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杏輝藥品工業股份有限公司
Sinphar Pharmaceutical Co., Ltd.

HANDBOOK for 2026 ANNUAL SHAREHOLDERS' MEETING

Physical Meeting

Date: June 16, 2026 (Tuesday)

Meeting Time: 10:00 AM

Venue: No. 95, Xinliao Rd., Zhongshan Village, Dongshan Township,
Yilan County 269, Taiwan (R.O.C.) (Vocational Training Center)

Website: www.sinphar.com.tw

The English version is for reference only. In case of any discrepancy between the English and the Chinese versions, the Chinese version shall prevail.

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Sinphar Pharmaceutical Co., Ltd.

Procedure for the 2026 Annual Shareholders' Meeting

Call the Meeting to Order

Chairperson Remarks

Company Reports

Ratifications

Discussions

Extraordinary Motions

Adjournment

Sinphar Pharmaceutical Co., Ltd.
Agenda for the 2026 Annual Shareholders' Meeting

Time: 10:00 a.m. on Tuesday, June 16, 2026

Type of Meeting: Physical Meeting

Venue: No. 95, Xinliao Rd., Zhongshan Village, Dongshan Township, Yilan County
269, Taiwan (R.O.C.) (Vocational Training Center)

Attendants: All Shareholders and Representatives of Equities

Chairperson: Chairman, Chih Wen Lee

Chairperson Remarks

Company Reports:

1. 2025 Business Report
2. Audit Committee's Review Report on the 2025 Financial Statements
3. Report on 2025 Remuneration Distribution for Directors and Employees
4. Report on 2025 Remuneration of Directors
5. Status Report of Endorsements and Guarantees for Subsidiaries
6. Other Matters

Ratifications:

1. Adoption of 2025 Business Report and Financial Statements
2. Adoption of 2025 Earnings Distribution

Discussions:

1. Amendment to the Articles of Incorporation
2. Proposal for Issuing New Shares through Capitalization of Retained Earnings

Extraordinary Motions:

Adjournment

Company Reports

1. Proposed by the Board

Proposal:

2025 Business Report

Explanation:

Please refer to Attachment 1 (page 9) for the Business Report.

2. Proposed by the Board

Proposal:

Audit Committee's Review Report on the 2025 Financial Statements

Explanation:

Please refer to Attachment 2 (page 17) for Audit Committee's Review Report.

3. Proposed by the Board

Proposal:

Report on 2025 Remuneration Distribution for Directors and Employees

Explanation:

1. The Remuneration Committee and Board of Directors passed the resolution on March 10, 2026. Remuneration to Directors is NT\$7,701,801, and employees' compensation is NT\$13,692,090. Both are distributed in cash.
2. In accordance with the Articles of Incorporation, non-executive employees for 2025 refer to domestic employees who are not managerial positions and whose regular salary is below a "certain amount." This "certain amount" is set at NT\$63,000, which is based on the average monthly regular salary for full-time employees as defined in the "Regulations Governing the Additional Deduction of Salary Expenses for Increasing Employee Salaries by Small and Medium Enterprises." According to the Articles of Incorporation, at least 50% or more of the employee compensation shall be allocated to non-executive employees. Considering employees' individual performance, the proposed allocation amount shall be at least NT\$6,982,966.
3. There is no difference between the above amount and the amount estimated in 2025.

4.

Proposed by the Board

Proposal:

Report on 2025 Remuneration of Directors

Explanation:

1. If the Company makes a profit for the year, the Company may allocate up to 5% of the aforementioned profit for director and supervisor compensation, as decided by the Board of Directors. It has been resolved for the current year to allocate 1.8% as the total remuneration amount. The resolution for the current year is to allocate 1.8% as remuneration.
2. The remuneration of Directors and Independent Directors shall be determined based on based on his/her contribution to and participation in the Company and industry standard both domestically and abroad. Such remuneration is measured against the Company's operational scale and positively linked to operating performance and future risk exposure. The proposed remuneration is subject to review by the Remuneration Committee and shall be implemented upon the resolution of the Board of Directors.
3. Please refer to Attachment 4 (page 35) for Remuneration of Directors.

5.

Proposed by the Board

Proposal:

Status Report of Endorsements and Guarantees for Subsidiaries

Explanation:

Please refer to Attachment 5 (page 37) for the information of endorsements and guarantees on December 31, 2025.

6.

Proposed by the Board

Proposal:

Other Matters

Explanation:

None

Ratifications

1.

Proposed by the Board

Proposal:

Adoption of the 2025 Business Report and Financial Statements

Explanation:

The Company's financial statements for 2025 were audited by the CPAs, Ya Chuan Chang and Chin Feng Lin of Crowe (TW) CPAs. Also, the business report and financial statements have been approved by the Board and reviewed by the Audit Committee of the Company. Please refer to Attachment 1 (page 9) and Attachment 3 (page 18) for the documents mentioned above.

Resolution:

2.

Proposed by the Board

Proposal:

Adoption of 2025 Earnings Distribution

Explanation:

The 2025 earnings distribution table has been passed by the Board of Directors. The distribution status is as follows.

**Sinphar Pharmaceutical Co., Ltd.
2025 Earnings Distribution Table**

Unit: NT\$

Items	Total
Unappropriated retained earnings at the beginning of period	27,967,052
Add (minus): Net income after tax in 2025	365,751,575
Other comprehensive income (Actuarial gains and losses)	(5,956,106)
Add (minus): Adjustments to retained earnings from changes in ownership interests in subsidiaries	(23,494,650)
Unappropriated retained earnings after adjusted	364,267,871
Allocation:	
Legal reserves	(33,630,082)
Retained earnings available for distribution	330,637,789
Distributable Items:	
Cash dividend	(190,196,774)
Stock dividend	(114,118,070)
Unappropriated retained earnings	26,322,945

Chairman: Chih Wen Lee General Manager: Yu Liang Pei Accounting Manager: Li Jung Hsieh

1. The Company will distribute dividends of NT\$304,314,844 from retained earnings, with cash dividend of NT\$190,196,774, which is NT\$1 per share, and stock dividend of NT\$114,118,070, which is 60 shares per thousand shares.
2. The cash dividends will be calculated to the nearest NT dollar. The remainder will be transferred into the account of Employee Welfare Committee. The Board of Directors is authorized to determine the ex-dividend date after the proposal is approved by the Shareholders' Meeting.
3. If the number of total shares outstanding has changed which may cause a fluctuation of the ratios of dividend, therefore requiring adjustments, the Board of Director is proposed to be authorized to make such adjustments.

Resolution:

Discussions

1.

Proposed by the Board

Proposal:

Amendment to the Articles of Incorporation

Explanation:

To meet the needs of company development, the Company proposed to amend the Articles of Incorporation. Please refer to Attachment 6 (page 38) for the amendment comparison table.

Resolution:

2.

Proposed by the Board

Proposal:

Proposal for Issuing New Shares through Capitalization of Retained Earnings

Explanation:

1. To provide working capital, the Company will distribute stock dividend of NT\$114,118,070 from retained earnings, amounting to 11,411,807 shares, to issue new shares through capitalization. The par value shall be NT\$10 per share.
2. Based on the shareholding status inscribed on the shareholders list as of the record date, the stock distribution shall be 60 shares per thousand shares. Shareholders can request to consolidate fractional shares with the Company's shareholder service agent within the period of five days from the share transfer suspension date. In the event that fractional shares are not consolidated within such time period, or where consolidation produces a fraction of less than one share, then such fractional shares will be converted to cash rounded to the nearest NT dollar in accordance with its par value and distributed to the shareholder. The remaining uncombined shares and fractional shares will be subscribed by persons designated by the chairman. If any distribution is conducted by book entry transfer, the fees will be paid by such fractional shares.
3. The rights and obligations of these newly issued shares from retained earnings of 2025 are the same as the outstanding shares. After the proposal is approved by the Shareholders' Meeting and submitted to the competent authority for approval, the Board of Directors is proposed to be authorized to determine the record date. If the distribution conditions shall be revised based on competent authority assessment or any factors, the Chairman is authorized to make such adjustment.

4. If the number of total shares outstanding has changed which may cause a fluctuation in the ratios of dividend, therefore requiring adjustments, the Board of Directors is proposed to be authorized to make such adjustments.

Resolution:

Extraordinary Motions

Adjournment

2025 Business Report

Sinphar Group has officially entered its 49th year, marking a pivotal moment as the Group approaches the “Golden 50” milestone of sustainable operations. Reflecting on the past year, despite the continuous changes of the global political and economic environment, the Company has remained committed to three major development strategies, diversified development of generic drugs, enhanced capabilities in new drugs R&D, and the strategies and development of natural botanical products. In 2025, the operational performance sustained growth through profit structure optimization and brand marketing. The Company’s revenue reached NT\$3.371 billion, increased by 7% from the previous year. The net income for the period grew by over 20%, bringing the earnings per share (EPS) to NT\$1.92.

This growth is not only driven by revenue increases but also reflects the optimization of the profit structure of the Group. Over the past year, the Company continued to strengthen pharmaceutical channels and boosted sales for high value-added health supplements through precise market insights. The Company understands that in the highly competitive biotechnology industry, long-term profitability can only be ensured through product differentiation and the establishment of technical barriers. Thus, the Company has continuously invested in R&D, focusing on refining the quality of API and existing products, and launching several technical projects with high market potential. This has accumulated significant technology capital for the Group. In 2025, the Company launched over 10 new products across drugs, health supplements, and aesthetic medicine products. The Company also plans to introduce more new products in the coming year. At the same time, the Company will continue collaborating with Japanese pharmaceutical companies, cooperating on exports and acting as agent for high-quality Japanese products. By leveraging the high-standard capacity of our Yilan plant, we aim to gradually expand into the Japanese and ASEAN markets. The Company looks forward to strengthening our market competitiveness and growth through the continuous completion of our product lines and improving sales channels, steadily promoting new product launches and regulatory registrations.

Looking ahead, as Taiwan entered a super-aged society, the demand for preventive healthcare and precision skincare will grow rapidly. The Company will continue to accelerate the integration and upgrading of the intelligent technology and optimizing management efficiency. Beyond commercial breakthroughs, the Company has successfully integrated “health promotion” and “social responsibility” into corporate development. In addition to the Sinphar Yilan Marathon, the Company

strengthens collaborations with the elderly and dementia care facilities. By integrating these resources to meet the needs of aged society, the Company is moving toward becoming an all-age, comprehensive guardian of home health. On the way to “Golden 50” milestone, the Company sincerely thanks for your long-standing trust and support.

1.1 2025 Business Report

1.1.1 2025 Operational Performance

In 2025, the Company’s revenue reached NT\$3.371 billion, an increase of NT\$220.693 million over the previous year. Net profit after taxes was NT\$354.27 million and net profit attributable to the parent company was NT\$365.751 million, an increase of NT\$69.053 million and NT\$61.046 million respectively from 2024. The earnings per share was NT\$1.92, an increase of 20.00% from the previous year.

1.1.2 Budget Implementation

This is not applicable because financial forecasting was not disclosed.

1.1.3 Financial and Profitability Analysis

Unit: NT\$ thousand

		Year		
		2025	2024	Increase (Decrease) (%)
Item				
Financial Status	Revenue	3,371,321	3,150,628	7.00
	Gross Profit	1,456,891	1,237,016	17.77
	Net Profit (Loss)	354,270	285,217	24.21
	Net Profit (Loss)- Parent Company	365,751	304,705	20.03
	Net Loss- Non-controlling Interest	(11,481)	(19,488)	(41.09)
Profitability	Net Profit Margin (%)	10.51	9.05	16.13
	Earnings Per Share (NTD)	1.92	1.60	20.00

1.1.4 Research and Development

A. Research and Development Expenses in Recent Two Years

Unit: NT\$ thousand

Item \ Year	2025	2024
R&D Expenses	145,368	151,362
Revenue	3,371,321	3,150,628
%	4.31%	4.80%

B. Main Research and Development Activities in 2025

- (A) Food: 4 products
- (B) Cosmetics: 6 products
- (C) Drugs: 2 products
- (D) Product Improvement: 72 products
- (E) 17 Technical Projects

C. Research and Development Progress

Item	Category	Code	Indication/ Application	R&D Progress/ Current Situation
1	Botanical new drugs/ Natural botanical materials	ST01	Dementia/ Brain Health/ Vitality/ Health food	Approved for phase II clinical trial by TFDA and U.S. FDA. Preparing for clinical trial. Acquired the health food certification for anti-aging.
2	Botanical new drugs	ST02	Drugs for chronic stable angina	Approved for phase II clinical trial by TFDA and U.S. FDA. Follow-up development is in progress
3	Botanical new drugs/ Natural botanical materials	SF01	Cancer adjuvant treatment agent/ Health food	Completed Druggability Research Part I and Part II in progress. Acquired the health food certification of assisting in modulating allergy constitution and immune modulation.
4	Natural botanical materials	GF159	Brain Health	Completed clinical efficacy trial proving the product has the function of improving memories, learning abilities, and sleep quality.
5	New small molecular drugs	SB01	Head and neck cancers	Received project funding from MOEA. Completed phase I clinical trial in Taiwan. Approved for phase II clinical trial by U.S. FDA. Approved for and completed phase II clinical trial by TFDA. The efficacy of drug and dose adjustment is under discussion.
6	New small molecular drugs	SB02	Cancer treatment	Formulation development before clinical trial. Deprescribing is under discussion.
7	Botanical new drugs	SB03 VEREGEN®	Genital wart (condyloma)	Acquired TFDA drug license to sell drug products in specialized channels (hospitals, clinics, and pharmacies).
8	Eye drops	SB04	Dry age-related macular degeneration	Successful international cooperation with South Korean AJU Pharm in granting authorization right to the Company. Approved for phase II/III clinical trial by TFDA. Dose adjustment is under discussion
9	Positively charged liposome	SB05 TNBC	Triple-negative breast cancer	Approved for the phase III clinical trial by FAMHP and TGA. Approved for the phase III clinical trial by TFDA, feasibility study is under discussion. Received project funding from MOEA.

Item	Category	Code	Indication/ Application	R&D Progress/ Current Situation
		SB05PC	Pancreatic cancer	Approved for phase III clinical trial in the U.S., Taiwan, France, Hungary, South Korea, Russia, and Israel. Received the grant of A+ Industrial Innovation R&D Program by MOEA. Completed final analysis of phase III clinical trial. Project is under discussion.
				Approved for phase III clinical trial by NMPA.

1.2 Business Plan for 2026

Management Guideline and Marketing Strategies

“Public’s health is the ideal of Sinphar.” Sinphar upholds the philosophy of “life, health, and technology,” and develops drugs, health supplements, and aesthetic medicine products to guard public’s health and quality of life.

Sinphar is paying equal attention to R&D, production, and marketing. Based on the professional research and development, the Group combines the resources of the subsidiaries at home and abroad to make a comprehensive one-stop industry chain of R&D, production, packaging supplies and sales.

In recent years, the three major developments of the Group are new drugs R&D, natural botanical materials, and drugs. Sinphar develops specific products through efficient production and strengthened quality monitoring. Additionally, the Group enters global health market and maximizes value with diverse marketing tools and channels.

Operation and Marketing Strategies in 2026

A. New Drugs Research and Development

- (A) SynCore Bio’s pipeline is still in progress.
- (B) Development and agency of global cancers generic drugs, agency of global new drugs for cancers, development of API for cancers and development of new dosage forms and new drugs.

B. Natural Botanical Materials

- (A) Based on long-term R&D and scientific data from the Group, Sinphar combines and develops natural botanical materials that strengthen brain health, heart health and immune system to create a niche.

- (B) Develop or introduce unique health supplement/functional food, focus on preventive medicine, accelerate product innovation, and improve various diseases caused by aging population and stress.
- (C) Develop monopolistic API, in addition to self-use, Sinphar actively expands the supply markets.
- (D) Independent research and development of natural materials with patent protected raw materials, control the source of raw materials, break through international regulatory barriers to expand into international markets.
- (E) Develop unique skincare ingredients to actively expand cosmeceutical market.

C. Drugs

- (A) Develop preventive and niche products for all ages.
- (B) Focus on niche generic drug products. Through drug repurposing, develop new indication. The Group can shorten development schedule and reduce costs for better NHI price.
- (C) Diversify product development. Except for self-production, Sinphar also actively collaborates with foreign pharmaceutical companies. Recently, Sinphar introduced gastrointestinal and hypolipidemic drugs from Japan and entered the market successfully. With a growing aging population, Sinphar will further develop drugs for chronic illnesses to expand market share.
- (D) Expand technical cooperation with global pharmaceutical companies, Sinphar introduces manufacturing technologies in generic drugs to expedite product development.

D. Strengthen Quality System to Lay the Foundation for Sustainable Development

- (A) Implement an integrated digital management system and establish routine digital management.
- (B) Handle abnormal quality with automated report which forward the report to related departments for timely investigation, and start a cross-departmental quality committee to establish improvement measures.
- (C) Continue to strengthen the manufacturing quality system and corresponding measures of laws.

- (D) Cooperate with external quality agencies to inspect quality and process of production to strengthen quality management system and quality monitoring.

E. Diversified Marketing and Foreign Business

- (A) After the steady growth of generic drugs market in Japan, Sinphar also obtained the GMP certification of food plant and HALAL certification from MUI, actively captures market shares of South East Asia and Islam in Asia.
- (B) Using different product strategies between Blue Ocean and Red Ocean to capture hospital and clinic market shares and create better profit structure.
- (C) In the post-pandemic era, online shopping became one of the most popular consumer sales channels. Sinphar actively expands e-commerce, telemarketing, and experiential marketing with Sinphar Health Park to integrate online and offline sales. This provides consumers with greater convenience in purchasing Sinphar's health and skincare products.
- (D) With B2C marketing model, the Company can quickly increase its market share of health supplements, build brand awareness of the unique patented products through advertising, events, and multichannel marketing.
- (E) Establish strategic alliances with international companies and to develop global market through the co-development of various kinds of pharmaceuticals.

F. Set up Intelligent Plant to Improve Productivity to Meet Global Demand

- (A) The plants implemented SAP, MES, and WMS systems. From purchase-sales-inventory management, product manufacturing and control, warehouse management, and to real-time inventory, we reduced cost and improved operation efficiency with computerized management. Complete computerized data meets global market demand and increases international competitiveness.
- (B) Sinphar spares no expense when investing in the replacement of software and hardware and implement AI and intelligent system for checking production compliance and preventing human error, improving manufacturing efficiency, and monitoring quality. We

combine the system with manufacturing automation, and plan to expand it to include logistics and sales and marketing systems.

(C) In response to projected increase in customer deliveries, Sinphar plans to build a new automated warehouse, equipped with a computer system that integrates warehouse with manufacturing and increases logistic efficiency.

(D) Sinphar simultaneously establishes an information security management system to protect enterprise resource management system, manufacturing execution system and the maintenance of machine room.

Chairman: Chih Wen Lee

General Manager: Yu Liang Pei

Accounting Manager: Li Jung Hsieh

Sinphar Pharmaceutical Co., Ltd.
Audit Committee's Review Report

The Board of Directors has prepared the Company's 2025 Business Report, Financial Statements (including Consolidated Financial Statements), and Proposal for Earnings Distribution. The above-mentioned Financial Statements have been audited by CPAs, Ya Chuan Chang and Chin Feng Lin of Crowe (TW) CPAs and they have issued an audit report. The Business Report, Financial Statements, and Proposal for Earnings Distribution have been audited and determined to be no inappropriateness by the Audit Committee. According to Article 14 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Sinphar Pharmaceutical Co., Ltd.

Audit Committee

Convener: Ching Lung Lee

March 10, 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders of
Sinphar Pharmaceutical Co., Ltd.

Opinion

We have audited the accompanying parent company only financial statements of Sinphar Pharmaceutical Co., Ltd. (the "Company"), which comprise the parent company only balance sheet as of December 31, 2025 and 2024 and the parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years ended December 31, 2025 and 2024, in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulation Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2025 are stated as follows:

Inventory Valuation

Please refer to Note 4(7.) and 5(2.) in the accompanying parent company only financial statements for related disclosures of the Company's valuation of inventory accounting policies and critical accounting estimate and assumption.

The Company mainly engages in the production and sales of various types of drugs and food supplements. As the regulations to the pharmaceutical industry cause the cost to increase and meanwhile selling prices are less likely to be affected as they are covered by the health insurance system. Furthermore, the price of food supplement inventory fluctuates due to market competition and the impacts aroused from advertisements. Management assesses that the net realizable value of inventory involves material judgment. Hence, it is taken as a one of the key audit matters.

Our key audit procedures in response

Our procedures in relation to inventory valuation included:

1. Understand and evaluate the design and implementation of the internal control in relation to inventory.
2. Perform inventory counts, to identify if there are any inventories which are obsolete or damaged.
3. Obtain Inventory aging reports to analyses the changes in inventory age, and check the records of inventory changes to verify the correctness of inventory.
4. Evaluate the reasonableness of its inventory valuation policy of unmarketable items and obsolescence, and check the latest inventory sales price to evaluate the reasonableness of the net realizable value of the inventory.
5. Obtain evaluation documents for subsequent measurement of inventories and assess whether they have been measured in accordance with established accounting policies and review if the management's disclosure on the evaluation of inventory is presented fairly.

Revenue Recognition

Please refer to Note 4(17.) and 5(2.) in the accompanying parent company only financial statements for related disclosures of the Company's revenue recognition accounting policies and critical accounting estimate and assumption.

Some products of the Company provide discounts or sales incentives based on the terms of the sales contract. Since the recognition of the revenue is measured on the net basis of the related discounts and incentives, we consider the revenue recognition as a key audit matter.

Our key audit procedures in response

Our procedures in relation to the revenue recognition included:

1. Evaluate the design and implementation of the internal control in relation to the revenue recognition.
2. Perform sales contract checks to verify whether the records on the recognition of sales revenue agree with the related contract, and evaluate the fairness of the management's estimated sales discounts and sales incentives.
3. Assess whether the management's accounting treatments and disclosure in relation to sales discounts and sales incentives are presented fairly.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operation, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Ya Quan Zhang and Chin Feng Lin.

Crowe (TW) CPAs
Taipei, Taiwan
The Republic of China

March 10, 2026

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

Sinphar Pharmaceutical Co., Ltd.
PARENT COMPANY ONLY BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	Note	December 31, 2025		December 31, 2024	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6 (1)	\$ 470,738	8	\$ 701,496	12
Financial assets at amortized cost – current	6 (2)	3,642	-	3,926	-
Notes receivable, net	6 (3)	137,975	2	146,625	2
Accounts receivable, net	6 (4) and 6(20)	526,313	9	467,592	8
Inventories	6 (5)	669,550	12	606,351	10
Prepayments		42,269	1	41,239	1
Other current assets	7 (3)	7,870	-	2,980	-
Total current assets		<u>1,858,357</u>	<u>32</u>	<u>1,970,209</u>	<u>33</u>
NONCURRENT ASSETS					
Financial assets at fair value through profit and loss, non-current	6 (6)	42,269	1	44,981	1
Financial assets at fair value through other comprehensive income, non-current	6 (6)	52,684	1	50,732	1
Investments accounted for using equity method	6 (7)	1,137,464	20	1,133,520	19
Property, plant and equipment	6 (8), 7 (3) and 8	2,300,584	40	2,320,362	39
Right-of-use assets	6 (9)	880	-	-	-
Investment property, net	6 (10) and 8	109,819	2	110,604	2
Intangible assets	6 (11) and 8	22,539	-	28,282	1
Deferred tax assets	6 (25)	195,485	3	185,366	3
Prepayments for equipment		49,019	1	29,114	1
Refundable deposits		16,980	-	18,498	-
Other non-current assets		17,430	-	20,346	-
Total non-current assets		<u>3,945,153</u>	<u>68</u>	<u>3,941,805</u>	<u>67</u>
TOTAL		<u>\$ 5,803,510</u>	<u>100</u>	<u>\$ 5,912,014</u>	<u>100</u>
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Short-term loans	6 (12)	\$ 150,000	3	\$ 330,000	6
Contract liabilities-current	6 (20)	102,286	2	93,389	1
Notes payable		2	-	38	-
Accounts payable	7 (3)	231,333	4	186,539	3
Other payable	6 (13) and 7(3)	323,635	5	303,802	5
Current tax liabilities		51,170	1	36,918	1
Lease liabilities – current	6 (9)	576	-	-	-
Long-term loans - current portion	6 (14) and 8	45,746	1	348,976	6
Other current liabilities, others		44,063	1	42,494	1
Total current liabilities		<u>948,811</u>	<u>17</u>	<u>1,342,156</u>	<u>23</u>
NONCURRENT LIABILITIES					
Long-term loans	6 (14) and 8	1,269,898	22	1,175,941	20
Lease liabilities – non-current	6 (9)	308	-	-	-
Net defined benefit liability, non-current	6 (15)	22,265	-	15,089	-
Other non-current liabilities, others	6 (25) and 7(3)	118,355	2	115,627	2
Total non-current liabilities		<u>1,410,826</u>	<u>24</u>	<u>1,306,657</u>	<u>22</u>
Total liabilities		<u>2,359,637</u>	<u>41</u>	<u>2,648,813</u>	<u>45</u>
EQUITY					
Capital stock	6 (16)	<u>1,901,968</u>	<u>33</u> #	<u>1,811,398</u>	<u>31</u>
Capital surplus	6 (17)	<u>924,140</u>	<u>16</u>	<u>924,140</u>	<u>15</u>
Retained earnings	6 (18)				
Legal capital reserve		211,577	4	179,959	3
Special capital reserve		137,171	2	137,171	2
Unappropriated retained earnings		364,268	6	331,295	6
Total retained earnings		<u>713,016</u>	<u>12</u>	<u>648,425</u>	<u>11</u>
Other Equity	6 (19)	<u>(95,251)</u>	<u>(2)</u>	<u>(120,762)</u>	<u>(2)</u>
Total equity		<u>3,443,873</u>	<u>59</u>	<u>3,263,201</u>	<u>55</u>
TOTAL LIABILITIES AND EQUITY		<u>\$ 5,803,510</u>	<u>100</u>	<u>\$ 5,912,014</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

Sinphar Pharmaceutical Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

ITEM	Note	2025		2024	
		Amount	%	Amount	%
NET REVENUE	6 (20) and 7 (3)	\$ 3,066,355	100	\$ 2,860,315	100
COST OF REVENUE	6 (5), 6(23) and 7 (3)	(1,772,307)	(58)	(1,726,564)	(60)
GROSS PROFIT		1,294,048	42	1,133,751	40
Less: Unrealized profit on sales		(3,435)	-	(768)	-
Add: Realized profit on sales		768	-	568	-
GROSS PROFIT		1,291,381	42	1,133,551	40
OPERATING EXPENSES	6 (23) and 7 (3)				
Selling expenses		(615,802)	(20)	(528,180)	(18)
Administrative expenses		(157,171)	(5)	(157,284)	(6)
Research and development expenses		(104,333)	(4)	(117,682)	(4)
Total operating expenses		(877,306)	(29)	(803,146)	(28)
NET OPERATIONS INCOME		414,075	13	330,405	12
NON-OPERATING INCOME AND EXPENSES					
Interest income		6,652	-	11,622	1
Other income	6 (21) and 7 (3)	37,893	1	36,953	1
Other gains and losses	6 (22) and 7 (3)	(17,586)	-	10,812	-
Finance costs	6 (24)	(32,812)	(1)	(35,657)	(1)
Share of the loss of subsidiaries and associated and joint ventures accounted for using equity method	6 (7)	(1,739)	-	(30,241)	(1)
Total non-operating income and expenses		(7,592)	-	(6,511)	-
INCOME BEFORE INCOME TAX		406,483	13	323,894	12
INCOME TAX (EXPENSE) BENEFIT	6 (25)	(40,732)	(1)	(19,189)	(1)
NET INCOME		365,751	12	304,705	11
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit obligation		(5,956)	-	11,471	-
Unrealized loss from investments in equity instruments measured at fair value through other comprehensive income		65	-	(611)	-
Share of other comprehensive loss of subsidiaries, associates and joint ventures accounted for using equity method		(2,164)	-	(5,249)	-
		(8,055)	-	5,611	-
Items that may be reclassified subsequently to profit or loss:					
Exchange differences arising on translation of foreign operations		5,095	-	27,834	1
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method		40	-	2	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss		(1,019)	-	(5,567)	-
		4,116	-	22,269	1
Other comprehensive income (loss) for the year, net of income tax		(3,939)	-	27,880	1
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		\$ 361,812	12	\$ 332,585	12
EARNINGS PER SHARE	6 (26)				
Basic earnings per share		\$ 1.92		\$ 1.60	
Diluted earnings per share		\$ 1.92		\$ 1.60	

The accompanying notes are an integral part of the consolidated financial statements.

Sinphar Pharmaceutical Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

ITEM	Capital Stock		Retained Earning			Other Equity Interests			Total Equity
	Common Stock	Capital Surplus	Legal Capital Reserve	Special Capital Reserve	Unappropriated Retained Earnings	Foreign Currency Translation Reserve	Unrealized Gain(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
Balance, January 1, 2024	\$ 1,677,221	\$ 924,140	\$ 142,979	\$ 121,367	\$ 369,802	\$ (92,720)	\$ (44,451)	\$ 3,098,338	
Appropriations of earnings									
Legal reserve appropriated	-	-	36,980	-	(36,980)	-	-	-	
Special reserve appropriated	-	-	-	15,804	(15,804)	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(167,722)	-	-	(167,722)	
Stock dividends of ordinary share	134,177	-	-	-	(134,177)	-	-	-	
Total appropriations of earnings	134,177	-	36,980	15,804	(354,683)	-	-	(167,722)	
Net profit in 2024	-	-	-	-	304,705	-	-	304,705	
Other comprehensive income (loss) in 2024, net of income tax	-	-	-	-	11,471	22,269	(5,860)	27,880	
Total comprehensive income (loss) in 2024	-	-	-	-	316,176	22,269	(5,860)	332,585	
Balance, December 31, 2024	1,811,398	924,140	179,959	137,171	331,295	(70,451)	(50,311)	3,263,201	
Appropriations of earnings									
Legal reserve appropriated	-	-	31,618	-	(31,618)	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(181,140)	-	-	(181,140)	
Stock dividends of ordinary shares	90,570	-	-	-	(90,570)	-	-	-	
Total appropriations of earnings	90,570	-	31,618	-	(303,328)	-	-	(181,140)	
Net profit in 2025	-	-	-	-	365,751	-	-	365,751	
Other comprehensive income (loss) in 2025, net of income tax	-	-	-	-	(5,956)	4,116	(2,099)	(3,939)	
Total comprehensive income (loss) in 2025	-	-	-	-	359,795	4,116	(2,099)	361,812	
Disposal of equity investments at fair value through other comprehensive income of subsidiaries	-	-	-	-	(23,494)	-	23,494	-	
Balance, December 31, 2025	\$ 1,901,968	\$ 924,140	\$ 211,577	\$ 137,171	\$ 364,268	\$ (66,335)	\$ (28,916)	\$ 3,443,873	

The accompanying notes are an integral part of the consolidated financial statements.

Sinphar Pharmaceutical Co., Ltd.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

ITEM	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 406,483	\$ 323,894
Adjustments for:		
Depreciation expense (including investment property)	169,775	159,846
Amortization expense	16,964	25,989
Interest expense	32,812	35,657
Interest income	(6,652)	(11,622)
Dividend income	(641)	-
Share of loss of subsidiaries and associates and joint ventures accounted for using equity method, net	1,739	30,241
Loss (gain) on disposal of property, plant and equipment	(165)	-
Unrealized profit on sales	3,435	768
Realized profit on sales	(768)	(568)
Changes in operating assets and liabilities:		
Notes receivable, net	8,650	17,275
Accounts receivable, net	(58,721)	(41,590)
Inventories	(63,199)	99,423
Prepayments	(1,030)	(5,458)
Other current assets	(5,594)	1,801
Contract liabilities	8,897	9,037
Notes payable	(36)	38
Accounts payable	44,794	(115,657)
Other payable	20,157	10,996
Other current liabilities	1,569	5,240
Net defined benefit liability	1,220	(8,992)
Other operating liabilities	1,061	12,737
Cash generated from operations	<u>580,750</u>	<u>549,055</u>
Interest received	6,652	11,622
Dividend received	641	-
Interest paid	(33,114)	(35,375)
Income taxes paid	(36,914)	(1,232)
Net cash generated from operating activities	<u>518,015</u>	<u>524,070</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments accounted for using equity method	-	(47,650)
Acquisition of financial assets at fair value through other comprehensive income	(1,887)	(41,207)
Acquisition of financial assets at amortized cost	(33,372)	(3,926)
Proceeds from disposal of financial assets at amortized cost	33,656	-
Acquisition of property, plant and equipment	(78,795)	(157,505)
Proceeds from disposal of property, plant and equipment	170	-
Decrease (increase) in refundable deposits	1,518	6,238
Acquisition of intangible assets	(6,136)	(16,179)
Increase in other non-current assets	(1,426)	(1,853)
Increase in prepayments for equipment	(90,819)	(54,722)
Net cash used in investing activities	<u>(177,091)</u>	<u>(316,804)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term loan	(180,000)	(30,000)
Proceeds from long-term debt	-	50,000
Repayments of long-term debt	(209,273)	(60,046)
Increase (decrease) in refundable deposits	(1,000)	1,000
Payments of the principal portion of lease liabilities	(269)	-
Cash dividends paid	(181,140)	(167,722)
Net cash used in financing activities	<u>(571,682)</u>	<u>(206,768)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(230,758)	498
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		
	701,496	700,998
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>\$ 470,738</u>	<u>\$ 701,496</u>

The accompanying notes are an integral part of the consolidated financial statements.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders of
Sinphar Pharmaceutical Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Sinphar Pharmaceutical Co., Ltd. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as of December 31, 2025 and 2024 and the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2025 and 2024, in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulation Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2025 are stated as follows:

Cash and Cash Equivalents

As of December 31, 2025, the cash and cash equivalent of the consolidated balance sheet was NT\$ 864,139 thousand, which represented 14% of the Group's consolidated total assets. As the Group is still in the research and development phase, it is necessary to maintain sufficient cash and cash equivalent balance to support future research and development costs. However, it is taken as a key audit matters due to cash and cash equivalent is a high-risk item.

Our key audit procedures in response

Our procedures in relation to cash and cash equivalent included:

1. Evaluate the design and implementation of internal control related to cash and cash equivalent, performed test count of cash on hand, checked the bank deposit balance with the bank statements, and send bank confirmation letter in accordance with the Auditing Standards No.505. “External confirmation”.
2. Performed a test audit of the supporting documents for large inflows and outflows of cash and bank deposits, paying attention to changes in cash and bank deposits immediately prior to and after the balance sheet date.

Inventory Valuation

Please refer to Note 4(8.) and 5(2.) in the accompanying consolidated financial statements for related disclosures of the Group’s valuation of inventory accounting policies and critical accounting estimate and assumption.

The Group mainly engages in the production and sales of various types of drugs and food supplements. As the regulations to the pharmaceutical industry cause the cost to increase and meanwhile the selling prices are less likely to be affected as they are covered by the health insurance system. Furthermore, the price of food supplement inventory fluctuates due to market competition and the impacts aroused from advertisements. Management assesses that the net realizable value of inventory involves material judgment. Hence, it is taken as a one of the key audit matters.

Our key audit procedures in response

Our procedures in relation to inventory valuation included:

1. Understand and evaluate the design and implementation of the internal control in relation to inventory.
2. Perform inventory counts, to identify if there are any inventories which are obsolete or damaged.
3. Obtain Inventory aging reports to analyses the changes in inventory age, and check the records of inventory changes to verify the correctness of inventory.
4. Evaluate the reasonableness of its inventory valuation policy of unmarketable items and obsolescence, and check the latest inventory sales price to evaluate the reasonableness of the net realizable value of the inventory.
5. Obtain evaluation documents for subsequent measurement of inventories and assess whether they have been measured in accordance with established accounting policies and review if the management’s disclosure on the evaluation of inventory is presented fairly.

Revenue Recognition

Please refer to Note 4(17.) and 5(2.) in the accompanying consolidated financial statements for related disclosures of the Group’s revenue recognition accounting policies and critical accounting estimate and assumption.

Some products of the Group provide discounts or sales incentives based on the terms of the sales contract. Since the recognition of the revenue is measured on the net basis of the related discounts and incentives, we consider the revenue recognition as a key audit matter.

Our key audit procedures in response

Our procedures in relation to the revenue recognition included:

1. Evaluate the design and implementation of the internal control in relation to the revenue recognition.

2. Perform sales contract checks to verify whether the records on the recognition of sales revenue agree with the related contract, and evaluate the fairness of the management's estimated sales discounts and sales incentives.
3. Assess whether the management's accounting treatments and disclosure in relation to sales discounts and sales incentives are presented fairly.

Intangible Assets Impairment

Please refer to Note 4(13.) and 5(2.) in the accompanying consolidated financial statements for related disclosures of the Group's intangible assets impairment accounting policies and critical accounting estimate and assumption.

The accompanying consolidated financial statements for the year ended December 31, 2025 included intangible assets amounted to NT\$ 59,516 thousand, which represented 1% of the Group's consolidated total assets. The intangible assets of the Group are mainly for the patent technology licensing of the "positively charged liposomes EndoTag-1 anti-tumor drugs". The Group will continue to develop new drugs based on these patented technologies. Because the drugs are still under development, no cash inflow can be generated. As of the balance sheet date, the Group considers external and internal information in determining whether the intangible asset is impaired. If any indication of impairment exists, an assessment of the recoverable amount of the asset is required to confirm the impairment of the intangible asset. Since the impairment assessment performed by management involves critical judgement, we consider impairment assessment of intangible asset as a key audit matter.

Our key audit procedures in response

Our procedures in relation to management's assessment of indicators of impairment included:

1. Reviewing the assessment of indicators of impairment provided by the management, and discussing with management to evaluate the following items:
 - (1)The product characteristics, target markets, technical trends, and possible derivative products of research and development projects and the patented technology licensing are still competitive in the marketplace ;
 - (2)There is no significant delay in the progress of the main research and development projects ;
 - (3)The total market value of the Group is higher than the net assets as of the balance sheet date.
2. Evaluating the reasonableness of management's adoption of the key assumption and sensitivity analysis including the cash-generating units, forecast of cash flows, the possibility for product commercialization and the discount rate.

Other Matter

We have also audited the parent company only financial statements of Sinphar Pharmaceutical Co., Ltd. as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, IFRIC and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Ya Quan Zhang
And Chin Feng Lin.

Crowe (TW) CPAs

Taipei, Taiwan

Republic of China

March 10, 2026

For the convenience of readers and for information purpose only, the auditors' report and the acGrouping financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

Simphar Pharmaceutical Co., Ltd and Subsidiaries

CONSOLIDATED BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

ASSETS	Note	December 31, 2025		December 31, 2024	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6 (1)	\$ 864,139	14	\$ 1,075,672	17
Financial assets at fair value					
through profit or loss – current	6 (2)	7,071	-	6,956	-
Financial assets at amortized cost – current	6 (3)	123,416	2	95,409	2
Notes receivable, net	6 (4)	138,640	2	147,116	2
Accounts receivable, net	6 (5) and 6(21)	575,218	9	494,784	8
Inventories	6 (6)	724,686	12	714,906	12
Prepayments	6 (7)	86,245	2	84,212	1
Other current assets	8	9,817	-	5,300	-
Total current assets		<u>2,529,232</u>	<u>41</u>	<u>2,624,355</u>	<u>42</u>
NONCURRENT ASSETS					
Financial assets at fair value					
through profit or loss, non-current	6 (2)	-	-	-	-
Financial assets at fair value through					
other comprehensive income, non-current	6 (8)	52,684	1	54,640	1
Property, plant and equipment	6 (9), 7(3) and 8	3,202,979	52	3,266,540	52
Right-of-use assets	6 (10) and 8	18,874	1	18,572	-
Intangible assets	6 (11) and 8	59,516	1	72,163	1
Deferred tax assets	6 (26)	195,485	3	185,366	3
Prepayments for equipment		58,532	1	30,698	1
Refundable deposits		18,305	-	19,410	-
Other non-current assets		17,443	-	26,511	-
Total non-current assets		<u>3,623,818</u>	<u>59</u>	<u>3,673,900</u>	<u>58</u>
TOTAL		<u>\$ 6,153,050</u>	<u>100</u>	<u>\$ 6,298,255</u>	<u>100</u>
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Short-term loans	6 (12) and 8	\$ 188,000	3	\$ 370,000	5
Current contract liabilities	6 (21)	103,355	2	97,424	2
Notes payable		149	-	233	-
Accounts payable		210,344	3	185,212	3
Other payable	6 (13)	359,893	6	336,786	5
Current tax liabilities		55,578	1	39,363	1
Lease liabilities – current	6 (10)	576	-	-	-
Long-term loans - current portion	6 (14) and 8	48,118	1	351,290	6
Other current liabilities, others		45,468	1	42,501	1
Total current liabilities		<u>1,011,481</u>	<u>17</u>	<u>1,422,809</u>	<u>23</u>
NONCURRENT LIABILITIES					
Long-term loans	6 (14) and 8	1,272,759	20	1,181,205	19
Lease liabilities – non-current	6 (10)	308	-	-	-
Net defined benefit liability, non-current	6 (15)	22,265	1	15,089	-
Other non-current liabilities, others	6 (26)	131,060	2	132,975	2
Total non-current liabilities		<u>1,426,392</u>	<u>23</u>	<u>1,329,269</u>	<u>21</u>
Total liabilities		<u>2,437,873</u>	<u>40</u>	<u>2,752,078</u>	<u>44</u>
EQUITY ATTRIBUTABLE TO					
SHAREHOLDERS OF THE PARENT					
Capital stock	6 (16)	1,901,968	31	1,811,398	29
Capital surplus	6 (17)	924,140	15	924,140	15
Retained earnings	6 (18)				
Appropriated as legal capital reserve		211,577	4	179,959	3
Appropriated as special capital reserve		137,171	2	137,171	2
Unappropriated retained earnings		364,268	6	331,295	5
Total retained earnings		<u>713,016</u>	<u>12</u>	<u>648,425</u>	<u>10</u>
Others equity interests	6 (19)	(95,251)	(2)	(120,762)	(2)
Total equity attributable to					
shareholders of the parent		3,443,873	56	3,263,201	52
non-controlling interests	6 (20)	271,304	4	282,976	4
Total equity		<u>3,715,177</u>	<u>60</u>	<u>3,546,177</u>	<u>56</u>
Total liabilities and equity		<u>\$ 6,153,050</u>	<u>100</u>	<u>\$ 6,298,255</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

Sinphar Pharmaceutical Co., Ltd and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

ITEM	Note	2025		2024	
		Amount	%	Amount	%
OPERATING REVENUE	6 (21)	\$ 3,371,321	100	\$ 3,150,628	100
OPERATING COSTS	6 (6, 24)	(1,914,430)	(57)	(1,913,612)	(61)
GROSS PROFIT		1,456,891	43	1,237,016	39
OPERATING EXPENSES	6 (24) and 7 (3)				
Selling expenses		(641,692)	(19)	(543,126)	(17)
Administrative expenses		(252,973)	(8)	(248,522)	(8)
Research and development expenses		(145,368)	(4)	(151,362)	(5)
Expected credit impairment loss	6 (5)	-	-	(142)	-
Total operating expenses		(1,040,033)	(31)	(943,152)	(30)
NET OPERATIONS INCOME		416,858	12	293,864	9
NON-OPERATING INCOME AND EXPENSES					
Interest income		12,613	-	16,837	1
Other income	6 (22)	24,436	1	19,023	1
Other gains and losses	6 (23)	(18,536)	(1)	14,147	-
Finance costs	6 (25)	(33,847)	(1)	(36,771)	(1)
Total non-operating income and expenses		(15,334)	(1)	13,236	1
INCOME BEFORE INCOME TAX		401,524	11	307,100	10
INCOME TAX (EXPENSE) BENEFIT	6 (26)	(47,254)	(1)	(21,883)	(1)
NET INCOME		354,270	10	285,217	9
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit obligation		(5,956)	-	11,471	-
Unrealized gain from investments in equity instruments measured at fair value through other comprehensive income		(3,302)	-	(8,779)	-
		(9,258)	-	2,692	-
Items that may be reclassified subsequently to profit or loss:					
Exchange differences arising on translation of foreign operations		6,147	-	33,683	1
Income tax related to components of other comprehensive income that will be reclassified to profit or loss		(1,019)	-	(5,567)	-
		5,128	-	28,116	1
Other comprehensive income (loss) for the year, net of income tax		(4,130)	-	30,808	1
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		\$ 350,140	10	\$ 316,025	10
PROFIT (LOSS) ATTRIBUTABLE TO :					
Shareholders of the parent		\$ 365,751	10	\$ 304,705	10
Non-controlling interests		(11,481)	-	(19,488)	(1)
		\$ 354,270	10	\$ 285,217	9
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:					
Shareholders of the parent		\$ 361,812	10	\$ 332,585	11
Non-controlling interests		(11,672)	-	(16,560)	(1)
		\$ 350,140	10	\$ 316,025	10
EARNINGS PER SHARE	6 (27)				
Basic earnings per share		\$ 1.92		\$ 1.60	
Diluted earnings per share		\$ 1.92		\$ 1.60	

The accompanying notes are an integral part of the consolidated financial statements.

Sinphar Pharmaceutical Co., Ltd and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

ITEM	Equity Attributable to Owners of Parent									Non-Controlling Interests	Total Equity
	Capital Stock		Retained Earning			Other Equity Interests			Total		
	Common Stock	Capital Surplus	Legal Capital Reserve	Special Capital Reserve	Unappropriated Retained Earnings	Foreign Currency Translation Reserve	Unrealized Gain(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
Balance, January 1, 2024	\$ 1,677,221	924,140	142,979	121,367	369,802	(92,720)	(44,451)	3,098,338	299,536	3,397,874	
Appropriations of earnings											
Legal reserve appropriated	-	-	36,980	-	(36,980)	-	-	-	-	-	
Special reserve appropriated	-	-	-	15,804	(15,804)	-	-	-	-	-	
Cash dividends of ordinary share					(167,722)	-	-	(167,722)	-	(167,722)	
Stock dividends of ordinary share	134,177	-	-	-	(134,177)	-	-	-	-	-	
Total appropriations of earnings	134,177	-	36,980	15,804	(354,683)	-	-	(167,722)	-	(167,722)	
Net profit (loss) in 2024	-	-	-	-	304,705	-	-	304,705	(19,488)	285,217	
Other comprehensive income (loss) in 2024, net of income tax	-	-	-	-	11,471	22,269	(5,860)	27,880	2,928	30,808	
Total comprehensive income (loss) in 2024	-	-	-	-	316,176	22,269	(5,860)	332,585	(16,560)	316,025	
Balance, December 31, 2024	1,811,398	924,140	179,959	137,171	331,295	(70,451)	(50,311)	3,263,201	282,976	3,546,177	
Appropriations of earnings											
Legal reserve appropriated	-	-	31,618	-	(31,618)	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(181,140)	-	-	(181,140)	-	(181,140)	
Stock dividends of ordinary shares	90,570	-	-	-	(90,570)	-	-	-	-	-	
Total appropriations of earnings	90,570	-	31,618	-	(303,328)	-	-	(181,140)	-	(181,140)	
Net profit (loss) in 2025	-	-	-	-	365,751	-	-	365,751	(11,481)	354,270	
Other comprehensive income (loss) in 2025, net of income tax	-	-	-	-	(5,956)	4,116	(2,099)	(3,939)	(191)	(4,130)	
Total comprehensive income (loss) in 2025	-	-	-	-	359,795	4,116	(2,099)	361,812	(11,672)	350,140	
Disposal of equity investments at fair value through other comprehensive income of subsidiaries	-	-	-	-	(23,494)	-	23,494	-	-	-	
Balance, December 31, 2025	\$ 1,901,968	\$ 924,140	\$ 211,577	\$ 137,171	\$ 364,268	\$ (66,335)	\$ (28,916)	\$ 3,443,873	\$ 271,304	\$ 3,715,177	

The accompanying notes are an integral part of the consolidated financial statements.

Sinphar Pharmaceutical Co., Ltd and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

ITEM	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 401,524	\$ 307,100
Adjustments for:		
Adjustments to reconcile profit (loss)		
Depreciation expense	230,360	224,048
Amortization expense	23,971	33,322
Expected credit impairment loss	-	142
Net loss (gain) on financial assets and liabilities at fair value through profit of loss	(115)	(296)
Interest expense	33,847	36,771
Interest income	(12,613)	(16,837)
Dividend income	(641)	-
Loss (gain) on disposal of property, plant and equipment	1,051	2,481
Changes in operating assets and liabilities:		
Notes receivable, net	8,476	19,097
Accounts receivable, net	(80,439)	(17,699)
Inventories	(9,780)	124,288
Prepayments	(2,033)	(5,162)
Other current assets	(5,798)	1,492
Contract liabilities	5,931	11,770
Notes payable	(84)	71
Accounts payable	25,132	(105,996)
Other payable	24,383	(3,908)
Other current liabilities	2,967	5,140
Net defined benefit liability	1,220	(8,992)
Other operating liabilities	(462)	12,628
Cash generated from operations	646,897	619,460
Interest received	13,180	15,845
Dividend received	641	-
Interest paid	(34,149)	(36,489)
Income taxes paid	(41,907)	(5,304)
Net cash generated from operating activities	584,662	593,512
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(1,887)	(41,207)
Proceeds from disposal of financial assets at fair value through other comprehensive income	541	-
Acquisition of financial assets at amortized cost	(153,147)	(95,409)
Proceeds from disposal of financial assets at amortized cost	125,140	-
Acquisition of property, plant and equipment	(95,115)	(179,143)
Proceeds from disposal of property, plant and equipment	49	482
Decrease (increase) in refundable deposits	1,105	6,914
Acquisition of intangible assets	(6,236)	(16,276)
Decrease (increase) in other non-current assets	4,518	(5,145)
Increase in prepayments for equipment	(99,594)	(61,294)
Net cash used in investing activities	(224,626)	(391,078)
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term loan	(182,000)	(30,000)
Proceeds from long-term debt	-	50,000
Repayments of long-term debt	(211,618)	(62,363)
Increase (decrease) in redundable deposits	(999)	1,002
Payments of the principal portion of lease liabilities	(269)	-
Cash dividends paid	(181,140)	(167,722)
Net cash used in financing activities	(576,026)	(209,083)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	4,457	7,832
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	(211,533)	1,183
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		
	1,075,672	1,074,489
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
	\$ 864,139	\$ 1,075,672

The accompanying notes are an integral part of the consolidated financial statements. .

Attachment 4

Remuneration of Directors in 2025

2025 Unit: thousand shares; NT\$ thousand; %

Title	Name	Remuneration								Ratio and Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio and Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company			
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)									
		The company	All companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	Cash	Stock	Cash	Stock		The company	Companies in the consolidated financial statements	
Chairman	Chih Wen Lee	5,033	5,994	—	—	2,892	2,892	104	104	8,029 2.20	8,990 2.46	—	—	—	—	—	—	—	—	—	—	—	8,029 2.20	8,029 2.20	—
Director	Hsiu Min Lin	166	166	—	—	350	350	56	56	572 0.16	572 0.16	—	—	—	—	—	—	—	—	—	—	—	572 0.16	572 0.16	—
Director	Good Tree Investment Co., Ltd.	166	166	—	—	350	350	56	56	572 0.16	572 0.16	—	—	—	—	—	—	—	—	—	—	—	572 0.16	572 0.16	—
Corporate Director Representative	Good Tree Investment Co., Ltd. Hsiu Chi Kuo	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Director	Ling Mo Chao	166	166	—	—	350	350	56	56	572 0.16	572 0.16	—	—	—	—	—	—	—	—	—	—	—	572 0.16	572 0.16	—
Director	Xing-Da Capital Corp.	—	—	—	—	1,300	1,300	—	—	1,300 0.36	1,300 0.36	—	—	—	—	—	—	—	—	—	—	—	1,300 0.36	1,300 0.36	—
Corporate Director Representative	Xing-Da Capital Corp. Representative: Yi Ta Lee	336	336	—	—	—	—	56	56	392 0.11	392 0.11	4,274	5,139	4,532	4,532	—	—	—	—	—	—	—	9,198 2.51	10,063 2.75	—

Title	Name	Remuneration								Ratio and Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio and Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The company	All companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
																Cash	Stock	Cash	Stock			
Director	Hung Chih Lin	165	165	—	—	350	350	136	136	571 0.16	571 0.16	—	—	—	—	—	—	—	—	571 0.16	571 0.16	—
Director	Jehng Jer Guan	165	165	—	—	350	350	56	56	571 0.16	571 0.16	—	—	—	—	—	—	—	—	571 0.16	571 0.16	—
Director	Neng Chun Yu	165	165	—	—	350	350	56	56	571 0.16	571 0.16	—	—	—	—	—	—	—	—	571 0.16	571 0.16	—
Independent Director	Ching Lung Lee	166	166	—	—	470	470	136	136	772 0.21	772 0.21	—	—	—	—	—	—	—	—	772 0.21	772 0.21	—
Independent Director	Yau Yuan Wen	166	166	—	—	470	470	136	136	772 0.21	772 0.21	—	—	—	—	—	—	—	—	772 0.21	772 0.21	—
Independent Director	Hsin Yu Chou	166	166	—	—	470	470	112	112	748 0.20	748 0.20	—	—	—	—	—	—	—	—	748 0.20	748 0.20	—
		<p>1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration: The Company established Remuneration Committee in 2021. The remuneration of Directors and Independent Directors shall be determined based on based on his/her contribution to and participation in the Company and industry standard both domestically and abroad. Such remuneration is measured against the Company's operational scale and positively linked to operating performance and future risk exposure. The proposed remuneration is subject to review by the Remuneration Committee and shall be implemented upon the resolution of the Board of Directors.</p> <p>2. Except for the disclosure above, remuneration paid to the Company's directors for their services to all the companies listed in the financial statements (e.g., serving as a non-employee adviser): None.</p>																				

Sinphar Pharmaceutical Co., Ltd. and Subsidiaries

Endorsements and Guarantees

December 31, 2025

No. (Note 1)	Endorsement / Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party (Note 3)	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity per Latest Financial Statements	Maximum Endorsement/ Guarantee Amount Allowable (Note 4)	Guarantee Provided by Parent Company	Guarantee Provided by A Subsidiary	Guarantee Provided to Subsidiaries in Mainland China
		Name	Nature of relationship (Note 2)										
0	Sinphar Pharmaceutical Co., Ltd.	ZuniMed Biotech Co., Ltd.	1	\$ 1,377,549	\$ 30,000	\$ 30,000	\$ 8,000	\$ —	0.87%	\$ 1,721,936	Y	—	—
0	Sinphar Pharmaceutical Co., Ltd.	SynCore Biotechnology Co., Ltd.	1	\$ 1,377,549	\$ 250,000	\$ 200,000	\$ —	\$ —	5.81%	\$ 1,721,936	Y	—	—
1	ZuniMed Biotech Co., Ltd.	Sinphar Pharmaceutical Co., Ltd	2	\$ 40,811	\$ 25,000	\$ 25,000	\$ 25,000 (Note 5)	\$ —	24.50%	\$ 51,014	—	Y	—

Note 1 : (1) The issuer fills in “0”. (2) The subsidiaries are numbered in order starting from “1”.

Note 2 : (1) The endorser/guarantor parent company owns directly and indirectly more the 50% voting shares of the endorsed/guaranteed subsidiary.

(2) The endorsed/guaranteed company owns directly and indirectly more the 50% voting shares of the endorser/guarantor parent company.

Note 3 : Maximum endorsement/guarantee amount allowable is 40% of the net worth of the Endorsement/Guarantee Provider.

Note 4 : Maximum endorsement/guarantee amount allowable is 50% of the net worth of the Endorsement/Guarantee Provider.

Note 5 : It is a supply guarantee for the medical institution.

Sinphar Pharmaceutical Co., Ltd.

Amendment Comparison Table of the Articles of Incorporation

After Amendment	Current Article	Description
<p>Article 2: The scope of business of the Corporation shall be as follows:</p> <p>1. C802041 Manufacture of Drugs and Medicines</p> <p>2. F108021 Wholesale of Western Pharmaceutical</p> <p>3. F208021 Retail Sale of Western Pharmaceutical</p> <p>4. C802051 Manufacture of Chinese Medicines</p> <p>5. F108011 Wholesale of Traditional Chinese Medicine</p> <p>(Omitted)</p> <p>50. F107990 Wholesale of Other Chemical Products</p> <p>51. F399040 Retail Sale No Storefront</p> <p><u>52. C801100</u> <u>Manufacture of Synthetic Resin and Plastic Materials</u></p> <p><u>53. C805010</u> <u>Manufacture of Plastic Sheets, Pipes and Tubes</u></p> <p><u>54. C805020</u> <u>Manufacture of Plastic Films and Bags</u></p> <p><u>55. C805030</u> <u>Manufacture of Plastic Daily Necessities</u></p> <p><u>56. C805060</u> <u>Manufacture of Plastic Leathers Products</u></p> <p><u>57. C805070</u> <u>Manufacture of Reinforced</u></p>	<p>Article 2: The scope of business of the Corporation shall be as follows:</p> <p>1. C802041 Manufacture of Drugs and Medicines</p> <p>2. F108021 Wholesale of Western Pharmaceutical</p> <p>3. F208021 Retail Sale of Western Pharmaceutical</p> <p>4. C802051 Manufacture of Chinese Medicines</p> <p>5. F108011 Wholesale of Traditional Chinese Medicine</p> <p>6. CF01011 Medical Devices Manufacturing</p> <p>7. F108031 Wholesale of Medical Devices</p> <p>8. F208031 Retail Sale of Medical Apparatus</p> <p>9. C102010 Manufacture of Dairy Products</p> <p>(Omitted)</p> <p>42. I101090 Food Consulting</p> <p>43. IC01010 Medicine Inspection</p> <p>44. IG01010 Biotechnology Services</p> <p>45. J202010 Industry Innovation and Incubation Services</p> <p>46. E604010 Machinery Installation</p> <p>47. EZ05010</p>	<p>Amendment is made to meet business development needs and to reduce material costs and maintain stable supply quality.</p>

After Amendment	Current Article	Description
<p><u>Plastic Products</u> 58. C805990</p> <p><u>Manufacture of Other Plastic Products</u> 59. CB01010</p> <p><u>Manufacture of Mechanical Equipment</u> 60. CQ01010</p> <p><u>Mold and Die Manufacturing</u> 61. F106030</p> <p><u>Wholesale of Molds</u> 62. F107190</p> <p><u>Wholesale of Plastic Films and Bags</u> 63. F206030</p> <p><u>Retail Sale of Molds</u> 64. F207190</p> <p><u>Retail Sale of Plastic Films and Bags</u> 65. F601010</p> <p><u>Intellectual Property Rights</u> 66. ZZ99999</p> <p>All business activities that are not prohibited or restricted by law, except those that are subject to special approval.</p>	<p>Instrument and Meters Installation Engineering 48. F207200</p> <p>Retail Sale of Chemical Feedstock 49. F107200</p> <p>Wholesale of Chemical Feedstock 50. F107990</p> <p>Wholesale of Other Chemical Products 51. F399040</p> <p>Retail Sale No Storefront 52. ZZ99999</p> <p>All business activities that are not prohibited or restricted by law, except those that are subject to special approval.</p>	
<p>Article 5:</p> <p>The total capital stock of the Company shall be in the amount of <u>5,000,000,000</u> New Taiwan Dollars, divided into <u>500,000,000</u> shares, at ten New Taiwan Dollars each, and may be issued in installments. The Company shall reserve 100,000,000 New Taiwan Dollars, divided into 10,000,000 shares, at ten New Taiwan Dollars each, for issuing employee stock options.</p>	<p>Article 5:</p> <p>The total capital stock of the Company shall be in the amount of 2,500,000,000 New Taiwan Dollars, divided into 250,000,000 shares, at ten New Taiwan Dollars each, and may be issued in installments. The Company shall reserve 100,000,000 New Taiwan Dollars, divided into 10,000,000 shares, at ten New Taiwan Dollars each, for issuing employee stock options.</p>	<p>Amendment is made to meet the Company's long-term development needs.</p>
<p>Article 13:</p> <p>The number of Board of Directors of the Company shall be <u>seven to</u></p>	<p>Article 13:</p> <p>The number of Board of Directors of the Company shall be seven to</p>	<p>Amendment is made to meet the Company's long-term development</p>

After Amendment	Current Article	Description
<p><u>thirteen</u> directors and one to three supervisors. Each term is for three years and may be re-elected. The election of directors at the Company is subject to the provisions of Article 192-1 of the Company Act in that a candidate nomination system shall be adopted, and that shareholders shall elect directors from among those listed in the slate of director candidates.</p> <p>Board of Directors must include no fewer than <u>three</u> independent directors, which shall no less than one-fifth of the total number of directors.</p> <p>The total shareholdings of all directors and supervisors shall meet the requirement as separately specified by the competent authority in charge of securities affairs.</p> <p>The Company set up the audit committee according to Article 14-4 of the Securities and Exchange Act. Supervisors' term is deemed expired upon establishing the audit committee. The audit committee shall assume all duties of supervisors.</p> <p>The Company may obtain liability insurance for directors and supervisors with respect to liabilities resulting from exercising their duties during their terms.</p>	<p>eleven directors and one to three supervisors. Each term is for three years and may be re-elected. The election of directors at the Company is subject to the provisions of Article 192-1 of the Company Act in that a candidate nomination system shall be adopted, and that shareholders shall elect directors from among those listed in the slate of director candidates.</p> <p>Board of Directors must include no fewer than two to three independent directors, which shall no less than one-fifth of the total number of directors.</p> <p>The total shareholdings of all directors and supervisors shall meet the requirement as separately specified by the competent authority in charge of securities affairs.</p> <p>The Company set up the audit committee according to Article 14-4 of the Securities and Exchange Act. Supervisors' term is deemed expired upon establishing the audit committee. The audit committee shall assume all duties of supervisors.</p> <p>The Company may obtain liability insurance for directors and supervisors with respect to liabilities resulting from exercising their duties during their terms.</p>	<p>needs.</p>

After Amendment	Current Article	Description
<p>Article 21:</p> <p>These Articles of Incorporation are agreed to and signed on May 17, 1977. The first Amendment was on June 8, 1977, the second Amendment on April 20, 1978, the third Amendment on September 3, 1978, the fourth Amendment on March 15, 1980, (omitted), the thirty-ninth Amendment on June 21, 2022, the fortieth Amendment on June 19, 2025, <u>the forty-first Amendment on June 16, 2026.</u></p>	<p>Article 21:</p> <p>These Articles of Incorporation are agreed to and signed on May 17, 1977. The first Amendment was on June 8, 1977, the second Amendment on April 20, 1978, the third Amendment on September 3, 1978, the fourth Amendment on March 15, 1980, (omitted), the thirty-ninth Amendment on June 21, 2022, the fortieth Amendment on June 19, 2025.</p>	<p>Amended accordingly</p>

Sinphar Pharmaceutical Co., Ltd.

Rules and Procedures of Shareholders Meetings

Article 1: The rules of procedures for the Company's shareholders meetings, except as otherwise provided by Taiwan law, regulation, shall be as provided in these Rules.

Article 2: Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.

Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.

The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting

notice may be given in electronic form.

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion. The essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.

Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

The term of “shareholder” called by the Company shall be the shareholder himself/herself, representative of institutional shareholder and shareholder proxy who are commissioned by the shareholder legally to attend the meeting. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

Article 3: Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically. The company whose shareholders may exercise their voting power in writing or by way of electronic transmission in a shareholders meeting shall describe in the shareholders meeting notice the method of exercising their voting power. A shareholder who exercises his/her/its voting power at a shareholders meeting in writing or by way of electronic transmission shall be deemed to have attended the said shareholders meeting in person, but shall be deemed to have waived his/her/its voting power in respect of any extraordinary motions and/or the amendments to the contents of the original proposals at the said shareholders meeting.

If a shareholder elects to exercise his/her/its voting rights in writing or by means of electronic transmission as set forth in the preceding paragraph, his/her/its declaration of intention shall be served to the company 2 days prior to the scheduled meeting date of the shareholders meeting; if two or more declarations of intention on the same matter are served to the company, the declaration of intention first served shall prevail, unless an explicit statement to revoke the previous declaration is made in the subsequent declaration.

If a shareholder who has exercised his/her/its voting rights in writing or by means of electronic transmission intends to attend the shareholders meeting in person, he/she/it shall, 2 days prior to the scheduled meeting date of the shareholders’

meeting and in the same manner previously used in exercising his/her/its voting rights, serve a separate declaration of intention to revoke his/her/its previous declaration of intention made in exercising the voting rights under the preceding paragraph. In the absence of a timely revocation of the previous declaration of intention, the voting rights exercised in writing or by means of electronic transmission shall prevail. If a shareholder has exercised his/her/its voting rights in writing or by means of electronic transmission, and has also authorized an agent to attend the shareholders meeting on his/her/its behalf, then the voting rights exercised by the authorized agent for the shareholder shall prevail.

If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 4: The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively “shareholders”) will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker’s slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots

shall also be furnished.

When the government or juridical person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juridical person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.

In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 4.1: To convene a virtual shareholders meeting, the Company shall include the following particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
 - D. Actions to be taken if the outcomes of all proposals have been announced and extraordinary motion has not been carried out.

3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

Article 5: Voting at a shareholders meeting shall be calculated based the number of shares.

The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder. The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

Article 6: The venue for a shareholders meeting shall be the premises of the Company or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

Article 7: If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair. If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting.

Article 8: The Company may designate its lawyer, certified public accountant or other relevant persons to attend the shareholders meeting. Those handling the business of

a shareholders meeting shall wear an identification card or a badge.

Article 9: The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 10: When it is time to convene a shareholders meeting, the chair shall immediately convene the meeting, provided, however, that if the shareholders present do not represent a majority of the total amount of issued shares, the chair may postpone the meeting, provided, however, that the postponement of the said meeting shall be limited to two times, and the total time postponed shall not exceed one hour. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform. If the meeting has been postponed for two times, but the shareholders present still do not represent a majority of the total amount of issued shares, a tentative resolution may be adopted in accordance with Paragraph 1 of Article 175 of the Company Act. All shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6. Before the close of the said meeting if the shareholders present represent a majority of the total amount of issued shares, the chair may present the tentative resolution so adopted

to the meeting for resolution in accordance with the provisions of Article 174 of the Company Act.

Article 11: If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders meeting convened by a party with the power to convene that is not the board of directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

Except for the proposals enumerated on the meeting agenda, other motions or amendments/alternatives to original proposals posed by shareholders shall be seconded by other shareholders. Total number of shares represented by the proposing shareholders and the seconding shareholders shall be one percent or more of the issued voting shares of the Company.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

After close of the said meeting, shareholders shall not elect another chair to hold another meeting at the same place or at any other place. If the chair declares the meeting adjourned in violation of the rules of procedure shall promptly elect a new chair by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

Article 12: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other

shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

Article 13: A shareholder who has any question about a report item listed on the agenda may speak only after all report items have been read out or reported by the chair or a person designated by the chair. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

Article 14: When an institutional shareholder attends the shareholders meeting, it may appoint only one person to attend the meeting on its behalf. When an institutional shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

Article 15: After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 16: When the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 17: Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural

disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 18: When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

Article 19: Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

Article 20: When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 21: The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

Article 22: On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the

meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 23: In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 24: When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 25: In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be

counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

Article 26: When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 27: Matters not covered in these rules of procedure, the Company Act and the

Company's articles of incorporation shall prevail. These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Article 28: These rules and procedures shall take effect on July 29, 1997 at shareholders meeting; first revision on May 27, 1998 at shareholders meeting; second revision on April 22, 2002 at shareholders meeting; third revision on June 6, 2012 at shareholders meeting; fourth revision on June 18, 2014 at shareholders meeting; fifth revision on June 20, 2017 at shareholders meeting; sixth revision on May 27, 2020 at shareholders meeting; seventh revision on June 21, 2022 at shareholders meeting.

Sinphar Pharmaceutical Co., Ltd.

Articles of Incorporation

Article 1: The Company shall be incorporated, under the Company Act of the Republic of China, and its name shall be 杏輝藥品工業股份有限公司 in the Chinese language, and Sinphar Pharmaceutical Co., Ltd. in the English language.

Article 2: The scope of business of the Corporation shall be as follows:

- 1.C802041 Manufacture of Drugs and Medicines
- 2.F108021 Wholesale of Western Pharmaceutical
- 3.F208021 Retail Sale of Western Pharmaceutical
- 4.C802051 Manufacture of Chinese Medicines
- 5.F108011 Wholesale of Traditional Chinese Medicine
- 6.CF01011 Medical Devices Manufacturing
- 7.F108031 Wholesale of Medical Devices
- 8.F208031 Retail Sale of Medical Apparatus
- 9.C102010 Manufacture of Dairy Products
- 10.C802100 Cosmetics Manufacturing
- 11.F108040 Wholesale of Cosmetics
- 12.F208040 Retail Sale of Cosmetics
- 13.C802060 Veterinary Drug Manufacturing
- 14.F107070 Wholesale of Veterinary Drugs
- 15.F207070 Retail Sale of Veterinary Drugs
- 16.C201010 Feed Manufacturing
- 17.F103010 Wholesale of Animal Feeds
- 18.F202010 Retail Sale of Feeds
- 19.C801110 Fertilizer Manufacturing
- 20.F107050 Wholesale of Fertilizer
- 21.F207050 Retail Sale of Fertilizer
- 22.C106010 Grain Husking, Manufacture of Grain Mill Products, Starches and Starch Products
- 23.C104010 Manufacturing of Sugar Confectionery
- 24.C199990 Manufacture of Other Food Products Not Elsewhere Classified
- 25.C802090 Manufacture of Cleaning Preparations
- 26.F107030 Wholesale of Cleaning Supplies
- 27.F207030 Retail Sale of Cleaning Supplies
- 28.C110010 Beverage Manufacturing
- 29.F102040 Wholesale of Nonalcoholic Beverages
- 30.F102170 Wholesale of Foods and Groceries
- 31.F203010 Retail Sale of Food, Grocery, and Beverage
- 32.F501030 Beverage Shops
- 33.A102050 Crops Cultivation

34.A101030	Growing of Special Crops
35.A101040	Growing of Edible Fungi
36.F201010	Retail Sale of Agricultural Products
37.C113020	Alcohol Products Semi-Finished Manufacturing
38.F208050	Retail Over-the-counter drugs class B
39.F401010	International Trade
40.J303010	Magazine (Periodical) Publishing
41.IZ99990	Other Industrial and Commercial Services
42.I101090	Food Consulting
43.IC01010	Medicine Inspection
44.IG01010	Biotechnology Services
45.J202010	Industry Innovation and Incubation Services
46.E604010	Machinery Installation
47.EZ05010	Instrument and Meters Installation Engineering
48.F207200	Retail Sale of Chemical Feedstock
49.F107200	Wholesale of Chemical Feedstock
50.F107990	Wholesale of Other Chemical Products
51.F399040	Retail Sale No Storefront
52.ZZ99999	All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2.1: The Company may provide endorsement and guarantee and act as a guarantor.

Article 2.2: The Company may invest in other companies without total amount restriction set forth in the Company Act. When the investment is long-term, such investment shall be approved by the board of directors.

Article 3: The Company shall have its head office in Yilan, Taiwan, and shall be free, upon approval of board of directors, to set up representative and branch offices outside of Taiwan.

Article 4: Public announcements of the Company shall be made in accordance with article 28 of the Company Act and other relevant rules and regulations.

Article 5: The total capital stock of the Company shall be in the amount of 2,500,000,000 New Taiwan Dollars, divided into 250,000,000 shares, at ten New Taiwan Dollars each, and may be issued in installments. The Company shall reserve 100,000,000 New Taiwan Dollars, divided into 10,000,000 shares, at ten New Taiwan Dollars each, for issuing employee stock options.

Article 6: Deleted

Article 7: Share certificates shall be affixed with the signatures or personal seal of a director

of the Company, and shall be duly certified or authenticated by the competent authority or a certifying institution appointed by the competent authority before issuance thereof.

The Company may issue shares without printing share certificate(s) and shall register the shares with securities central depository enterprise.

Article 8: The entries in its shareholders' roster shall not be altered within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting or within 5 days prior to the target date fixed by the Company for distribution of dividends, bonus or other benefits.

Article 9: Shareholders' meeting shall be of the following two kinds: regular meeting of shareholders is to be held by the board of directors within six months of the end of fiscal year at least once every year and special meeting of shareholders is to be held when necessary.

Article 9.1: The Company's shareholders' meeting can be held by means of visual communication network or other methods promulgated by Ministry of Economic Affairs.

Article 10: A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney issued by the Company stating therein the scope of power authorized to the proxy.

Article 11: Except as stipulated in paragraph 3 of article 157 and article 179 of the Company Act, each share shall have one voting right.

Article 12: Resolutions at a shareholders' meeting shall, unless otherwise provided in relevant laws and regulations, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 12.1: Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

Article 13: The number of Board of Directors of the Company shall be seven to eleven directors and one to three supervisors. Each term is for three years and may be re-elected. The election of directors at the Company is subject to the provisions of

Article 192-1 of the Company Act in that a candidate nomination system shall be adopted, and that shareholders shall elect directors from among those listed in the slate of director candidates.

Board of Directors must include no fewer than two to three independent directors, which shall no less than one-fifth of the total number of directors.

The total shareholdings of all directors and supervisors shall meet the requirement as separately specified by the competent authority in charge of securities affairs.

The Company set up the audit committee according to Article 14-4 of the Securities and Exchange Act. Supervisors' term is deemed expired upon establishing the audit committee. The audit committee shall assume all duties of supervisors.

The Company may obtain liability insurance for directors and supervisors with respect to liabilities resulting from exercising their duties during their terms.

Article 13.1: The following relationships may not exist among more than half of the Company's directors and among directors and supervisors:

1. A spousal relationship.
2. A familial relationship within the second degree of kinship.

Article 14: The board of directors shall elect a chairman of the board of directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors, and may also elect in the same manner a vice chairman of the board, the chairman shall externally represent the Company.

In the case of emergency, a meeting of the board of directors may be convened at any time.

A meeting notice may be effected in writing, by E-mail, and by facsimile.

Each director shall attend the meeting of the board of directors in person, or a director may be represented by another director. In case a director appoints another director to attend a meeting of the board of directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may accept the appointment to act as the proxy of one other director only.

Article 15: In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman of the board of directors shall

designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors. Matters not covered herein shall refer to article 208 of Company Act.

Article 16: The remuneration of chairman, directors, and supervisors shall be determined by the board of directors. The remuneration shall be based on his/her contribution to and participation in the Company and industry standard.

Article 16.1: The Company may obtain liability insurance for directors and supervisors with respect to liabilities resulting from exercising their duties during their terms.

Article 17: The Company may have one or more managerial personnel. Appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with article 29 of the Company Act.

Article 18: Upon close of each fiscal year, the board of directors shall prepare 1. business report; 2. financial statements; and 3. surplus earning distribution or loss off-setting proposals. The aforementioned financial statements and records shall be prepared in accordance with the rules prescribed by relevant governing agencies and reviewed by supervisors and delivered the same to shareholders 30 days prior to the general shareholders' meeting for their approval.

Article 19: When the Company has profit in a fiscal year, the Company shall distribute 2% to 8% of the current year's profit as employee remuneration, and no less than 50% of it shall be allocated for salary adjustments or remuneration distribution for non-executive employees. The remuneration of employees shall be in stock or cash. When the Company has profit in a fiscal year, the Company shall distribute no more than 5% of the current year's profit as director remuneration. The board of directors shall determine the exact percentage. The remuneration of employees and director shall be implemented by the board of directors with more than two-thirds of the directors present and a resolution approved by more than half of the directors present, and reported to the shareholders' meeting.

However, the Company's accumulated losses shall have been covered first, then allocate employee and director remuneration.

Article 19.1: The Company, when allocating its surplus profits after having paid all taxes and dues, including accumulated loss, shall first set aside ten percent of said profits as legal reserve. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. Aside from the aforesaid legal reserve, the

Company may, under its Articles of Incorporation or by resolution of the meeting of shareholders, set aside another sum as special reserve. After setting aside legal reserve and special reserve, any remaining profit shall be allocated to accumulated retained earnings, with the board of directors proposing surplus earnings distribution resolution at the shareholders meeting to determine shareholder dividends. The Company's dividend policy is based on current and future operational plans, budgets, and shareholder interest, etc. Shareholder dividends can be in shares or cash; shareholder dividends shall be no less than ten percent of distributed earnings with cash dividends no less than twenty percent of total dividends.

Article 19.2: When the Company repurchases its own shares for the purpose of transferring them to its employees pursuant to article 10-1 and article 13 of Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies, the Company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders meeting attended by shareholders representing a majority of total issued shares.

To transfer shares to employees at less than the average actual share repurchase price, the Company must have followed articles 56-1 and 76 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers and obtained the consent of shareholders.

Article 20: Matters not covered in these articles of incorporation, the Company Act shall prevail.

Article 21: These Articles of Incorporation are agreed to and signed on May 17, 1977. The first Amendment was on June 8, 1977, the second Amendment on April 20, 1978, the third Amendment on September 3, 1978, the fourth Amendment on March 15, 1980, the fifth Amendment on July 18, 1982, the sixth Amendment on May 20, 1984, the seventh Amendment on May 9, 1987, the eighth Amendment on August 31, 1988, the ninth Amendment on January 29, 1989, the tenth Amendment on October 2, 1990, the eleventh Amendment on September 13, 1992, the twelfth Amendment on August 6, 1993, the thirteenth Amendment on October 27, 1995, the fourteenth Amendment on December 4, 1995, the fifteenth Amendment on December 3, 1996, the sixteenth Amendment on December 26, 1996, the seventeenth Amendment on May 24, 1997, the eighteenth Amendment on June 10, 1997, the nineteenth Amendment on July 26, 1997, the twentieth Amendment on May 27, 1998, the twenty-first Amendment on July 7, 1999, the twenty-second Amendment on May 23, 2001, the twenty-third Amendment on April 22, 2002, the twenty-fourth Amendment on May 21, 2003, the twenty-fifth Amendment on May 21, 2003, the twenty-sixth Amendment on May 14, 2004, the twenty-seventh

Amendment on May 14, 2004, the twenty-eighth Amendment on May 24, 2005, the twenty-ninth Amendment on May 24, 2006, the thirtieth Amendment on May 30, 2007, the thirty-first Amendment on June 19, 2009, the thirty-second Amendment on May 26, 2010, the thirty-third Amendment on June 6, 2012, the thirty-fourth Amendment on June 20, 2013, the thirty-fifth Amendment on June 12, 2014, the thirty-sixth Amendment on June 21, 2016, the thirty-seventh Amendment on June 20, 2019, the thirty-eighth Amendment on May 27, 2020, the thirty-ninth Amendment on June 21, 2022, the fortieth Amendment on June 19, 2025.

Sinphar Pharmaceutical Co., Ltd.

Chairman: Chih Wen Lee

Sinphar Pharmaceutical Co., Ltd.
Current Shareholding of Directors

1. The paid-in capital of the Company is NT\$1,901,967,740, and total issued shares are 190,196,774 shares.
2. In accordance with “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”, the minimum required combined shareholding of all directors by law is 11,411,806 shares.
3. The Company has established Audit Committee, and thus the minimum required combined shareholding of all supervisors by law is not applicable.
4. As of the book closure date (April 18, 2026), the shareholding status of individual and all directors inscribed on the shareholders list is as below.

Title	Name	Shareholding on the book closure date	
		Shares	Ratio (%)
Chairman	Chih Wen Lee	3,571,862	1.88
Independent Director	Ching Lung Lee	—	—
Independent Director	Yau Yuan Wen	—	—
Independent Director	Hsin Yu Chou	—	—
Director	Hsiu Min Lin	1,516,017	0.80
Director	Ling Mo Chao	1,855,591	0.98
Vice Chairman	Xing-Da Capital Corp. Representative: Yi Ta Lee	19,123,762	10.05
Director	Good Tree Investment Co., Ltd. Representative: Hsiu Chi Kuo	2,109,146	1.11
Director	Jehng Jer Guan	19,950	0.01
Director	Hung Chih Lin	1,701,144	0.89
Director	Neng Chun Yu	1,478,859	0.78
Combined shareholding of all directors		31,376,331	16.50