend Article 7 of the Articles of Association at the 2024 Shareholders' Meeting. The amendment will state, "...a company that has adopted par value shares cannot convert them into no par value shares; likewise, a company that has adopted no par value shares cannot convert them into par value shares..." to comply with the provisions of the Checklist for the Protection of Shareholders' Rights and Interests.
II. Convening Procedures and Resolution Methods of Shareholders' Meetings		
1. The Regular Shareholders' Meeting must be convened at least once a year; It should be held within six months after the end of each fiscal year. The Shareholders' Meeting is convened by the Board of Directors of Directors. 2. The Articles of Incorporation may provide that the Shareholders' Meeting shall be held by video conference or other means announced by the competent authority of the Company Act of the Republic of China. However, due to acts of God, accidents or other force majeure, the competent authority of the Company Act of the Republic of China may announce that the Company may, within a certain period of time, hold meetings by video conference or public announcement without the provisions of the Articles of Incorporation. 3. In case a shareholders' meeting is proceeded via visual communication network, the shareholders attending the meeting remotely shall be deemed to have attended the meeting in person.	1. Article 170 of the Company Act 2. Article 172-2 of the Company Act 3. Article 172-1 of the Company Act 4. 4.Item 1, 2 of Article 173 and Article 173-1 of the Company Act 5. Article 172 of the Company Act and Article 26-1, 43-6 of Securities and Exchange Act	In accordance with the Checklist for the Protection of Shareholders' Rights and Interests and the provisions of Taiwan's Company Act, Polaris Company passed a resolution at the Regular Shareholders' Meeting on June 2, 2022, to add provisions allowing the company to hold a Shareholders' Meeting by video conference and to add the word "physical" before the original Shareholders' Meeting designation for distinction. This has no adverse impact on the shareholders' equity.

Important Matters for the Protection of Shareholders' Rights and Interests	Acts Related to the Corporations Act or the Securities Exchange Act	Articles of Incorporation and Reasons for Differences
4. The conditions, operating procedures and other matters to be complied with by the Company shall be in accordance with the Securities Act of the Republic of China for the Shareholders' Meeting to be held by video conference. 5. The Physical Shareholders' Meeting of the Company shall be held within the territory of the Republic of China. If a Physical Shareholders' Meeting is held outside the Republic of China, the approval of the stock exchange shall be reported to the stock exchange within two days after the resolution of the Board of Directors of Directors or the shareholders' permission for convening by the competent authority. 6. A shareholder holding more than one percent of the total number of issued shares may submit a proposal to the Company in writing or electronically. The Board of Directors of Directors shall list the motion as a motion unless it is a resolution on the income of the Shareholders' Meeting, if the proposal is not held by shareholders by 1%, if the proposal is proposed outside the period of acceptance of the public announcement, if the proposal is more than 300 words, or if there is more than one proposal. The Board of Directors still has to include shareholder proposals that urge companies to advance the public interest or fulfill their social responsibilities. 7. If a shareholder continues to hold more than 3% of the total number of shares issued for more than one year, he may request the Board of Directors of Directors to call an extraordinary meeting of shareholders by stating in writing the proposed matters and reasons. If the Board of Directors of Directors fails to notify the meeting within 15 days after the request is made, the shareholders may report to the competent authority for permission to convene the meeting on their own. 8. Shareholders who continue to hold more than half of the total number of shares issued for more than three months may call an Interim Shareholders Meeting on their own. The period and number of shares held by shareholders shall be calculated on the basis of the shares held at the time of the termination of the transfer of ownership.		

Important Matters for the Protection of Shareholders' Rights and Interests	Acts Related to the Corporations Act or the Securities Exchange Act	Articles of Incorporation and Reasons for Differences
9. The following matters shall be enumerated and stated in the cause of convening the Shareholders' Meeting, and shall not be raised by temporary motion; the main contents may be posted on the website designated by the securities authority or the Company, and its web address shall be stated in the notice: (1) Election or dismissal of directors or supervisors; (2) Change of Articles of Incorporation; (3) Capital reduction; (4) Apply to suspend the public offerings; (5) Dissolution, merger, share conversion and division of the Company; (6) Conclude, modify or terminate a contract for leasing all business, entrusting operation, or often cooperating with or with others; (7) the transfer of the whole or any material part of the Company's business or assets; and (8) The transferee of all the business or property of others has a significant impact on the operation of the Company; (9) Private placement of marketable securities with the nature of equity; (10) Permission of directors' participation in competitive activities; (11) To distribute dividends and bonuses in whole or in part by issuing new shares; (12) Where the legal surplus reserve and the capital reserve from issuing premium shares or receiving gifts are distributed to the original shareholders by issuing new shares or cash.		
1. When holding Shareholders' Meetings, the Company shall list written and electronic forms as one of the channels for exercising voting rights. ~~2. Where the company holds a shareholders' meeting outside the Republic of China, it shall provide shareholders with the right to exercise their voting rights in writing or electronically.~~ 2. If the Company exercises its voting right in writing or electronically, the method of exercise shall be specified in the notice of convening the Shareholders'	1. Article 177-1 of the Company Act 2. Article 177-2 of the Company Act	Polaris intends to amend Article 66 of the Articles of Association at the 2023 General meeting to: "to the extent permitted by the Cayman Law, the Company shall include electronic means as one of the channels for the exercise of voting rights." delete the last paragraph "Where the company holds a shareholders' meeting outside the Republic of China, it shall provide shareholders with the right to exercise their voting rights in writing or electronically." to

Important Matters for the Protection of Shareholders' Rights and Interests	Acts Related to the Corporations Act or the Securities Exchange Act	Articles of Incorporation and Reasons for Differences
Meeting. Shareholders who exercise their voting rights in writing or electronically shall be deemed to have attended the shareholders' meeting in person. However, any provisional motion or amendment to the original motion at the meeting shall be deemed as a waiver. 3. If a shareholder exercises the right to vote in writing or electronically, the expression of intention shall be delivered to the Company two days before the meeting of the shareholders. In case of any repetition of the expression of intention, the first one delivered shall prevail. Except those who have expressed their intention before the declaration is revoked. 4. A shareholder who wishes to attend the Shareholders' Meeting in person after exercising his voting right in writing or electronically shall, two days before the Shareholders' Meeting, revoke the aforesaid expression of intention to exercise the voting right in the same manner as the exercise of the voting right; If the cancellation is delayed, the voting right exercised in writing or electronically shall prevail. 5. If a shareholder exercises his voting right in writing or electronically and entrusts an agent to attend the Shareholders' Meeting by proxy, the voting right to be exercised by the entrusted agent shall prevail.		comply with the provisions of the shareholders`' rights and interests protection schedule.
1. The Company shall, 30 days before the meeting of the Regular Shareholders' Meeting or 15 days before the meeting of the Extra Regular Shareholders' Meeting, publish the cause of action and explanatory materials of the notice of Shareholders' Meeting, the power of attorney, the motions relating to recognition and discussion, the matters concerning the election or removal of directors and supervisors. 2. The Shareholders' Meeting of the Company shall send the aforesaid information and the paper for the written exercise of the voting right to the shareholders. 3. In convening a Shareholders' Meeting, the Company shall prepare a handbook for the proceedings of the Shareholders' Meeting, and shall publish the handbook and other relevant materials of the meeting before the 21st day of the Regular Shareholders' Meeting of	1. The Handbook of Shareholders' Meeting of the public company shall record and comply with Article 5 of the Measures 2. The Handbook of Shareholders' Meeting of the public company shall record and comply with Article 6 of the Measures	Polaris Company intends to update the latter paragraph of clause 45 at the 2023 Shareholders' Meeting in accordance with the Checklist for the Protection of Shareholders' Rights and Interests "However, if the paid-in capital of the company reaches NT $10 billion or more on the end of the most recent fiscal year, or if the total shareholding ratio of foreign and domestic shareholders recorded in the shareholders' register of the most recent fiscal year reaches 30% or more, the files delivered electronically shall be completed 30 days before the Regular Shareholders' Meeting."

Important Matters for the Protection of Shareholders' Rights and Interests	Acts Related to the Corporations Act or the Securities Exchange Act	Articles of Incorporation and Reasons for Differences
shareholders or the 15th day of the Interim Shareholders' Meeting. However, if the Company has a paid-in capital of NTD10 billion or more as of the end of the most recent fiscal year, or if the total shareholding ratio of foreign and domestic shareholders recorded in the shareholders' register during the most recent fiscal year reaches 30% or more, the file delivered electronically shall be completed 30 days before the Regular Shareholders' Meeting.		
1. The Company shall, 30 days before the meeting of the Regular Shareholders' Meeting or 15 days before the meeting of the ExtraRegular Shareholders' Meeting, publish the cause of action and explanatory materials of the notice of Shareholders' Meeting, the power of attorney, the motions relating to recognition and discussion, the matters concerning the election or removal of directors ~~and supervisors.~~ 2. The Shareholders' Meeting of the Company shall send the aforesaid information and the paper for the written exercise of the voting right to the shareholders. 3. In convening a Shareholders' Meeting, the Company shall prepare a handbook for the proceedings of the Shareholders' Meeting, and shall publish the handbook and other relevant materials of the meeting before the 21st day of the Regular Shareholders' Meeting of shareholders or the 15th day of the Interim Shareholders' Meeting. However, if the Company has a paid-in capital of ~~NTD10 billion~~ NTD2 billion or more as of the end of the most recent fiscal year,or if the total shareholding ratio of foreign and domestic shareholders recorded in the shareholders' register during the most recent fiscal year reaches 30% or more, the file delivered electronically shall be completed 30 days before the Regular Shareholders' Meeting.	1. The Handbook of Shareholders' Meeting of the public company shall record and comply with Article 5 of the Measures 2. The Handbook of Shareholders' Meeting of the public company shall record and comply with Article 6 of the Measures	Polaris Company intends to amend the latter paragraph of Article 45 at the 2024 Shareholders' Meeting in accordance with the Checklist for the Protection of Shareholders' Rights and Interests as follows: "...if the company's paid-up capital reaches NT $2 billion or more at the end of the most recent financial year, or if the total shareholding ratio of foreign and domestic investors recorded in the register of the most recent financial year shareholders reaches 30% or more, the electronic files shall be completed 30 days before the regular shareholders' meeting." to comply with the provisions of the shareholders`' rights and interests protection schedule.
1. When the Shareholders' Meeting decides on one of the following matters, the opposing shareholders shall have the right to claim for the purchase of shares of the Company: (1) Division, merger, acquisition or share conversion of the company; of the Company; (2) The operation of the Company is materially affected by the conclusion, alteration or	1. Article 317, Article 186 of the Company Act. 2. Article 12 of Business Mergers and Acquisitions Act	There is no difference between the Articles of Incorporation and the Checklist for Protection of Shareholders' Rights and Interests.

Important Matters for the Protection of Shareholders' Rights and Interests	Acts Related to the Corporations Act or the Securities Exchange Act	Articles of Incorporation and Reasons for Differences
termination of a contract by the Company to lease the whole of its business, to entrust the business or to operate with or from time to time with another person, to assign all or a substantial part of its business or property, or to accept the whole of its business or property from another person. 2. Any request made by a shareholder in the preceding paragraph shall be made in writing within 20 days from the date of the resolution of the Shareholders' Meeting, and the purchase price shall be specified. If an agreement is reached between the shareholders and the Company on the purchase price, the Company shall pay the price within 90 days from the date of resolution of the Shareholders' Meeting. If no agreement has been reached, the Company shall, within 90 days from the date of the resolution, pay the price to the shareholder who has not reached an agreement at the price it deems fair; If the company fails to pay, it shall be deemed to agree to the purchase price requested by the shareholder. 3. A shareholder who votes against or waives his right to vote at a meeting of shareholders may, in accordance with the matter set out in Item 1 (1), request the Company to purchase all his shares. If the shareholders and the Company fail to reach an agreement on the purchase price within 60 days from the date of resolution of the Shareholders' Meeting, the Company shall, within 30 days after the expiration of such period, apply to the court for the ruling of the price with all the shareholders who have not reached an agreement as their counterparts, and the Taipei District Court of Taiwan shall be the court of first instance. 4. The number of shares whose voting rights have been waived in the preceding paragraph shall not be counted as the voting rights of shareholders already present.		

Important Matters for the Protection of Shareholders' Rights and Interests	Acts Related to the Corporations Act or the Securities Exchange Act	Articles of Incorporation and Reasons for Differences
III. Powers and Responsibilities of Directors		
1. If a director of the Company has a stake in matters at the Board of Directors Meeting, he shall explain to the next Board of Directors the important content of his interest; at the time of the merger and acquisition of the Company, the directors of the Company shall explain to the Board of Directors of Directors and the Board of Directors of Shareholders the important content of their own interests in the merger and acquisition transaction and the reasons for or against the merger resolution. The Company shall also state the important contents of the directors' interests and the reasons for or against the merger resolution in the convening of the Shareholders' Meeting. The contents may be posted on the website designated by the securities authority of the Republic of China or the Company, and the website shall be indicated in the notice. 2. The spouses, relatives within the second generation of the directors, or the companies with which the directors have controlling affiliations and have an interest in the matters mentioned in the preceding meeting shall be deemed to have their own interest in the matters. 3. Where a director of a company has his own interest in matters at the Board of Directors meeting which may be detrimental to the interests of the company, he/she shall not join in the voting and shall not exercise his/her voting rights on behalf of other directors. The resolution of the Board of Directors of Directors shall not count in the voting rights of the directors present for the directors who are not allowed to exercise their voting rights under the foregoing provisions.	Items 2, 3 and 4, Article 206 of the Company Act, Items 3 and 4, Article 5 of the Business Mergers and Acquisitions Act	There is no difference between the Articles of Incorporation and the Checklist for Protection of Shareholders' Rights and Interests.
1. Shareholder(s) continuously holding 1% or more of the issued and outstanding Shares of the Company for six months or more may, subject to the laws of the Cayman Islands, request an Independent Director of the Audit Committee to file a lawsuit for the Company against the Director(s) in Taipei District Court of Taiwan. 2. If the Audit Committee fails to file a lawsuit within 30 days after receiving such request, such qualified Shareholder(s) may file a lawsuit for the Company against the Director(s) in Taipei District Court of Taiwan; and	Article 214 of the Company Act The Exercise of Powers by Audit Committee of Public Company Article 5	Polaris intends to amend Article 75, Item D of the Articles of Association at the 2024 Shareholders' Meeting to read: "...Subject to the laws of the Cayman Islands, Shareholder(s) who continuously hold 1% or more of the issued and outstanding Shares of the Company for six months or more may request ~~Independent Director(s) of the~~ Audit Committee in writing to file a lawsuit for the Company against the Director(s) in Taipei District Court of Taiwan. If the

Important Matters for the Protection of Shareholders' Rights and Interests	Acts Related to the Corporations Act or the Securities Exchange Act	Articles of Incorporation and Reasons for Differences
under such circumstances, the Company may request the suing Shareholder(s) to post an appropriate bond as security for the lawsuit proceeding under the Taiwan Laws. 3. ~~Unless the Board of Directors fails to convene or is unable to convene the Shareholders' meeting, the Supervisor may, in the interest of the Company, convene the Shareholders' meeting when necessary.~~		~~Independent Director(s)~~ Audit Committee fail to file a lawsuit within 30 days after receiving such request, such qualified Shareholder(s) may file a lawsuit for the Company against the Director(s) in Taipei District Court of Taiwan. Under such circumstances, the Company may request the suing Shareholder(s) to post an appropriate bond as security for the lawsuit proceeding under Taiwan laws." This amendment is intended to comply with the provisions of the shareholders' rights and interests protection schedule.

V. In the Most Recent Year and as of the Date of Publication of the Annual Report, Any Event That Has a Material Impact on the Equity of Shareholders or the Price of Securities as Specified in Paragraph 2, Item 3, Article 36 of the Securities Exchange Act Has Occurred: None.

Polaris Group

Person in Charge: Howard Chen