Stock Code: 6615

SOFIVA GENOMICS CO., LTD.

2024 Annual Report

SOFIVA
GENOMICS

Website: http://www.sofivagenomics.com.tw

Annual Report Website: http://mops.twse.com.tw

Published on April 6, 2025

1. **The name, title, telephone number, and e-mail address of the spokesman or acting spokesman**

   Spokesman: Hung Chia-cheng
   Title: General Manager
   Telephone number: (02)2382-6615
   E-mail address: IR@sofiva.com.tw
   Acting spokesman: Chang Fu-chien
   Title: Finance Director
   Telephone number: (02)2382-6615
   E-mail address: IR@sofiva.com.tw

2. **The address and telephone number of the Company's headquarters, branch offices, and factories**

   Headquarters: 4F-2, No. 66-1, Section 1, Chongqing South Road, Zhongzheng District, Taipei City.
   Telephone number: (02)2382-6615
   Baoqing Laboratory: No. 27, Baoqing Road, Zhongzheng District, Taipei City
   Telephone number: (02)2382-6615

3. **The name, address, e-mail address, and telephone number of the agency handling shares transfer**

   Name: Stock Transfer Agent Department, Grand Fortune Securities Co., Ltd.
   Address: 6F, No. 6, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei City.
   Website: www.gfortune.com.tw
   Telephone number: (02) 2371-1658

4. **The names of the certified public accountants who duly audited the annual financial report for the most recent fiscal year, and the name, address and telephone number of the accounting firm to which they belong**

   CPAs: Accountant Yu Chih-fan, Accountant Chih Ping-chun
   Accounting firm: PwC Taiwan
   Address: 27F, No. 333, Section 1, Keeling Road, Xinyi District, Taipei City.
   Website: www.pwc.tw
   Telephone number: (02)2729-6666

5. **The name of any exchanges where the Company's securities are traded offshore, and the method by which to access information on said offshore securities**

   None.

6. **The address of the Company's website**

   Website: http://www.sofivagenomics.com.tw

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A. Report to the Shareholders (General Manager Hung)

Dear Shareholders,

Thank you for taking the time to join the 2025 Sofiva Genomics Shareholders' Meeting. As of 2024, Sofiva Genomics Co., Ltd. (hereinafter referred to as the Company) recorded a revenue of NT$453,312, reflecting a decrease of 2.89% compared to NT$466,797 in the previous year; a net profit after tax of NT$19,128, representing an increase of 60.43% compared to NT$11,923 in the previous year; and a basic earnings per share (EPS) after tax of NT$0.86, marking an increase of approximately 59.26% compared to NT$0.54 in the previous year.

Looking ahead to 2025, the Company will continue to shape a new landscape in the biotech industry. Building on our two core domains – maternal-fetal medicine and precision oncology – we will further deepen our genetic testing technologies to enhance their clinical application value. In response to the Special Control Regulations introduced in 2024 and the accompanying enactment plans, the Company has established a well-prepared strategy and deployment. Despite the lengthy administrative processes and slow government review due to the high volume of projects, revenue is expected to grow steadily, driven by market demand and favorable policy support. Currently, cancer-related precision medicine testing (e.g., HRD, CGP, BRCA1/2, lung cancer, etc.) fully aligns with clinical needs and National Health Insurance (NHI) reimbursement conditions. It is anticipated that more cancer patients will benefit from these advances, thereby accelerating the development of the biomedical industry ecosystem.

In 2025, the Company will officially enter the cancer screening market. By utilizing simple blood tests and ctDNA genetic testing technology, we aim to enable the early detection of cancer-related genetic markers, achieving the goal of "early detection, early treatment". As there are currently no similar products available in the market, our initial deployment will take place at the Group's Dianthus Health Management Clinic. The close collaboration between both parties, combine with professional medical resources, will ensure the precise application of clinical testing. Moreover, the interpretation of results by certified genetic counselors will further elevate the quality of testing. This technology is supported by scientific evidence from the New England Journal of Medicine (NEJM), which shows its ability to provide early warnings, ahead of conventional cancer screening methods. This offers significant advantages in early diagnosis and treatment, improving patients' opportunities for timely intervention and enhancing overall health management efficiency.

The 2024 operational results and the summary of the 2025 Operational Plan are as follows:

1 Operational results for 2024

1.1 Revenue and net income

Unit: NT$1,000

Item	2024	2023	Increase (decrease) amount	Variable ratio
Operating revenue	453,312	466,797	(13,485)	(2.89%)
Gross profit	135,661	129,908	5,753	4.43%
Net income	19,128	11,923	7,205	60.43%

1.2 Financial income and expenditure and profitability

Item \ Year		2024	2023
Financial structure (%)	Debt to asset ratio	16.10	19.39
	Ratio of long-term capital to property, plant and equipment	1,287.85	1,200.08
Solvency (%)	Current ratio	326.63	288.30
	Quick ratio	260.51	233.87
Profitability (%)	Return on total assets	2.60	1.65
	Return on equity	3.03	1.91
	Earnings per share (NT$)	Basic 0.86	Basic 0.54
		Diluted 0.85	Diluted 0.54

1.3 Research and Development Status:

Sofiva Genomics is a highly professional and technology-driven company. In terms of product and testing service research and development, we persistently follow the dual axes of maternal-fetal medicine and precision medicine, while aligning arrangements and deployments with the six major product lines. Not only are all of our testing products and services oriented toward clinical market demands, but also we focus on developing new testing products, upgrading technology, and revising and integrating existing products. Our research and development capabilities are aligned with international standards to ensure our leading position in Asia. These aspects are the highlights of our development and planning. The six major categories of genetic testing are as follows:

(1) Reproductive
(2) Prenatal
(3) Newborn
(4) Cancer
(5) Precision medicine
(6) Rare disease

To provide even more comprehensive genetic testing services, we have continuously improved and surpassed ourselves. In 2024, we completed the revision, upgrade, and launch of various testing and screening products:

(1) SOFIVA CGP Cancer Genetic Testing product upgrade and report revision
(2) Spinal Muscular Atrophy (SMA) Carrier Screening report – SMN Genes
(3) Fragile X Syndrome Carrier Screening report revision
(4) Methylenetetrahydrofolate Reductase (MTHFR) Gene Testing report revision
(5) Thalassemia Genetic Testing report revision
(6) Atopic Dermatitis Genetic Screening report revision
(7) SOFIVA Non-Invasive Prenatal Screening (SOFIVA NIPS) v1.0/ v2.0/ v3.0 report revision
(8) Non-Invasive Preimplantation Genetic Testing for Aneuploidies (niPGT-A) report revision
(9) Preimplantation Genetic Testing for Aneuploidies (PGT-A) report revision
(10) Preimplantation Genetic Testing for Monogenic Disease (PGT-M) report revision
(11) SOFIVA Array Testing v1.0/ v2.0/ v3.0 report revision
(12) SOFIVA Carrier Scan v1.0/ v2.0/ v3.0 report revision
(13) SOFIVA Baby Scan v 1.0/ v2.0/ v3.0 report revision
(14) Congenital Central Hypoventilation Syndrome Screening report revision
(15) Hereditary Sensorineural Hearing Loss Screening report revision
(16) Congenital Cytomegalovirus (CMV) Infection Screening report revision
(17) SOFIVA Cancer Risk – BRCA1/2 Screening report revision
(18) SOFIVA Cancer Risk – Colorectal Cancer Screening report revision
(19) SOFIVA Cancer Risk – Women Cancer Screening report revision
(20) SOFIVA Cancer Risk v1.0/ v2.0/ v3.0 Genetic Testing report revision
(21) Prostate Cancer Genetic Testing report revision
(22) Endometrial Cancer Genetic Subtypes report revision
(23) SOFIVA Cancer Monitor v1.0/ v2.1/ v2.2/ v3.0 report revision
(24) SOFIVA Cancer Scanning v1.0/ v2.0/ v3.0 report revision
(25) SOFIVA Cancer Track report revision
(26) Microsatellite Instability Testing report revision
(27) SOFIVA HRD Status report revision

Moreover, Sofiva Genomics Medical Laboratory not only offers rapid and accurate testing services but also insists that all testing be completed by a Taiwanese team. In 2024, we also participated in and passed various inter-laboratory comparison and proficiency tests to ensure the quality of our testing.

(1) The College of American Pathologists (CAP) proficiency testing
(2) The Taiwan Academy of Forensic Science (TAFS) proficiency testing
(3) The Taiwan Society of Pathology proficiency testing
(4) The European Molecular Genetics Quality Network (EMQN) proficiency testing
(5) The British Genomic Quality Assessment (GenQA)

2 The summary of the 2025 business plan :

2.1 Management policy:

Since our establishment, Sofiva Genomics has been bridging the gap between genetic testing and clinical applications, guided by the philosophy that “a small detail makes a big difference”. We are committed to developing and providing a range of genetic testing services with clinical value. In line with clinical demands, we offer a comprehensive one-stop service package that includes professional, timely, and precise testing services to facilitate physicians' clinical diagnosis and treatment through a next-generation genetic and medical testing model.

Sofiva Genomics offers a comprehensive range of genetic testing services with the goal of becoming Taiwan's premier brand in genetic testing and a professional genetic and medical laboratory in Asia Pacific. We have outlined six major product lines in the fields of maternal-fetal medicine, precision medicine, and genetic medical genetics as follows:

(1) Reproductive (reproductive medicine)
(2) Prenatal (prenatal and pregestational)
(3) Neonatal
(4) Cancer
(5) Precision Medicine
(6) Rare Diseases

Sofiva Genomics offers a range of customized genetic testing products, spanning from embryonic (reproductive) to prenatal, newborn, cancer, rare diseases, and precision medicine genetic testing. Our work is driven by clinical demand, fundamental research, and advanced technology. All testing tasks are completed in-house at our laboratory, eliminating the need for overseas outsourcing. Our decision to root ourselves in Taiwan has allowed us to develop proprietary testing technology, setting us apart from traditional biotechnology companies and testing laboratories.

The corporate core value of Sofiva Genomics is "SOFIVA". With our insistence on "never compromising on expertise", we aim to make customers feel "a big difference" from "a small detail". Our goal is to create even more value to bring about a positive transformation in the field of genetic medicine. Our core values and business philosophy are as follows:

(1) S – Sustainable development
(2) O – Original technology
(3) F – First-mover advantage
(4) I – International perspective
(5) V – Value creation
(6) A – Assured quality

Sofiva Genomics Medical Laboratory has adopted QVDSP as our laboratory quality policy. Our testing processes are divided into "pre-examination, examination, and post-examination" stages to monitor and evaluate the performance of each stage. Our quality policy is outlined as follows:

(1) Quality – Enhance the testing quality
(2) Value – Create value
(3) Delivery – On-time delivery reports
(4) Service – Assured genetic testing services
(5) Promise – Commitment to uphold the principles of fairness and confidentiality

From meticulous attention to detail to the pursuit of utmost excellence, Sofiva Genomics features the most professional technical team and original key testing technologies. This is made possible through our offering of all-in-Taiwan testing, diverse technical platforms, top-notch R&D capabilities, collaborations with international enterprises, genetic counseling services, a dedicated bioinformatics team, endorsements from professional physicians, global market deployment, educational outreach and advocacy, a national quality certification strategy, and strategic brand positioning. All of these enable us to accumulate resources and energy for upgrading testing services and developing new products, thereby activating multiple growth momentum.

2.2 Business plan:

Sofiva Genomics is already a leading brand in genetic testing in Taiwan. We are committed to providing various genetic testing services to meet different clinical demands. Looking ahead to 2025, our business focus will build upon the strategy and directions set forth in 2024, while emphasizing regulatory compliance for Laboratory Developed Tests (LDTs) and enhancing laboratory quality accreditation and genetic testing management. Considering the indications for different cancers and the genetic and national health insurance (NHI) drug payment regulations, as well as our collaboration with pharmaceutical companies, we will extend our services to include targeted therapy genetic testing.

The main business plan and targets for 2025 are as follows:

(1) Provide medical institutions with “services oriented towards meeting customer demands”
Enhance horizontal communication with medical institutions and integration abilities; and provide Bed to Bench services and collaboration opportunities. For example, both parties establish backup laboratories in order to, through collaboration with medical institutions, offer a variety of tests to patient end. Besides, cater to the genuine demands of the clinical end. This involves confirming services based on the information presented in the report, medication details, and mutation points; and making adjustments according to current conditions. Furthermore, establish a comprehensive team for standardizing sample quality, confirming pathological slides, genetic testing procedures, bioinformatics analysis, genetic counseling, and precision medicine for cancer (Molecular Tumor Board)

(2) Provide local and multi-channel services
Establish local automated testing procedures to shorten testing time, target continuous enhancement of testing quality, and adjust future goals based on market demands. Assist and align with institutions in applying for the “Implementation Plan for Laboratory Developed Tests (LDTs) by Healthcare Institutions”, create national health insurance (NHI) equipment files, and build cross-industry alliances by collaborating with multiple parties, including pharmaceutical companies, instrument/equipment suppliers, foundations, and insurance providers, to expand the market scale. Only through multiple thresholds and channels can we become the pioneering testing service laboratory. Moreover, considering national policies such as the inclusion of NGS testing in the scope of National Health Insurance (NHI) coverage and reimbursement for NHI medication, as well as the incorporation of SMA into government-funded testing, we anticipate being able to enhance our operational momentum in response to policy changes and promotions following an increase in demand for NHI or government-funded testing.

(3) Digital transformation capabilities
Confronted by the arrival of the information age and the waves of systematization, electronicization, digitalization, and AI integration, only digital transformation can help us confront future challenges in terms of the optimization of operating costs, business model, and corporate culture. Therefore, our future operational direction will focus on databases, data processing, and data warehouses.

Establish an electronic work order system, strategic information center, cost analysis system, process management system, sales management system, specimen tracking system, and biological database (Biobank), among others. These systems enable us to provide testing information to the clinical end in a timely manner, facilitate cost management, and offer accurate information when needed. In terms of customer service, strategy formulation, and analysis of future development trends, digitalization provides users with the ability to control the situation and make adjustments at any time.

(4) Collaboration between groups to create a win-win-win situation

Sofiva Genomics, Dianthus Medical, and Nuwa Healthcare have strengthened collaboration in testing services, forming three complementary systems to ensure stable revenue benefits. In addition to existing prenatal fetal medical genetic testing, we have also established a reproductive medicine center to provide customers with a comprehensive integrated service from preparing for pregnancy to childbirth. Through complete integration of the medical industry chain, we can even more accurately meet industrial needs and development trends, while growing together.

(5) Presenting precision medicine through the collaboration with biotechnology industry

Sofiva Genomics collaborates with international chemical reagent suppliers and pharmaceutical companies for the biomedical industry chain collaboration. Through collaboration and joint promotion with associations and foundations, we are dedicated to pharmacogenetic testing and the core values of medical development in order to jointly develop personalized precision medicine. Sofiva Genomics' comprehensive cancer genetic testing service provides clinical physicians with a reference for treatment selection and, with the assistance of medical pharmacology, achieves perfect collaboration and presentation of precision medicine. Cross-cancer type, cross-institutional, and even international clinical collaboration can not only directly benefit cancer patients and facilitate the development of a multi-faceted precision medicine industry value chain for cancer, but also allow us to pursue the next operational momentum.

(6) Comprehensive genetic testing management to construct a perfect service system

Following the progress of precision medicine, we can now understand the characteristics of tumors through genetic testing. We can further subcategorize tumors and evaluate different treatment methods and benefits. Moreover, there are even more diverse ways to obtain patients' specimens, where both tissue and liquid biopsies can be provided for clinical applications at different stages. In the meantime, we collaborate with health check centers to offer healthy individuals a variety of cancer genetic health checks, known as "Cancer Screening", to assess their likelihood of developing cancer. We also collaborate with medical institutions to provide cancer patients with the "Cancer Monitor" service to monitor their probability of cancer recurrence. We have made a complete deployment in cancer genetic testing products. Regarding different cancers and treatment methods, we provide genetic testing related to the demand for targeted therapeutic drugs and long-term cancer monitoring services. All of these enable healthy individuals and cancer patients to obtain the most comprehensive and accurate genetic testing services during health checks, before/during treatment, as well as throughout the long-term tracking process. Such individualized precision medical management can drive overall business performance growth.

(7) Forming a partnership alliance to strategically deploy in the Thai and Japanese markets

Whether chemical reagent suppliers, testing service laboratories, pharmaceutical companies, or medical institutions, all share the same goal: to provide genetic testing to people. As for our overseas deployment strategy, we collaborate with chemical reagent suppliers and pharmaceutical companies to form a partnership alliance, aiming to rapidly expand the availability of our genetic testing services to medical institutions in every country. Furthermore, concerning testing service laboratories in other countries, we no longer consider them as competitors. Instead, we have abandoned such traditional thinking and now regard them as partners. Offering different genetic testing services allows us to complement each other’s testing product lines and jointly offer a full range of services for medical institutions and individuals. As for medical institutions, we will continue to actively expand our market presence in major cities and regions in Thailand and Japan, and seek opportunities for collaboration with medical centers and institutions.

(8) Medical laboratory accreditation and standards

All of the genetic testing services developed by Sofiva Genomics comply with international guidelines and standards, align with the latest developments and trends in genetic medicine, and meet real clinical

demands. This not only positively influences our business growth and profitability but also secures our market share. In terms of national regulations and standards, our laboratories have actively pursued relevant accreditations. These include the Precision Medicine Molecular Testing Laboratory Developed Tests (LDTs) accreditation from the Food and Drug Administration, Ministry of Health and Welfare; the ISO 15189 Laboratory Certification from the Taiwan Accreditation Foundation, among others. Apart from complying with international standards to obtain various medical laboratory accreditations and adhering to relevant regulations, our laboratories have also invested innovation in technology development. Regarding the optimization of internal testing procedures and reduction in costs, we have enhanced work efficiency at the technological end and leveraged our pioneering research and development technology and capabilities to increase the Company's revenue and growth.

3 Impacts from the external competitive environment, regulatory environment and macro-environment

3.1 Impacts of Special Control Regulations on genetic testing

The Department of Medical Affairs, Ministry of Health and Welfare, has been promoting the inclusion of Laboratory Developed Tests (LDTs) into the "Regulations Governing the Applications or Uses of Specific Medical Technology, Examination, Laboratory Testing, and Medical Devices" (hereinafter referred to as the Special Control Regulations) in recent years, as well as ensuring compliance by biotechnology industry testing laboratories with the relevant regulations of the Special Control Regulations. Sofiva Genomics Medical Laboratory also applied for the registration and management of LDTS, as well as international certification ISO 15189, in order to comply with regulations and make necessary adjustments. In regard to the employment and cultivation of talents with a medical technologist license, they are also required to participate in and pass various proficiency tests, including those conducted by the College of American Pathologists (CAP), the European Molecular Genetics Quality Network (EMQN), the Taiwan Society of Pathology, the Taiwan Academy of Forensic Science (TAFS), and the Taiwan Society of Laboratory Medicine. This is done to enhance and ensure the quality of our genetic testing services.

3.2 Response measures for intense market competition

In the face of high competition in the market, Sofiva Genomics does not engage in price competition. Instead, we have developed a full-range product portfolio, conducted strategic deployment, and created exclusive products to showcase our unique characteristics. For example, we have various testing platforms, possess top-notch R&D capabilities, collaborate with international companies, hold a leading position in the market, offer testing services that are entirely conducted in Taiwan, maintain high-quality laboratories, and hold national accreditations. Furthermore, we have enhanced the professional teams within our company, which include clinical physicians, genetic experts, as well as services provided by our powerful bioinformatics and genetic counseling teams.

Besides, our sales department regularly collects market and testing information; our technical and quality assurance departments conduct strategic planning and quality certification in response to various competitors and testing, aiming to highlight our advantageous characteristics; and our product department provides data to assist us in combating competitors' attacks and conducts both brick-and-mortar and online educational training seminars, allowing us to maintain close contact with physicians, enhance our expertise and services, and increase physicians' adherence.

3.3 New internet generation

Following the awakening of the internet generation, the diversity of customer-end consumption models has gradually changed. Sofiva Genomics uses digital marketing channels to reach different customer segments and to enhance content marketing and brand promotion, guaranteeing the quality of our products, technology, genetic consultancy, and laboratories. We also maintain our social media channels with health education articles, physicians' visit videos, and promotional pictures; and release press statements and establish blogs/fan pages to promote genetic testing expertise and knowledge. These multiple channels allow us to integrate and promote marketing strategies, communicate our brand spirit, and refine brand positioning.

The operations of social media, on the other hand, are based on two aspects. First, the promotion of the corporate image. Second, the dissemination of professional health education articles, which are released through Facebook, Instagram, the corporate website, blog, and YouTube on the same theme. Additionally, to

align with current events, regulations, societal atmosphere, and seasonal festivals, we have planned a series of product-related health education articles or brand spirit events to establish relevant connections for social media postings and promotions.

3.4 Professional talents

Concerning the public's unfamiliarity with genetic testing, Sofiva Genomics has, starting from the basics, planned the nation's only genetic medical laboratory that is open to the public. It is our aspiration to promote and pass down education, educating the public on genetic testing concepts. Additionally, we actively promote industrial-academic cooperation by regularly offering courses at colleges and universities to cultivate the next generation of talents in genetic medicine, and by providing internships to students to train them as industrial talents.

Sofiva Genomics has been dedicated to genetic testing for over twenty years. The Company was founded by the genetic medicine authority, Chairperson Su Yi-Ning, and General Manager Hung Chia-Cheng, who holds a Ph.D. degree in biomedicine. Under their leadership, we have developed genetic testing services for clinical applications, established a new-generation genetic medicine testing model, and transformed Sofiva Genomics into a leading genetic testing brand in Taiwan. Whether in accumulating technology, product development, sales expansion, marketing promotion, or other aspects, Sofiva Genomics will continue to absorb new knowledge, progress with the times, and uphold the concepts and spirit of "Sofiva the Top Choice" and "a small detail makes a big difference" to maintain our NO.1 market share, creating the greatest value and investment benefits for our Company. Finally, we would like to express our gratitude to all of our colleagues for their efforts and contributions, as well as to our shareholders for their support and encouragement of Sofiva Genomics.

We hereby wish our shareholders good fortune and prosperity.

Chairperson:
Su Yi-ning

Managerial Officer:
Hung Chia-cheng

Chief Accounting Supervisor:
Chang Fu-chien

B. Corporate G

I. Information on the Company's Directors, General Manager, Assistant Gene divisions and branch units

(I) Directors

1. Information on directors

Job title	Nationality or place of registration	Name	Gender, age	Date of election/ appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares held by and chil
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares
Chairperson	R.O.C.	Su Yi-ning	Male, aged 51-60 years old	May 29, 2024	3 years	August 16, 2012	465	2.17	465	2.15	96

Job title	Nationality or place of registration	Name	Gender, age	Date of election/ appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the Company and/or in any other company	Other managerial officer(s), Director(s), or Supervisor(s) with which the person has a relationship of spouse or relative within the second degree		
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Job title	Name	Relationship
Institutional Director	R.O.C.	Chen Chun-hui	Female, aged 51-60 years old	May 29, 2024	3 years	May 26, 2016	96	0.44	96	0.44	465	2.15	-	-	Monash University	Chairperson of Phoebus Genetech Co., Ltd. Person-in-Charge of Chain Expert Biotech Co., Ltd. Supervisor of Apricot-invasive biological Technology Co., Ltd. Director of Qiaoxin Enterprises Co., Ltd. Director of Dianthus Co., Ltd. Director of Heshan Co., Ltd. Director of Shibo Co., Ltd. Director of Baby City Co., Ltd. Director of Modern Enterprises Co., Ltd.	Chairperson	Su Yi-ning	Spouse
	R.O.C.	Representing: Phoebus Genetech Co., Ltd.					2,429	11.37	2,429	11.37	-	-	-	-	—	—	—	—	—
Director	R.O.C.	Chen Ting-Yu	Male, aged 21-30 years old	May 29, 2024	3 years	May 26, 2016	111	0.52	111	0.51	-	-	-	-	RMIT University	Brand Marketing Manager of Modern Enterprises Co., Ltd.	—	—	—
Director	R.O.C.	Li Li-Chuan	Female, aged 51-60 years old	May 29, 2024	3 years	September 21, 2016	27	0.13	27	0.13	20	0.09	-	-	School of Nursing, National Defense Medical Center Yuxin Ophthalmology Clinic	Director of Wanmin Industrial Co., Ltd.	—	—	—
Independent Director	R.O.C.	Pan Yi-Shan (Note 1)	Female, aged 41-50 years old	May 29, 2024	3 years	May 29, 2024	-	-	-	-	-	-	-	-	Master's degree from the Department of Accounting, Fu Jen Catholic University Manager of PwC Taiwan	Managing Director of Onething CPA Chairperson of the Audit Committee at Tat Hong Equipment Service Co., Ltd. (Stock Code: 02153.HK) Independent Director of iCatch Inc.	—	—	—
Independent Director	R.O.C.	Li Chien-Nan (Note 1)	Male, aged 61-70 years old	May 29, 2024	3 years	May 29, 2024	-	-	-	-	-	-	-	-	Master's degree in Clinical Medicine, College of Medicine, National Taiwan University	Distinguished Adjunct Attending Physician, Department of Gynecology and Obstetrics,	—	—	—

Job title	Nationality or place of registration	Name	Gender, age	Date of election/ appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the Company and/or in any other company	Other managerial officer(s), Director(s), or Supervisor(s) with which the person has a relationship of spouse or relative within the second degree		
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Job title	Name	Relationship
															President of the 10th Council, Taiwan Society of Perinatology Director, Department of Medical Genetics, National Taiwan University Hospital Director, Department of Obstetrics and Gynecology, National Taiwan University Hospital Appointed Professor, College of Medicine, National Taiwan University	Taipei Medical University Hospital			
Independent Director	R.O.C.	Shih Fan-Chuan	Male, aged 31-40 years old	May 29, 2024	3 years	February 15, 2017	-	-	-	-	-	-	-	-	Master's degree from the Department of Financial and Economic Law, National Chung Cheng University Lawyer of Datong Business Law Firm Independent Director of Unitel High Technology Corporation Supervisor of Central Investment Co., Ltd. Supervisor of Xinyutai Investment Co., Ltd. Executive Governor of Institute of Internal Auditors	Presiding Attorney of STRing Law Firm Independent Director of B'IN Live Co., Ltd. Governor of Institute of Internal Auditors Independent Director of Diamond Biotechnology Co., Ltd. Independent Director of BIO Preventive Medicine Corp.	—	—	—
Independent Director	R.O.C.	Ko Po-Cheng (Note 2)	Male, aged 61-70 years old	August 18, 2021	3 years	February 15, 2017	-	-	-	-	-	-	-	-	Master's degree from the Department of Accounting, Soochow University Full-time Associate Professor and Deputy Director in the Department of Accounting, Soochow University Independent Director of Topoint Technology Co., Ltd. Remuneration Committee Member of ACULA Technology Corp.	Adjunct Associate Professor in the Department of Accounting Information, National Taipei University of Business Director of Taipei City Trends Research and Development Foundation Independent Director of CyberPower Systems, Inc. Independent Director of oToBrite Electronics, Inc. Independent Director of Amita Technologies Inc.	—	—	—

Job title	Nationality or place of registration	Name	Gender, age	Date of election/ appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the Company and/or in any other company	Other managerial officer(s), Director(s), or Supervisor(s) with which the person has a relationship of spouse or relative within the second degree		
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Job title	Name	Relationship
															Remuneration Committee Member of CastleNet Technology Inc. Independent Director of Huafu Industrial Limited Supervisor of HTC Corporation Reorganization Supervisor of Yongkang Industrial Development Co., Ltd. Executive Governor of Institute of Internal Auditors Chairperson of the Compilation and Standards Committee, Institute of Internal Auditors				
Independent Director	R.O.C.	Huang Li-Hua (Note 2)	Male, aged 51-60 years old	August 18, 2021	3 years	February 15, 2017	-	-	-	-	-	-	-	-	College of Medicine, National Taiwan University Resident Physician and Attending Physician in the Department of Otolaryngology, National Taiwan University Hospital	Director of Xinping Otolaryngology Clinic	—	—	—

Note 1：The director assumed office after the full re-election at the shareholders' meeting on May 29, 2024.

Note 2：The director stepped down after the full re-election at the shareholders' meeting on May 29, 2024.

2. For directors acting as representatives of institutional shareholders, the names of institutional shareholders if their shareholding percentage exceeds ten percent or ranks among the top ten shareholders:

(1) Major shareholders of corporate shareholders:

April 6, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder	Shareholding ratio
Phoebus Genetech Co., Ltd.	Chen Chun-Hui	5.0%
	Su Yi-Ning	62.1%
	Su Tse-Jui	18.7%
	Su Ting-Jui	14.2%

(2) If any major shareholder is a corporate/juristic person: None.

3. Disclosure of information regarding the professional qualifications and experiences of Directors and the independence of Independent Directors:

Qualifications / Name	Professional qualifications and experience (Note)	Independence analysis	No. of other public companies at which the person concurrently serves as an Independent Director
Chairperson Su Yi-ning	PhD degree from the College of Medicine, National Taiwan University Deputy Editor-in-Chief of Taiwanese Journal of Obstetrics and Gynecology Adjunct Associate Professor in the School of Medicine, Taipei Medical University Adjunct Physician in the Department of Gynecology and Obstetrics, Taipei Medical University Hospital Consultant in the Department of Medical Research, China Medical University Hospital Associate Professor in the Graduate Institute of Medical Genomics and Proteomics, College of Medicine, National Taiwan University Attending Physician in the Department of Medical Genetics, National Taiwan University Hospital Attending Physician in the Department of Gynecology and Obstetrics, National Taiwan University Hospital	N/A	None
Director Phoebus Genetech Co., Ltd. Representative: Chen Chun-hui	Monash University Supervisor of Modern Enterprises Co., Ltd. Supervisor of Shibo Co., Ltd. Supervisor of Baby City Co., Ltd. Representative of the Institutional Director Dianthus Co., Ltd. Representative of the Institutional Director Qiaoxin Enterprises Co., Ltd.	N/A	None
Director Chen Ting-yu	RMIT University Brand Marketing of Modern Enterprises Co., Ltd.	N/A	None

Qualifications / Name	Professional qualifications and experience (Note)	Independence analysis	No. of other public companies at which the person concurrently serves as an Independent Director
Director Li Li-Chuan	School of Nursing, National Defense Medical Center Yuxin Ophthalmology Clinic Director of Wanmin Industrial Co., Ltd.	N/A	None
Independent Director Pan Yi-Shan (Note 2)	Master's degree from the Department of Accounting, Fu Jen Catholic University Manager of PwC Taiwan Managing Director of Onething CPA Chairperson of the Audit Committee at Tat Hong Equipment Service Co., Ltd. (Stock Code: 02153.HK) Independent Director of iCatch Inc.	Have not been or is not in any of the following during the two years before being elected: 1. An employee of the Company or any of its affiliates. 2. A Director or Supervisor of the Company or any of its affiliates. 3. A natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings 4. A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under Subparagraph 1 or any of the persons in the preceding two subparagraphs. 5. A Director, Supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a Director or Supervisor of the Company under Paragraph 1 or 2, Article 27 of the Company Act. 6. If a majority of the Company's Director seats or voting shares and those of any other company are controlled by the same person: a Director, Supervisor, or employee of that other company. 7. If the Chairperson, General Manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: a Director (or Governor), Supervisor, or employee of that other company or institution. 8. A Director, Supervisor, managerial officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company.	1
Independent Director Li Chien-Nan (Note 2)	Master's degree in Clinical Medicine, College of Medicine, National Taiwan University President of the 10th Council, Taiwan Society of Perinatology Director, Department of Medical Genetics, National Taiwan University Hospital Director, Department of Obstetrics and Gynecology, National Taiwan University Hospital Appointed Professor, College of Medicine, National Taiwan University Distinguished Adjunct Attending Physician, Department of Gynecology and Obstetrics, Taipei Medical University Hospital		None
Independent Director Shih Fan-Chuan	Master's degree from the Department of Financial and Economic Law, National Chung Cheng University Lawyer of Datong Business Law Firm Independent Director of Unitel High Technology Corporation Supervisor of Central Investment Co., Ltd. Supervisor of Xinyutai Investment Co., Ltd.		3
Independent Director Ko Po-Cheng (Note 3)	Master's degree from the Department of Accounting, Soochow University Full-time Associate Professor and Deputy Director in the Department of Accounting, Soochow University Supervisor of CyberPower Systems, Inc. Remuneration Committee Member of CastleNet Technology Inc. Member of the Compilation and Publication Committee, Institute of Internal Auditors Independent Director of Huafu Industrial Limited Supervisor of HTC Corporation Reorganization Supervisor of Yongkang Industrial Development Co., Ltd.		2

Qualifications / Name	Professional qualifications and experience (Note)	Independence analysis	No. of other public companies at which the person concurrently serves as an Independent Director
Independent Director Huang Li-hua (Note 3)	College of Medicine, National Taiwan University Resident Physician and Attending Physician in the Department of Otolaryngology, National Taiwan University Hospital	9. A professional individual who, or an owner, partner, Director, Supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the Remuneration Committee, public tender offer Review Committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.	None

Note 1: None of the Company's Directors are in any of the circumstances stated in Article 30 of the Company Act.

Note 2：The director assumed office after the full re-election at the shareholders' meeting on May 29, 2024.

Note 3：The director stepped down after the full re-election at the shareholders' meeting on May 29, 2024.

4. Diversity and independence of the Board of Directors:

(1) The Company's Board diversity policy and objectives:

Article 20 of the Company's "Corporate Governance Best-Practice Principles" states that diversity in the composition of our Board should be considered, and a diversity policy should be established based on the Board's operations, operating model, and development needs. This policy should include standards for the following two aspects:

a. Basic requirements and values: Gender, age, nationality, and culture.

b. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Each Board member shall possess the necessary knowledge, skill, and experience to fulfill their duties. To achieve ideal corporate governance, the Board should possess the following abilities:

a. The ability to make judgments about operations.
b. Accounting and financial analysis ability.
c. Business management ability.
d. Crisis management ability.
e. Knowledge of the industry.
f. An international market perspective.
g. Leadership.
h. Decision-making ability.

The Company has established a Board consisting of 7 Directors according to the Articles of Incorporation. Current Directors were elected at the shareholders' meeting held on August 18, 2022, in compliance with relevant regulations.

The Company's diversity policy regarding the composition of our Board:

Policy requirements	Current status
Female Directors comprise more than 25% of the Board.	Three out of seven Directors are female, which already exceeds 25%.
Directors who concurrently serve as employees do not exceed 30%.	None of the seven directors holds an employee position within the Company
Independent Directors serving more than three consecutive terms do not exceed 2 seats.	Only one Independent Director has served on the Board for more than three consecutive terms.
Independent Directors possess expertise in finance, law, and medicine.	The three Independent Directors are, respectively, a CPA, a lawyer, and a physician.

Individual Directors' implementation of the Board's diversity policy:

Name		Gender	Employee status	Possessed abilities							
				Business management	Knowledge of the industry	Law	Finance and accounting	Crisis management	International market	Leadership	Decision-making ability
Chairperson	Su Yi-Ning	Male		V	V			V	V	V	V
Director	Chen Chun-Hui	Female		V	V		V	V	V	V	V
Director	Chen Ting-Yu	Male		V	V			V	V	V	V
Director	Li Li-Chuan	Female		V	V			V	V	V	V
Independent Director	Pan Yi-Shan	Female			V		V	V	V	V	V
Independent Director	Li Chien-Nan	Male			V			V	V	V	V
Independent Director	Shih Fan-Chuan	Male			V	V		V	V	V	V

(2) Independence of the Board of Directors:

As prescribed in the Company's Articles of Incorporation, the Company shall have seven to nine Directors to be elected by the shareholders' meeting. The candidates are nominated in accordance with Article 192-1 of the Company Act. Directors shall serve a term of three years and may be reappointed upon reelection.

Among the aforementioned Directors, the number of Independent Directors shall not be fewer than three and shall constitute no less than one-fifth of the total number of Directors. The qualifications, shareholding ratio, restrictions on concurrent employment, nomination/election methods, and other compliance matters pertaining to Independent Directors shall adhere to regulations set forth by the competent securities authority.

The Company currently has seven Directors who were elected at the shareholders' meeting held on May 29, 2024. Among them, three are Independent Directors, accounting for 43% of the total number of Directors.

Each Director has provided a written statement at the time of appointment to confirm their and their lineal relatives' independence relative to the Company. Except for Chairperson Su Yi-Ning and the Representative of the Institutional Director, Phoebus Genetech Co., Ltd., Chen Chun-hui, who are spouses, the other Directors do not have any relationship within the second degree of kinship, and they do not have any circumstances as stipulated in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act, thus complying with the relevant legal regulations.

(II) Information on General Manager, Assistant General Managers, Deputy Assistant General Managers, and the chiefs of all the Company's divisions and branch units

April 6, 2025; Unit: 1,000 shares; %

Job title	Nationality or place of registration	Name	Gender	Date of election/ appointment to current term	No. of shares held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions currently held in other companies at present	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree		
					No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Job title	Name	Relationship
General Manager	R.O.C.	Hung Chia-Cheng	Male	June 15, 2012	489	2.26	–	–	–	–	PhD from the Department of Biomedical Engineering, National Taiwan University PhD from the Graduate Institute of Medical Genomics and Proteomics, National Taiwan University Secretary-General of Taiwanese Society of Molecular Medicine Post-PhD researcher in the Department of Medical Genetics, National Taiwan University Hospital	General Manager of Sofiva Genomics Bangkok Co.,Ltd. General Manager of Phoebus Genetics Co., Ltd. Representative of the Juristic Person Supervisor Dianthus Co., Ltd.	–	–	–
Finance Director	R.O.C.	Chang Fu-Chien	Male	August 4, 2019	–	–	–	–	–	–	Master's degree from the Department of Accountancy, Graduate School of Accounting, National Taipei University Department of Accounting, Soochow University Pass the CPA Examination Deputy Assistant General Manager of PwC Taiwan Finance Director of Fujian Hede Light Industrial Limited Accounting Manager of Twoway Communications, Inc. Member of the Standards and Compilation Committee, Institute of Internal Auditors	Representative of the Juristic Person Supervisor Dianthus Co., Ltd.	–	–	–

Note 1: Information on the General Manager, Deputy General Manager, Associate Manager, Department and Branch Heads, as well as individuals whose positions are equivalent to the General Manager, Deputy General Manager, or Associate Manager – regardless of their official titles – shall be disclosed.

Note 2: Experience related to the current position: If the individual has previously served at the auditing CPA firm or its affiliates, a clear description of the job title and responsibilities must be provided.

Note 3: If the General Manager or a person in an equivalent position (i.e., the highest-ranking manager) and the Chairperson of the Board of Directors are the same person, spouses, or first-degree relatives, information regarding the reasons, rationale, necessity

II. Remuneration paid during the most recent fiscal year to Directors, the General Manager, and Assistant General Managers (HR)

(I) Remuneration to Directors and Independent Directors

Unit: NT$1,000; %

Job title	Name	Remuneration to Directors								Ratio of the sum of A+B+C+D to net income		Remuneration received by Directors for concurrent service as an employee								Ratio of the sum of A+B+C+D+E+F+G to net income		Remuneration received from investee enterprises other than subsidiaries
		Base compensation (A)		Retirement pay and pension (B)		Director profit-sharing compensation (C)		Business execution expenses(D)				Salary, rewards, and special disbursements (E)		Retirement pay and pension (F)		Employee profit-sharing compensation (G)						
																The company		All consolidated entities				
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All consolidated entities	
Chairperson	Su Yi-Ning	6,440	6,440	-	-	94	94	12	12	35.52	35.52	-	-	-	-	-	-	-	-	35.52	35.52	None
Institutional Director	Phoebus Genetech Co., Ltd.: Representative Chen Chun-Hui	280	280	-	-	47	47	12	12	1.84	1.84	-	-	-	-	-	-	-	-	1.84	1.84	
Director	Chen Ting-Yu	280	280	-	-	47	47	12	12	1.84	1.84	-	-	-	-	-	-	-	-	1.84	1.84	
Director	Li Li-Chuan	280	280	-	-	47	47	12	12	1.84	1.84	-	-	-	-	-	-	-	-	1.84	1.84	
Independent Director	Pan Yi-Shan (Note 1)	283	283	-	-	-	-	20	20	1.64	1.64	-	-	-	-	-	-	-	-	1.64	1.64	
Independent Director	Li Chien-Nan (Note 2)	283	283	-	-	-	-	20	20	1.64	1.64	-	-	-	-	-	-	-	-	1.64	1.64	
Independent Director	Shih Fan-Chuan	490	490	-	-	-	-	30	30	2.82	2.82	-	-	-	-	-	-	-	-	2.82	2.82	
Independent Director	Ko Po-Cheng (Note 2)	252	252					12	12	1.43	1.43									1.43	1.43	

Independent Director	Huang Li-Hua (Note 2)	210	210	-	-	-	-	12	12	1.20	1.20	-	-	-	-	-	-	-	-	1.20	1.20	

1. Please describe the policy, system, standards and structure in place for paying remuneration to Directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid.
2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by Directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises): None.
Note 2：The director assumed office after the full re-election at the shareholders' meeting on May 29, 2024.
Note 3：The director stepped down after the full re-election at the shareholders' meeting on May 29, 2024.

(II) Remuneration to General Manager and Assistant General Managers

Unit: NT$1,000; %

Job title	Name	Salary (A)		Retirement pay and pension (B)		Rewards and special disbursement (C)		Employee profit-sharing compensation (D)				Ratio of the sum of A+B+C+D to net income (%)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
								The Company		All consolidated entities				
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All consolidated entities	
General Manager	Hung Chia-Cheng	4,440	4,440	108	108	1,536	1,536	—	—	—	—	33.01	33.01	None

Note: The Company does not have the position of Assistant General Manager or any position similar to it.

(III) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past two fiscal years to Directors, General Manager, and Assistant General Managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

1. Total remuneration, as a percentage of net income, during the past two fiscal years to the Company's Directors, General Manager, and Assistant General Managers

Annual remuneration / Identity	2023		2024	
	Total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, during the past two fiscal years to Directors, General Manager, and Assistant General Managers (%)		Total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, during the past two fiscal years to Directors, General Manager, and Assistant General Managers (%)	
	The Company	All consolidated entities	The Company	All consolidated entities
Directors, General Manager and Assistant General Managers	116.82	122.20	81.52	81.52

2. Describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

(1) The remuneration paid to the Company's directors was processed according to the Company's Articles of Incorporation. As prescribed in Article 24 of the Articles of Incorporation, if the Company has any profit in the year, the Company shall distribute 1% to 10% of the profit to employees as compensation, and less than 2% to the Directors as remuneration. However, the standards for distributing compensation and remuneration to managerial officers shall refer to the "Regulations Governing Remuneration to Directors and Managerial Officers" established on February 18, 2018 and "Regulations Governing Remuneration to Managerial Officers". Directors' remuneration is divided into fixed pay and variable pay as follows:

A. Fixed pay: Independent Directors of the Company receive a fixed monthly salary and do not receive any additional remuneration.

B. Variable pay：

(a) Business Execution Expenses: Directors are provided with transportation allowances for attending meetings.

(b) Remuneration and Year-End Bonus Distribution: This is determined not only by self-assessment scores, but also by each director's participation in the Company's operations and whether they have provided professional advice or proposals during critical decision-making processes. Each year, the members of the Remuneration Committee discuss these factors and submit a proposal to the Board of Directors for further discussion and approval.

(2) According to the "Regulations Governing Remuneration to Managerial Officers", approved by the Board of Directors on November 10, 2021, managerial officers' remuneration is divided into "base compensation" and "variable compensation". The variable compensation is described below:

A. Year-end bonus: The base of the bonus is determined based on the Company's operations and the performance indicators of managerial officers. On average, it is equivalent to 0 to 2 months' worth of monthly salary.

B. Quarterly performance bonus: This bonus is distributed based on the quarterly consolidated financial statements and the quarterly operating profit margin at the rate of 0% to 4%. The bonus distribution standards shall be approved by the CEO before being submitted to the Remuneration Committee and Board of Directors for deliberation each year.

3. Performance Evaluation Method

(1) On December 29, 2021, the Company's Board of Directors passed amendments to the Rules for Performance Evaluation of Board of Directors to implement corporate governance and enhance the Company's Board functions, and to set forth performance objectives to improve the operation efficiency of the Board of Directors. The internal and external performance evaluation of Board of Directors, as well as the performance evaluation of managerial officers, shall be completed before the first quarter of the next year. Relevant evaluation indexes and implementation status are summarized as follows:

A. Board of Directors

Criteria for evaluating the performance of the Board of Directors

(a) Participation in the operation of the Company;
(b) Improvement of the quality of the Board of Directors' decision making;
(c) Composition and structure of the Board of Directors;
(d) Election and continuing education of the Directors; and
(e) Internal control.

Criteria for evaluating the performance of Board members

(a) Alignment of the goals and missions of the Company;
(b) Awareness of the duties of a Director;
(c) Participation in the operation of the Company;
(d) Management of internal relationship and communication;
(e) Directors' professionalism and continuing education; and
(f) Internal control.

Performance Evaluation Criteria for the Audit Committee

(a) Criteria for evaluating the performance of the Audit Committee;
(b) Improvement of quality of decisions made by the Board of Directors;
(c) Composition and structure of the Board of Directors;
(d) Election and continuing education of the Directors; and
(e) Internal control.

Performance Evaluation Criteria for the Compensation Committee

(a) Degree of participation in the company's operations
(b) Awareness of the duties of the Remuneration Committee;
(c) Improvement of quality of decisions made by the Remuneration Committee;
(d) Composition and election of the members of the Remuneration Committee

Methods of evaluations

Methods of evaluations include the internal evaluation of the Board, self-evaluation by individual Board members, peer evaluation, and evaluation by appointed external professional institutions, experts, or other appropriate methods. The Company already completed the performance evaluation for the year on December 30, 2024; and submitted it to the Board of Directors on March 12, 2025.

The Board of Directors' Remuneration and Year-End Bonus Distribution Standards

In addition to considering self-evaluation scores, Directors' remuneration and year-end bonuses are allocated or distributed based on Directors' participation in the operations of the Company and whether they have provided professional suggestions or proposals during major decision-making processes. The allocation or distribution of remuneration and year-end bonuses is approved by the CEO annually before being submitted to the Remuneration Committee for review and subsequently to the Board of Directors for deliberation.

(Since the Sustainable Development Committee was established in November 2024 and held its first meeting in December 2024, it will be included in the evaluation starting from 2025.)

B. Managerial Officers

Criteria for evaluating the performance of the managerial officers include the following:

(a) Financial performance indicators (consolidated revenue, net profit after tax, gross profit margin, budget target, revenue growth rate etc.)

(b) Corporate governance performance indexes (corporate system, corporate governance standards evaluation, risk assessment and management indicators etc.)

(c) Team management performance indexes (talent training, team operation and management, strategic thinking etc.)

Evaluation methods

The evaluation methods include self-evaluation and evaluations conducted by the General Manager. The final evaluation results will be reviewed and approved by the CEO /Chairperson.

The completed evaluations, which are used to determine the year-end bonus distribution, were submitted to the Remuneration Committee in December 2024 and approved by the Board of Directors on December 30, 2024.

C. Established and commenced operations by law on November 18, 2016, the Company's Remuneration Committee regularly reviews the performance evaluations of directors and managerial officers, as well as the remuneration policy, standards, and structure. This assists the Board of Directors in supervising the Company's remuneration system and provides the Board with appropriate suggestions.

Implementation status: In line with the principles of transparent operations, the Company publishes important resolutions on the Market Observation Post System (MOPS) and meeting minutes on our corporate website to safeguard the rights and interests of our shareholders.

In conclusion, the Company's policies for distributing remuneration to Directors, the General Manager, and Assistant General Managers, as well as our remuneration determination procedures, already consider potential future operating risks and their positive correlation with operational performance, in order to achieve sustainable operations and balance risk controls.

D. Connection between the remuneration of senior managerial officers and ESG-related performance

Beginning in 2025, the remuneration of senior managerial officers will be directly tied to the evaluation of ESG-related performance. The following adjustments will be implemented:

(a) The corporate governance framework must ensure that the Board of Directors thoroughly considers key sustainability risks and opportunities.

(b) The Board must evaluate the potential impact of sustainability issues on the Company's risk profile, including how these issues influence the nomination and compensation of senior executives.

(c) Remuneration for senior managerial officers will consist of fixed salary, performance-based bonuses, pension contributions, employee stock options, and other relevant benefits.

The relevant performance evaluations and remuneration rationale have been regularly assessed, reviewed, and approved by the Remuneration Committee and the Board of Directors on an annual basis. To encourage senior managerial officers to prioritize long-term, well-rounded performance and to support the Company's goal of sustainable operations, performance indicators have been connected to both remuneration and ESG-related metrics. This alignment ensures the Company's commitment to sustainable development and long-term value creation. Managerial officers' year-end bonus base, performance bonus ratio, and salary adjustments are determined based on the achievement of evaluation indicators. The year-end bonus base ranges from 0 to 2 months of average monthly salary. The weighting of relevant performance indicators for the past five years is as follows:

Performance Indicators	Evaluation Criteria
Financial and Operational Performance Indicators (40 points)	Consolidated revenue, net profit after tax, gross profit margin, budget targets, and revenue growth achievement rate.
Sustainability Management Performance Indicators (30 points)	1. Energy saving, carbon reduction, and other waste management – 5% 2. Workplace safety and social care – 5%. 3. Establishment and implementation of corporate systems – 5% 4. Implementation of ethical business practices – 5% 6. Regulatory compliance – 5% 7. Risk management – 5%
Team Management Performance Indicator (30 points)	Talent development, team leadership and management, strategic thinking, and KPI metrics.

(d) At the end of each year, the Remuneration Committee sets quantitative targets for the following year based on the evaluation criteria above and in connection with major financial risks, aiming to encourage a long-term perspective. At the end of the following year, performance is evaluated, and the compensation of managerial officers is adjusted accordingly.

In summary, the Company's policy for paying remuneration to directors, general directors, and deputy general directors, as well as its remuneration procedures, have already taken into account the Company's future operational risks and their positive correlation with business performance, in order to achieve a balance between sustainable operations and risk management.

(IV) The succession plan for the Company’s Board members and important managerial officers

1. Members of the Board of Directors

(1) The election of the board members shall not only comply with legal regulations or provisions of the Articles of Incorporation but also consider factors such as the candidates' social reputation, professional competence, integrity, and alignment with the Company's business philosophy. The Company currently has seven Directors (including three Independent Directors) from the academic and industrial sectors. All of them possess the business, financial accounting, medical industry, and other management talents required for operating the Company’s business. The composition, structure, professional qualifications, and experience of the Company’s Board of Directors will continue within the current framework.

(2) The Company will continue offering advanced courses in areas such as business laws and regulations, interdisciplinary leadership, risk controls, and crisis management to enhance the corporate governance abilities of Board members. Moreover, adjustments to the composition of the Board will be based on the annual performance evaluation results of the Board of Directors.

(3) The succession plan of the Company’s Board of Directors includes not only electing exceptional talents from the academic and industrial sectors but also evaluating the performance of the senior managerial officers within the Group as candidates for Board members. The candidates are also offered the opportunity to participate in important management meetings to develop their decision-making ability as long-term preparation for assuming the position of Board members in the future.

(4) Independent Directors, on the other hand, are required to have professional experience in areas such as business, law, finance, accounting, or other domains necessary for managing the Company’s operations. As there is no shortage of professionals in these areas domestically, our succession plan for Independent Directors is sourced from both academia and industry.

2. Important Managerial Officers:

(1) As our Company operates within the biomedical industry, which is closely related to the health and welfare of the nation's people, we place great value on the integrity of our managerial officers and our social service values. Consequently, when formulating the succession plan for our managerial officers, we not only prioritize candidates' professional qualifications but also assess the alignment of their values and beliefs with our Company's business philosophy.

(2) Based on our future development strategy, the Company has defined our organizational structure, required positions and talents, as well as the job duties for department heads and their proxies.

(3) Besides, we also conduct key talent rotations in line with the Group’s strategic development and employee turnover situations. Through participation in policy formulation and execution, our employees are progressively trained to possess the managerial capabilities aligned with the Company's long-term development and to become talents with industry development perspectives of the times.

(4) The Company has established an educational training system and comprehensive promotion channels to enable employees to continuously enhance their skills and advance in their careers. In the meantime, the Human Resources Division also monitors employees' training implementation on a monthly basis to track their progress. Besides, the Company conducts employee performance evaluations every six months, with the results serving as references for succession planning. The Company also timely promotes mid-level managerial officers to senior positions or to their proxies, aligning with the succession strategy.

III. The state of the Company's implementation of corporate governance

(I) The state of operations of the Board of Directors:

I. The Board of Directors held 6 meetings (A) in the most recent fiscal year. The attendance of the Directors is as follow:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%)(B/A)	Remarks
Attendance of 4th-Term Directors (2024/01/01–2024/05/29); Two Board Meetings Held in the Most Recent Year					
Chairperson	Su Yi-Ning	2	0	100	None
Institutional Director	Phoebus Genetech Co., Ltd. Representative: Chen Chun-Hui	2	0	100	None
Director	Chen Ting-Yu	2	0	100	None
Director	Li Li-Chuan	2	0	100	None
Independent Director	Ko Po-Cheng	2	0	100	None
Independent Director	Huang Li-Hua	2	0	100	None
Independent Director	Shih Fan-Chuan	2	0	100	None
Attendance of 5th-Term Directors (2024/5/29–2024/12/31); Four Board Meetings Held in the Most Recent Year					
Chairperson	Su Yi-Ning	4	0	100	None
Institutional Director	Phoebus Genetech Co., Ltd. Representative: Chen Chun-Hui	4	0	100	None
Director	Chen Ting-Yu	4	0	100	None
Director	Li Li-Chuan	4	0	100	None
Independent Director	Pan Yi-Shan	4	0	100	None
Independent Director	Li Chien-Nan	4	0	100	None
Independent Director	Shih Fan-Chuan	4	0	100	None

II. Other information required to be disclosed:

1. If any of the following circumstances exists, specify the Board meeting date, meeting session number, content of the motion(s), the opinions of all the Independent Directors, and the measures taken by the Company based on the opinions of the Independent Directors:
   (1) Any matter under Article 14-3 of the Securities and Exchange Act: None.
   (2) In addition to the matters referred to above, any dissenting or qualified opinion of an independent directory that is on record or stated in writing with respect to any Board resolution: None.
2. The status of implementation of recusals of Directors with respect to any motions with which they may have a conflict of interest: specify the Director's name, the content of the motion, the cause for recusal, and whether and how the Director voted:

Director's name	Meeting date	Content of the motion	Cause for recusal	How the Director voted
Pan Yi-Shan Li Chien-Nan Shih Fan-Chuan	The 2th meeting of the 5th Board on August 14, 2024	Proposal for the Monthly Fixed Remuneration for the Company's Independent Directors	Due to the conflict of interest, the Independent Director temporarily left his/her position in accordance with the principle of avoiding such conflicts.	Apart from the aforementioned Directors who recused themselves from discussions due to conflicts of interest, other Directors attended the discussions and approved the proposal.
Su Yi-Ning Phoebus Genetech Co., Ltd. Representative Chen Chun-Hui Li Li-Chuan Pan Yi-Shan Li Chien-Nan Shih Fan-Chuan	The 4th meeting of the 5th Board on August 14, 2024	Proposal for the 2024 year-end bonus for the Board	Due to the conflict of interest, the Directors temporarily stepped down from their positions in turn, in accordance with the principle of avoiding such conflicts.	The directors recused themselves in turn, and the remaining directors, who did not recuse themselves, passed the proposal without objection.

3. Amendments to the Company's Rules for Performance Evaluation of the Board of Directors were approved by the Board of Directors on December 29, 2021. In order to implement corporate governance and enhance the functions of the Company's Board of Directors, the Company has established performance targets to improve the operational efficiency of the Board. Moreover, the internal and external evaluation results of the Board of Directors shall be completed before the end of the first quarter of the following year. Please refer to the following table for details.

Evaluation period	Evaluation Scope	Evaluation methods	Content of evaluation
The performance evaluation was conducted between January 1, 2024, and December 31, 2024, with the results expected to be completed before the end of the first quarter of the following year.	The evaluation scope of the Company's Board of Directors includes the performance evaluation of the entire Board of Directors, individual Directors, and functional committees	The evaluation methods include self-evaluation by the Board of Directors and individual directors, peer evaluation, performance evaluations conducted by an appointed external professional agency or experts, or other performance evaluations conducted in appropriate ways. The Company has already completed the Board of Directors Performance Evaluation and reported to the Board of Directors on March 12, 2025.	1. Criteria for evaluating the performance of the Board of Directors include participation in the operation of the Company; improvement of the quality of the Board of Directors' decision making; composition and structure of the Board of Directors; election and continuing education of the Directors; and internal control. 2. Criteria for evaluating the performance of Board members (self- or peer evaluation) include the alignment of the goals and missions of the Company; awareness of the duties of a director; participation in the operations of the Company; management of internal relationship and communication; Directors' professionalism and continuing education; and internal control. 3. Criteria for evaluating the performance of functional committees can be divided into two, for the Audit Committee and Remuneration Committee, respectively: (1) Criteria for evaluating the performance of the Audit Committee include participation in operation of the Company; improvement of quality of decisions made by the Board of Directors; composition and structure of the Board of Directors; election and continuing education of the Directors; and internal control. (2) Criteria for evaluating the performance of the Remuneration Committee include participation in operation of the Company; awareness of the duties of the Remuneration Committee; improvement of quality decisions made by the Remuneration Committee; and the composition and election of the members of the Remuneration Committee.

Evaluation period	Evaluation Scope	Evaluation methods	Content of evaluation
			4. The Sustainable Development Committee was established in November 2024 and held its first meeting in December 2024. The evaluation will be included in the agenda of the first meeting in December 2025.

4. Give an evaluation of the targets that were adopted for strengthening of the functions of the Board during the current and immediately preceding fiscal years (e.g., establishing an Audit Committee, increasing information transparency, etc.) and the measures taken toward achievement thereof:
   (1) The targets adopted for strengthening of the functions of the Board: The Company established the Rules for the Conduct of Directors Meetings in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" on December 4, 2014. The Company also abides by these Rules to regularly convene and record minutes of the Board meetings. Later on February 15, 2017, all independent directors established the Audit Committee to replace the role of supervisors.
   (2) The Company's Remuneration Committee was established and began operating by law on November 18, 2016. The Committee also regularly reviews the performance evaluations of Directors, Supervisors, and Managerial Officers, as well as the remuneration policy, standards, and structure. This assists the Board of Directors in supervising the Company's remuneration system and provides the Board with appropriate suggestions.
   (3) The Company's Sustainable Development Committee, established and operational since November 13, 2024, in accordance with legal regulations, is responsible for developing, promoting, and strengthening the Company's sustainability policies, annual plans, and strategic initiatives. The Committee also reviews, monitors, and revises the implementation and effectiveness of sustainability practices, supervises the disclosure of sustainability-related information, and reviews the Company's sustainability report.
   (4) Evaluation of Implementation: Upholding the principle of operational transparency, the Company promptly discloses all legally required announcements on the Market Observation Post System (MOPS) following meetings of the Board of Directors and each functional committee.
   (5) The Company already purchased professional liability insurance for Directors in order to mitigate and spread the risk of significant damage to the Company and shareholders.

(II) The state of operations of the Audit Committee:

I. The Audit Committee held 5 meetings (A) in the most recent fiscal year. The attendance of the Independent Directors are as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%)(B/A)	Remarks
Attendance of 4th-Term Directors (2024/01/01–2024/05/29); Two Board Meetings Held in the Most Recent Year					
Independent Director	Ko Po-cheng	2	0	100	None
Independent Director	Huang Li-hua	2	0	100	None
Independent Director	Shih Fan-chuan	2	0	100	None
Attendance of 5th-Term Directors (2024/5/29–2024/12/31); Four Board Meetings Held in the Most Recent Year					
Independent Director	Pan Yi-Shan	3	0	100	None
Independent Director	Pan Yi-Shan	3	0	100	None
Independent Director	Shih Fan-Chuan	3	0	100	None

II. Audit Committee's job duties:

1. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act;
2. Assessment of the effectiveness of internal control systems;
3. Adoption or amendment of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others pursuant to Article 36-1 of the Securities and Exchange Act;
4. A matter bearing on the personal interest of a director or supervisor;
5. A material asset or derivatives transaction;
6. A material monetary loan, endorsement, or provision of guarantee;
7. The offering, issuance, or private placement of any equity-type securities;
8. The hiring or dismissal of an attesting CPA, or the compensation given thereto;

9. The appointment or discharge of a chief finance, accounting, or internal audit officer;
10. Annual financial reports signed or affixed with the seals of the Chairperson, managerial officer, and chief accounting officer, as well as the Q2 financial report audited and certified by the CPAs;
11. Any other material matter so required by the competent authority.

III. Other information required to be disclosed:

1. If any of the following circumstances exists, specify the Audit Committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the Independent Directors, the outcomes of Audit Committee resolutions, and the measures taken by the Company based on the opinions of the Audit Committee:
   (1) Any matter under Article 14-5 of the Securities and Exchange Act.
   (2) In addition to the matters referred to above, any matter that was not approved by the Audit Committee but was approved by a two-thirds or greater majority resolution of the Board of Directors.

Audit Committee	Content of the resolution	Any matter under Article 14-5 of the Securities and Exchange Act	Any matter that was not approved by the Audit Committee but was approved by a two-thirds or greater majority resolution of the Board of Directors
The 14th meeting of the 3rd Board on March 13, 2024	The Company's 2023 business report and financial statements proposals.	V	None
	The Company's 2023 earnings distribution proposal.	V	None
	The Company's 2023 "Internal Control System Effectiveness Assessment" and "Internal Control Statement" proposals.	V	None
	Amendments to the Company's "Rules for the Conduct of Directors Meetings"	V	None
	Proposal for the appointment of CPAs for the 2024 financial statements.	V	None
	Resolution reached by the Audit Committee (March 13, 2024): The Resolution was approved by all Committee members who attended the meeting.		
	The Company's handling of the Audit Committee's opinions: The Resolution was approved by all Directors who attended the meeting.		
The 15th meeting of the 3rd Board on May 15, 2024	Proposal for the Company's 2024 consolidated financial statements for Q2.	V	None
	Amendments to the Company's "Sustainable Development Committee Charter"	V	None
	Resolution reached by the Audit Committee (March 15, 2024): The Resolution was approved by all Committee members who attended the meeting.		
	The Company's handling of the Audit Committee's opinions: The Resolution was approved by all Directors who attended the meeting.		
The 1th meeting of the 4rd Board on August 14, 2024	Proposal for the Company's 2024 consolidated financial statements for Q2.	V	None
	The Company's proposal for loaning money to the Thai subsidiary, Sofiva Genomics Bangkok Company Limited.	V	None
	The Company's proposal for loaning money to Sofiva Genomics Medical Laboratory.	V	None
	The Company's proposal for loaning money to Sofiva Genomics Clinical Medical Laboratory.	V	None
	Resolution reached by the Audit Committee August 14, 2024): The Resolution was approved by all Committee members who attended the meeting.		

Audit Committee	Content of the resolution	Any matter under Article 14-5 of the Securities and Exchange Act	Any matter that was not approved by the Audit Committee but was approved by a two-thirds or greater majority resolution of the Board of Directors
	The Company's handling of the Audit Committee's opinions: The Resolution was approved by all Directors who attended the meeting.		
The 2th meeting of the 4rd Board on November 13, 2024	Proposal for the Company's 2024 consolidated financial statements for Q3.	V	None
	Resolution reached by the Audit Committee November 13, 2024): The Resolution was approved by all Committee members who attended the meeting.		
	The Company's handling of the Audit Committee's opinions: The Resolution was approved by all Directors who attended the meeting.		
The 3th meeting of the 4rd Board on December 30, 2024	Amendments to the Company's "Production Cycle", "Procurement and Payment Cycle", "Sales and Collection Cycle", and "Asset Management Guidelines".	V	None
	Proposal to establish the Company's "Proposal Sustainability Information Management Procedures".	V	None
	Amendments to the Company's "Internal Audit Implementation Rules".	V	None
	Resolution reached by the Audit Committee December 30, 2024): The Resolution was approved by all Committee members who attended the meeting.		
	The Company's handling of the Audit Committee's opinions: The Resolution was approved by all Directors who attended the meeting.		

2. Implementation of recusals of Independent Directors with respect to any motions with which they may have a conflict of interest: specify the Independent Director's name, the content of the motion, the cause for recusal, and whether and how the Independent Director voted: None.
3. Communication between the Independent Directors and the Chief Internal Audit Officer and the CPAs that serve as external auditor (including any significant matters communicated about with respect to the state of the Company's finances and business and the method(s) and outcomes of the communication):
   (1) The method(s) of the communication between Independent Directors, the Chief Internal Audit Officer and the CPAs:
      A. Upon submission of the Audit Report and Tracking Report to the Chairperson, the Chief Audit Officer shall send the reports by email to Independent Directors for monthly review. The Chief Audit Officer shall attend the Audit Committee and Board of Directors meetings to present the Audit Report, while Independent Directors shall promptly oversee the status of the Company's internal audit.
      B. CPAs shall submit a report to Independent Directors based on the Company's audit results and communication of other relevant legal requirements. The chief finance, accounting, and internal audit officers shall attend the meeting to promptly address any questions raised by the Independent Directors.
   (2) Every year, the Chief Corporate Governance Officer shall arrange at least one meeting with the Independent Directors, Chief Internal Audit Officer, and CPAs for private communication. None of the Company's general directors or managerial officers shall attend the said meeting.

(3) Records of communicating with Independent Directors, Chief Internal Audit Officer and CPAs:

Date	Attendance			Nature	Content and Theme(s) of the communication	Suggestions	The Company's handling and implementation results	Remarks
	Independent Director	Chief internal audit officer	CPAs					
March 13, 2024	V	V	V	One-on-one meeting	Communicating with the governance unit	Unqualified opinion	None	None of the directors and officers were present
	V	V	V	Audit Committee	1. Internal Audit Report for the Q4 of 2022 2. Proposal for submitting the Company's 2023 Internal Control Statement.	Unqualified opinion	None	The corporate governance officer was present.
May 15, 2024	V	V		Audit Committee	Internal Audit Report for the Q1 of 2024	Unqualified opinion	None	The corporate governance officer was present.
August 14, 2024	V	V		Audit Committee	Internal Audit Report for the Q2 of 2024	Unqualified opinion	None	The corporate governance officer was present.
November 13, 2024	V	V		Audit Committee	Internal Audit Report for the Q3 of 2024	Unqualified opinion	None	The corporate governance officer was present.

(III) Corporate governance-implementation status and deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons:

Evaluation item	Implementation status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
1. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	✓		The Company has established Corporate Governance Best-Practice Principles based on the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and disclosed them on the Market Observation Post System (MOPS) upon approval by the Board of Directors on March 25, 2020.	In compliance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" without major deviations.
2. Shareholding Structure and Shareholders' Rights (1) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	✓		(1) The Company has appointed a spokesperson and acting spokesperson, and established their respective email addresses. There are dedicated personnel responsible for handling shareholders' suggestions, concerns, and disputes.	In compliance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" without major deviations.
(2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	✓		(2) The Company knows the identity and shareholding ratio of our Directors, managerial officers, and shareholders with a stake of more than 10%. The Company also declares their shareholding status on a timely basis.	
(3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	✓		(3) The Company has established "Regulations for Supervision and Management of Subsidiaries", "Standard Operating Procedures for Financial Operations between Affiliates" and "Regulations Governing Operating Procedures between Transactions of Specific Companies, Groups, and Related Parties" to control affiliates' operating procedures.	
(4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	✓		(4) The Company has established "Operating Procedures Governing the Prevention of Insider Trading" and "Business Integrity Operating Procedures and Code of Conduct" to regulate related matters and to comply with.	
3. Composition and responsibilities of the Board of Directors (1) Have a diversity policy and specific management objectives been adopted for the Board and have they been fully implemented?	✓		(1)A. The Company has established the "Corporate Governance Best-Practice Principles", specifying that the composition of the Board of Directors should take diversity into consideration and that a diversity policy should be formulated based on the Company's operations, business model and development needs. The diversity policy should include, but not be limited to, standards related to the following two aspects: a. Basic criteria and values: gender, age, nationality, culture etc.	In compliance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" without major deviations.

Evaluation item	Implementation status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			b. Professional knowledge and skills: a professional background in law, accounting, industry, finance, marketing or technology, as well as professional skills and industry experiences. Directors of the Board should generally possess the knowledge, skills and literacy required to fulfill their job duties. To achieve the ideal corporate governance goals, the overall Board of Directors should have operational judgment ability, accounting and financial analysis ability, business management ability, risk management abilities, industry knowledge, international market perspectives, leadership, and decision-making ability. The Company currently has 7 Directors, among whom 3 are Independent Directors, accounting for 43% of the total, and 3 are female Directors, representing 43%. Moreover, 43% of the Directors concurrently serve as employees of the Company. None of the Independent Directors hold employee status. The professional backgrounds of the Directors cover management, medicine, and law. Some are lawyers and university professors, who possess abundant professional or academic experiences and are capable of providing diverse professional opinions. The Company's implementation of diversity policies has facilitated the enhancement of the Company's operational performance and management efficiency. For details regarding the individual composition of the Board of Directors, please refer to page 16 of the Annual Shareholders' Meeting Report ("Information on the Directors").	
		✓	B. The Company has disclosed its diversity policy for the composition of the Board of Directors on the corporate website.	
(2) Has the Company voluntarily established other functional committees in addition to the Remuneration Committee and the Audit Committee?	✓		(2) The Company has already established the Remuneration Committee and Audit Committee as required by law 審計委員會及 Sustainable Development Committee . If there is a need to establish other functional committees, the Company will undertake their establishment in accordance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies".	
(3) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of			(3) At the 15th meeting of the 2nd Board on December 4, 2017, the Company passed the formulation of the Rules for Performance Evaluation of Board of Directors; and, at the 8th meeting of the 3rd Board on November 6, 2019 and the 3rd meeting of the 4th Board on	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
performance evaluations to the Board of Directors and used them as reference in determining salary/compensation for individual Directors and their nomination and additional office terms?			December 29, 2021, completed amendments thereto by law. Also, as prescribed by the Rules: a. Each year, the Company's Board of Directors should evaluate itself through an internal performance evaluation in accordance with the evaluation procedures and criteria. b. The performance evaluation of the Company's Board of Directors should be conducted by an external professional independent organization or a team of external experts and scholars at least every three years c. The results of the internal and external performance evaluations of the Board should be completed before the first quarter of the following year. The Company should consider its status and needs in establishing board performance evaluation criteria, which should include the following aspects: a. Level of participation in the Company's operations; b. Enhancing the decision-making quality of the Board of Directors; c. Composition and structure of the Board of Directors; d. Selection and continuing education of the Directors; e. Internal control. The criteria for evaluating the performance of members of the Board should include the following aspects: a. Mastery of the Company's goals and missions; b. Awareness of the Directors' duties and responsibilities; c. Level of participation in the Company's operations; d. Internal relations management and communication; e. Directors' expertise and continuing education; f. Internal control. The criteria for evaluating the performance of functional committees should include the following aspects: a. Level of participation in the Company's operations; b. Awareness of the functional committee's duties and responsibilities; c. Enhancing the decision-making quality of the functional committee; d. Composition and selection of the functional committee; e. Internal control.	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
(4) Does the Company regularly evaluate its external auditors' independence?	✓		The board performance evaluation for 2024 was completed by distributing self-evaluation questionnaires to members of the Board by the end of 2024. The evaluation period spanned from January 1, 2024, to December 31, 2024, and included evaluation of the entire Board of Directors, individual directors, and functional committees. The results of the abovementioned board performance evaluation will serve as a reference for the nomination of Directors. The Board performance evaluation report for the year was submitted to the 5th meeting of the 5th Board on March 12, 2024. According to the board performance evaluation results for 2024, the Company's Board of Directors has fulfilled its responsibilities in guiding and overseeing the Company's strategies, major business operations, and risk management. It has established an appropriate internal control system and has actively participated in sustainable operations. Overall, the Board of Directors functions effectively in accordance with corporate governance requirements. The Audit Committee and Remuneration Committee also operate effectively in compliance with corporate governance requirements, contributing to the enhancement of the Board of Directors' capabilities (4) To implement corporate governance, the Company refers to Audit Quality Indicators (AQIs) for regularly evaluating the independence and suitability of CPAs on an annual basis. The Company also, at the end of each fiscal year, summarizes the evaluation results and submits them to the Audit Committee and Board of Directors in the following year. The Company submitted the CPA independence and suitability evaluation reports at the 4th meeting of the 4rd Audit Committee on March 12, 2024, and the 5th meeting of the 5th Board. Please refer to "Explanation 1" for information on the independence evaluation items. According to the evaluation, CPAs Yu Chih-fan and Chih Ping-chun from PwC Taiwan comply with the Company's independence evaluation standards. They have also issued an statement of independence; please refer to "Explanation 2". The Company has not, for seven consecutive years, either changed CPAs or experienced situations where the CPAs have been subject to disciplinary actions or circumstances compromising their independence.	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
4. Does the TWSE/TPEx listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for Directors and Supervisors to perform their duties, aiding Directors and Supervisors in complying with laws and regulations, organizing Board meetings and annual general meetings of shareholders as required by law, and compiling minutes of Board meetings and annual general meetings)?	✓		To implement corporate governance and ensure legal compliance, the Company has appointed the Director of the Finance Division to serve as the Chief Corporate Governance Officer, in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies. The Chief Corporate Governance Officer is responsible for corporate governance-related affairs, including: a. Handling Board of Directors and shareholders meeting-related affairs in compliance with the law. b. Recording minutes of Board of Directors and shareholders' meetings. c. Assisting Directors in assuming office and engaging in continuing education. d. Providing Directors with relevant business practice information. e. Assisting Directors in compliance with regulations. f. Handling other matters stipulated in the Articles of Incorporation or contracts. Business performance for 2024 is as follows: a. Assisting in conducting the Board of Directors and shareholders' meetings. b. Making Board of Directors and shareholders' meeting minutes; sending the said minutes and making announcements as required by law. c. Assisting Directors in completing continuing education for the year and making declarations accordingly. d. Providing Directors with information required by the Board of Directors meetings. e. Assisting Directors in complying with legal regulations. Please refer to "Explanation 3" for information on the Chief Corporate Governance Officer's status of conducting continuing education in the most recent year and as of the annual report publication date.	In compliance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" without major deviations.
5. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	✓		The Company has appointed a spokesperson and an acting spokesperson, who serve as the a channel for communicating with our stakeholders. The Company has also established "Corporate Social Responsibility" and "Investors" sections on our corporate website to explain our commitment to corporate social responsibility to our stakeholders. Stakeholders can contact our Company via telephone, fax, email, or through our corporate website as needed. The Company also responds appropriately to reasonable concerns raised by our stakeholders	In compliance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" without major deviations.

Evaluation item	Implementation status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	✓		The Company has appointed the professional shareholder service agent, Grand Fortune Securities Co., Ltd. to handle matters related to our shareholders' meetings.	In compliance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" without major deviations.
7. Information disclosure (1) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?	✓		(1)A. Financial information disclosure status: The Company's corporate website discloses information regarding our financials, and regularly updates information for the reference of our investors. The address of our corporate website is: www.sofivagenomics.com.tw. B. Corporate governance status: The Company has already disclosed information related to our internal audit organization and operations, Endorsement and Guarantee Operating Procedures, Asset Acquisition or Disposal Management Procedures, and Operating Procedures for Loans to Others to others on our corporate website.	In compliance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" without major deviations.
(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	✓		(2) The Company has assigned a person to manage related information and implement the spokesperson system. Prior to convening an investor conference, this individual is responsible for issuing an important notice as required by regulations, uploading the report (in English and/or Chinese versions), and disclosing them on the corporate website.	
(3) Does the Company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	✓		(3) The Company has properly declared our monthly operations and quarterly financial statements in accordance with the relevant regulations and rules of the Taipei Exchange Center to faithfully fulfill our obligations.	
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, Directors' and Supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of	✓		A. Employees' rights and wellness: The Company values the maintenance of employees' rights and interests. Apart from purchasing insurance for our employees, implementing a pension system, and establishing the Employees' Welfare Committee in accordance with the law, the Company also specifies details in work-related rules. For example, the Sexual Harassment Prevention and Handling Regulations, compensation and assistance for injuries and illness, and principles for compensation payment, wedding, and funeral allowances. The Company also convenes labor-management meetings to address labor-	In compliance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" without major deviations.

Evaluation item	Implementation status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
customer relations policies, and purchasing liability insurance for Directors and Supervisors)?			related concerns on a quarterly basis; and has established an employee feedback mailbox, a sexual harassment prevention hotline, and other channels for communication. B. Investors can learn about the Company's operations through the Market Observation Post System (MOPS) and our corporate website; and communicate with the Company via shareholders' meetings and the spokesperson's mailbox. C. Supplier relations: The Company has maintained long-term, close partnerships with our suppliers to ensure an adequate supply of raw materials, thereby optimizing overall production costs. D. The Company maintains good communication channels with our stakeholders while respecting and maintaining their legal rights and interests. We have also appointed a spokesperson and an acting spokesperson to serve as a communication channel with stakeholders. E. Directors' continuing education: We regularly provide Directors with information on professional training and courses. Please refer to page 68 for statistics on Directors' engagement in continuing education. F. Implementation of risk management policies and risk evaluation standards: The Company has been managing related risks based on sound principles and has established an internal control system to prevent all types of risks. Our internal auditing units also conduct regular and irregular checks to verify the implementation of the internal control system. G. Implementation of customer relations policies: The Company has maintained a good relationship with our customers and adopted a customer-centric policy to drive the Company's profitability. H. The purchasing of liability insurance for Directors: The Company already purchased liability insurance for all of our Directors.	
9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement.			For details on the improvements regarding the latest corporate governance evaluation results released by the Corporate Governance Center, please refer to "Explanation 4".	

【Explanation 1】CPA Independence and Suitability Evaluation Form

1. Year of Evaluation: 2025
2. Evaluation Date: March 12, 2025
3. Evaluation of the appointed accounting firm and CPAs:
   CPAs Yu Chih-fan and Chih Ping-chun from PwC Taiwan
4. Content of evaluation:

Evaluation items		Evaluation results	
		Yes	No
1.	The CPAs and the Company do not have a direct or significant indirect financial interest relationship.	v	
2.	The CPAs and the Company do not have a significant, close business relationship.	v	
3.	The CPAs do not have any potential employment relationship when auditing the Company.	v	
4.	The CPAs do not have any financial borrowing or lending relationship with the Company.	v	
5.	The CPAs have not received any significant presents or gifts (with a value beyond normal social etiquette standards) from the Company and the Company's Directors and/or managerial officers.	v	
6.	The CPAs have not provided any auditing services to the Company for seven consecutive years	v	
7.	Whether the Audit Quality Indicators (AQIs) have been obtained as a reference for evaluating appointed CPAs.	v	
8.	The CPAs do not hold any of the Company’s shares.	v	
9.	The CPAs themselves, their spouses or dependent relatives, as well as members of the Audit Committee have not served as Directors or Managerial Officers, or held positions with significant influence on audit cases during the auditing period or the last two years; and will not hold the aforementioned positions during the auditing period in the future.	v	
10.	Whether the CPAs already comply with the regulations regarding independence as stipulated in Accountant Professional Ethics Code Gazette No. 10, and whether the "Independence Declaration" issued by the CPAs has been obtained.	v	

【Explanation 2】 The Independence Declaration issued by the CPAs

Statement of Independence of the CPAs

Zi-Hui-Zong-Zi No. 24010010

1. To provide the best services to your Company, our certified public accountants (hereinafter referred to as the CPAs) maintain an objective, impartial, honest, trustworthy, and rigorous approach in all appointed cases. We strictly adhere to our Code of Conduct to ensure the timely provision of high-quality professional auditing services to your Company and to meet the expectations of the public.

2. The CPAs are responsible for expressing opinions on your Company's financial status, operating results, and cash flow based on the audit results, and for obtaining reasonable assurance about whether your financial statements are free from material misstatement. Your management is responsible for preparing the financial statements and has provided all related financial and accounting data. Even if the financial statements have been audited by the CPAs, your Company's management remains liable for them.

3. The CPAs communicate with the governance unit in accordance with "TWSA260 Communication with those Charged with Governance". Based on their judgment, the CPAs will communicate with the governance unit regarding significant governance matters related to the oversight of financial reporting and disclosure procedures identified during the auditing of the financial statements. Nevertheless, as the aforementioned regulations do not require the CPAs to design auditing procedures to confirm significant governance matters, this audit should not be expected to confirm all governance matters.

4. To fulfill the responsibilities of the CPAs, our CPAs and professional team will maintain a professional skeptical attitude to properly plan and execute the audit, ensuring the high quality of the work performed. The final approval of the CPAs' audit report is also carried out by our CPAs to determine the type of report to be issued, and is signed by our CPAs to demonstrate accountability.

5. The audit work conducted by the appointed team, other professionals within PwC Taiwan, and PwC Taiwan for this fiscal year complies with The Bulletin of Norm of Professional Ethics for Certified Public Accountants of the Republic of China No. 10 "Integrity, Objectivity, and Independence", as well as PwC's global independence policy (including provisions related to Bulletin of International Standards on Auditing No. 220), without violating relevant regulations or compromising our impartial independence. If the execution of this appointment involves other PwC alliance member firms, the relevant member firms have adhered to PwC's global independence policy.

6. The auditing and relevant services provided by us comply with the requirements of the TWSQC1 Quality Control for Public Accounting Firms.

PricewaterhouseCoopers, Taiwan (PwC Taiwan)
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7. Our auditing works are conducted on the basis of integrity and objectivity, and we have confirmed the following matters. In case of finding any inconsistencies, please contact our CPAs:

   (1) There is no investment relationship through shareholding between our CPAs, professional service personnel of the audit team, and your Company.

   (2) Our CPAs and professional service personnel do not serve as directors, supervisors, or managerial officers in your Company.

   (3) We do not have any business partnership with your Company.

   (4) We do not have any litigation relationship with your Company.

   (5) There are no other matters judged by CPAs to potentially violate independence.

   (6) Our CPAs have not found any circumstances that may threaten our independence and are therefore not obliged to communicate with the officers for safeguard measures.

8. In the event that we discover any circumstances violating our independence during the auditing process of 2024, we will communicate with your company's governance unit and implement relevant response and safeguard measures.

PwC Taiwan

CPAs Yu Chih-fan

Chih Ping-chun

March 12, 2025

【Explanation 3】 Information on the Chief Corporate Governance Officer's status of conducting continuing education in the most recent year and as of the annual report publication date:

Job Title	Name	Organizer	Course	Date	Hours
Director of Finance Division	Chang Fu-chien	Republic of China Securities and Futures Market Development Foundation	Advanced Practice Conference for Board Members, (Independent) Supervisors, and Corporate Governance Officers	August 14, 2024	3hr
Director of Finance Division	Chang Fu-chien	Taiwan Academy of Banking and Finance	Taipei Corporate Governance Forum s	September 27, 2024	3hr
Director of Finance Division	Chang Fu-chien	Republic of China Securities and Futures Market Development Foundation	The Challenges and Responsibilities of the Board of Directors under the Corporate Governance Evaluation Indicators and the Sustainability Action Plan	November 13, 2024	3hr
Director of Finance Division	Chang Fu-chien	Republic of China Securities and Futures Market Development Foundation	Sustainable Development Committees and CSOs' Roundtable	December 4, 2024	3hr

【Explanation 4】Improvements status of corporate governance evaluation results:

No.	Indicators	Improvement status
1.2	Has the Company established written regulations governing financial operations between related parties? These operations should include procedures for managing transactions such as purchasing and selling goods, as well as acquiring and disposing of assets. Relevant important transactions shall be reported to and approved by the Board of Directors before being reported or submitted to the shareholders' meeting for approval.	Written regulations are planned to be established to handle relevant circumstances accordingly in 2025
2.23	Has the Board of Directors approved the Board of Directors' Performance Evaluation Regulations, which specify the requirement to conduct an external evaluation at least once every three years? Has the Company conducted evaluations in the year of evaluation or in the previous two years, and disclosed the implementation status and evaluation results on the corporate website or in the annual report?	To be improved
2.30	Is at least one of the Company's internal auditors possess an international internal auditor, international computer auditor, or CPA certificate and/or permit?	To be improved
3.4	Whether the Company publishes annual financial statements certified by CPAs within two years after the end of the fiscal year?	To be improved
4.5	Has the sustainability report prepared by the Company obtained a third party certification?	To be improved
4.7	Has the Company uploaded the English version of the sustainability report to the MOPS and its corporate website?	Written regulations are planned to be established to handle relevant circumstances accordingly in 2025
4.13	Has the Company obtained ISO 14001, ISO 50001, or similar environmental or energy management system certification?	To be improved
4.19	Has the Company invested in energy-saving or green energy-related environmental sustainability machines or equipment? Has it invested in domestic green energy, such as a renewable energy power plant? Has the Company issued or invested in green or social impact investment projects and sustainable finance products? Has it disclosed its investment status and specific benefits?	To be improved
4.21	Has the Company evaluated the risks and opportunities to the community, taken corresponding measures, and disclosed the specific actions and their effectiveness in its website, annual report, or sustainability report?	To be improved
4.22	Has the Company invested resources in supporting the development of domestic culture? Has it disclosed its supporting approaches and results on the corporate website, annual report, or sustainability report?	To be improved

(IV) Composition, duties, and operations of the Remuneration Committee:

1. Information on Remuneration Committee members

Qualifications / Title	Name	Professional qualifications and experience	Independence analysis	Number of other public companies at which the person concurrently serves as Remuneration Committee member
Convenor	Independent Director Pan Yi-Shan (Note 1)	Master's degree from the Department of Accounting, Fu Jen Catholic University Manager of PwC Taiwan Managing Director of Onething CPA Chairperson of the Audit Committee at Tat Hong Equipment Service Co., Ltd. (Stock Code: 02153.HK) Independent Director of iCatch Inc.	In compliance with independence criteria, including but not limited to the following: the individual, spouse, and second-degree relatives are not serving as directors, supervisors, or employees of the Company or its related enterprises; do not hold any shares of the Company; are not serving as directors, supervisors, or employees of companies with specific relationships with the Company; have not received remuneration from providing business, legal, financial, accounting, or other services to the Company or its related enterprises in the past two years.	1
Member	Independent Director Li Chien-Nan (Note 1)	Master's degree in Clinical Medicine, College of Medicine, National Taiwan University President of the 10th Council, Taiwan Society of Perinatology Director, Department of Medical Genetics, National Taiwan University Hospital Director, Department of Obstetrics and Gynecology, National Taiwan University Hospital Appointed Professor, College of Medicine, National Taiwan University Distinguished Adjunct Attending Physician, Department of Gynecology and Obstetrics, Taipei Medical University Hospital		None
Member	Independent Director Shih Fan-chuan	Master's degree from the Department of Financial and Economic Law, National Chung Cheng University Presiding Attorney of STRing Law Firm Independent Director of B'IN Live Co., Ltd. Independent Director of Diamond Biotechnology Co., Ltd. Independent Director of BIO Preventive Medicine Corp. Executive Governor of Institute of Internal Auditors		3
Convenor	Independent Director Ko Po-cheng (Note 2)	Master's degree from the Department of Accounting, Soochow University Adjunct Associate Professor in the Department of Accounting Information, National Taipei University of Business Independent Director of CyberPower Systems, Inc. Director of Taipei City Trends Research and Development Foundation Independent Director of oToBrite Electronics, Inc. Independent Director of Amita Technologies Inc.		2
Member	Independent Director Huang Li-hua (Note 2)	College of Medicine, National Taiwan University Director of Xinping Otolaryngology Clinic		None

Note 1：The director assumed office after the full re-election at the shareholders' meeting on May 29, 2024

Note 2：The director stepped down after the full re-election at the shareholders' meeting on May 29, 2024.

2. Operation of the Remuneration Committee

(1) The Company's Remuneration Committee has a total of 3 members.

(2) The Company's Remuneration Committee was established on November 18, 2016, and operates in accordance with relevant regulations. It regularly reviews Directors and Managerial Officers' performance, as well as the

remuneration policy, standards, and structure, to assist the Board of Directors in supervising the Company's remuneration system and to provide appropriate recommendations to the Board. Directors' remuneration is distributed in accordance with Article 24 of the Articles of Incorporation, and Regulations Governing Remuneration to Directors and Managerial Officers were published on February 18, 2018. On November 10, 2021, the Board of Directors passed the "Regulations Governing Remuneration to Managerial Officers" to specify the standards for distributing managerial officers' remuneration and rewards.

(3) Members of the Company's third-term Remuneration Committee serve from August 18, 2021, to May 28, 2024. The said committee members held 1 remuneration committee meetings in the most recent year.

(4) Members of the Company's third-term Remuneration Committee serve from May 29, 2024, to May 28, 2027. The said committee members held 2 remuneration committee meetings in the most recent year.

(5) Their qualifications and attendance are as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) (B/A)	Remarks
Attendance of third-term Remuneration Committee Members (2024/01/01–2024/05/29)					
Convenor	Ko Po-cheng	1	0	100	None
Committee Member	Huang Li-hua	1	0	100	None
Committee Member	Shih Fan-chuan	1	0	100	None
Attendance of third-term Remuneration Committee Members (2024/05/29–2024/12/31)					
Convenor	Pan Yi-Shan	2	0	100	None
Committee Member	Li Chien-Nan	2	0	100	None
Committee Member	Shih Fan-chuan	2	0	100	None

3. Other information required to be disclosed:

(1) If the Board of Directors does not accept, or amends, any recommendation of the Remuneration Committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the Board of Directors, and the measures taken by the Company with respect to the opinions given by of the Remuneration Committee (e.g., if the salary/compensation approved by the board is higher than the recommendation of the Remuneration Committee, specify the deviation(s) and the reasons): None.

(2) With respect to any matter for resolution by the Remuneration Committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the Remuneration Committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion: None.

(3) Operations of the Remuneration Committee in the most recent fiscal year:

Remuneration Committee	Content of the Resolution(s) and follow up	Resolution	The Company's handling of the Remuneration Committee's opinions
The 6th meeting of the 3rd Board on March 13, 2024	All agenda items at this meeting were for reporting purposes only.	All agenda items at this meeting were for reporting purposes only.	All agenda items at this meeting were for reporting purposes only.
The 1th meeting of the 4rd Board on August 14, 2024	Proposal to determine the monthly fixed remuneration for the Company's Independent Directors	Passed by all committee members who attended the meeting	The proposals were presented to the Board of Directors and received

			approval from all Directors in attendance at the meeting.
The 2th meeting of the 4rd Board on November 8, 2024	1. Review on the proposal for Directors' performance evaluation standards for 2024. 2. Review on the proposal for managerial officers' performance evaluation standards for 2024. 3. Review on the proposed evaluation on Directors and managerial officers' remuneration policy, system, standards and structure for 2024. 4. Proposal for managerial officers' performance evaluation and year-end bonus for 2024. 5. Proposal for the evaluation on adjusting managerial officers' remuneration for 2024. 6. Proposal for the proportion of managerial officers' performance bonus for 2024. 7. Proposal for the 2024 year-end bonus for the Board 8. Proposal for the establishment of the "Directors' Remuneration Policy".	Passed by all committee members who attended the meeting	The proposals were presented to the Board of Directors and received approval from all Directors in attendance at the meeting.

(V) Composition, duties, and operations of the Sustainable Development Committee:

1. Information on Sustainable Development Committee Members

Member	Name	Independent Director	Relevant professional competencies possessed
Convenor	Shih Fan-Chuan	Independent Director	Practicing lawyer, Independent Director of several TWSE/TPEx-listed companies, and lecturer of sustainable development courses at the Securities and Futures Institute.
Committee Member	Pan Yi-Shan	Independent Director	Practicing accountant and Independent Director of other publicly listed companies, with a strong familiarity with corporate governance.
Committee Member	Li Chien-Nan	Independent Director	Served as the Director of the Department of Obstetrics and Gynecology and the Department of Medical Genetics at National Taiwan University Hospital, and President of the Taiwan Society of Perinatology, with a long-standing commitment to social issues.

2. The "Sustainable Development Committee" shall convene at least one meeting each year. Under the authorization of the Board of Directors, it shall exercise the due care of a good administrator and faithfully perform the following duties:
   (1) Formulates, promotes, and enhances the Company's sustainable development policy, annual plan, and strategies.
   (2) Review, track and revise the implementation and effectiveness of sustainable development.
   (3) Supervises the disclosure of sustainability-related information, and reviews the sustainability report.
   (4) Supervises the implementation of the Company's Sustainable Development Best Practice Principles or the execution of sustainability-related tasks as resolved by the Board of Directors.

3. In 2024, the Sustainable Development Committee convened one meeting to discuss agenda items, resolution results, and the Company's response to the Committee's opinions:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) (B/A)	Remarks
Convenor	Shih Fan-chuan	1	0	100	Independent Director
Committee Member	Pan Yi-Shan	1	0	100	Independent Director
Committee Member	Li Chien-Nan	1	0	100	Independent Director

Sustainable Development Committee	Details of the Proposal and Follow-Up Actions	Resolution Results	The Company's Response to the Committee's Opinions
The 1th meeting of the 1rd Board on December 30, 2024	The convenor of the Committee, Shih Fan-Chuan, proposed to at least 2 meetings starting from 2025.	All committee members unanimously agreed to the resolution	The corporate governance officer has taken the committee member's opinion into account and included it in the 2025 annual schedule.

(VI) The state of the Company's promotion of sustainable development, any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies:

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	✓		1. The "Sustainable Development Best Practice Principles" were discussed and approved by the Board of Directors on March 29, 2017, and have since undergone several amendments. The most recent revision was made on March 23, 2022. 2. To implement the Company's sustainable development goals and strengthen sustainability governance, the Company, in accordance with Paragraph 3 of Article 17 of the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Paragraph 1 of Article 9 of the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," established the Sustainable Development Committee on November 13, 2024. 3. While the Chief Sustainability Officer (CSO) position is held by the Company's President, department supervisors have collaboratively formed a cross-departmental sustainable development team to carry out sustainability-related tasks. The first meeting of the inaugural Sustainable Development Committee was convened on December 30, 2024. 4. The Company regularly reports on the implementation status of its sustainable development efforts to the Board of Directors. The most recent report was presented on December 30, 2024. Please see p.46 for further details. 5. Board of Directors' Oversight of Sustainable Development (1) The Board of Directors requires the Sustainable Development Team to assess environmental, social, and corporate governance (ESG) risks related to the Company's operations in accordance with the principle of materiality, and to establish appropriate risk management policies or strategies. (2) The Board of Directors requests the Sustainable Development Team to monitor both domestic and international sustainability trends, assess their relevance to the Company's core business, and evaluate how the Company's operations may impact stakeholders. (3) The Board of Directors requires the Sustainable Development Team to hold two meetings per year with the Sustainable Development Committee to set strategic targets, review progress, and prepare a corresponding sustainability report.	No material deviation is found.

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
2. Does the Company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	✓		To fully promote sustainable development management, the General Manager's Office concurrently serves as a unit dedicated to promoting sustainable development. It is responsible for promoting sustainable development policies, systems, or relevant management guidelines. It also proposes and implements specific promotional plans and regularly reports to the Board of Directors. The last date of reporting to the Board of Directors: December 30, 2024. The reported items are as follows: a. Hazard risks b. Operating risks c. Financial risks d. Strategic risks e. Compliance risks/ contract risks f. Information security risks	No material deviation is found.
3. Environmental Issues (1) Has the Company set an environmental management system designed to industry characteristics?	✓		(1) The Company operates in the biotechnology testing, research, and development industry, where ISO14001 or similar environmental management system certifications are not applicable. However, concerning infectious industrial wastes and waste liquid produced from experiments, they are disposed of and processed by government-approved medical waste disposal organizations. Furthermore, there are personnel dedicated to handling maintenance and management-related operations.	No material deviation is found.
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	✓		(2) The Company operates in the biotechnology research and development industry, with a focus on the testing business. The Company does not use any resources that cause significant burdens to the environment. To cherish our resources, we have made every effort to promote energy-saving concepts and take real actions, including: a. Commit to improving the manufacturing process and introducing automated instruments and equipment to save energy, reduce carbon emissions, minimize waste generation, and shorten testing times – hereby achieving energy conservation and carbon reduction goals. Relevant testing reports have also been consolidated into electronic files and interpreted through a cloud-based "Molecular Tumor Team Clinical Decision Support Platform", which simplifies the interpretation of NGS (Next-Generation Sequencing) data and reduces the associated costs. Moreover, clinical practice guidelines from oncology and pathology organizations have been integrated into the	

<table>
<tr><th rowspan="2">Evaluation items</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description (Note 1)</th></tr>
<tr><td></td><td></td><td></td><td>automated analysis process to significantly lower users' learning curves and generate easy-to-read, color-coded reports.
b. Implement trash classification and resource recycling; use renewable materials with low environmental impact in order to reduce impacts and burdens on the environment.
c. Recycle waste papers for duplication on recycled paper; and implement electronization and approval procedures in order to reduce the paper consumption rate.
d. Various equipment is installed with timing devices to avoid unnecessary electricity consumption, thereby helping to reduce environmental impact.
e. The urinals and toilets in the restroom are installed with water-saving valves; LED lamps are comprehensively used within the Company; and variable-frequency multi-link air conditioning is adopted to promote energy, electricity, and water savings.
f. Install heat-insulating glass and fully blackout curtains (with specifications certified by fire safety authorities) throughout the building can effectively save over 30% of electricity. This helps reduce external heat sources and radiant heat from entering the space, thereby decreasing the need for air conditioning..</td><td></td></tr>
<tr><td>(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?</td><td>✓

✓</td><td></td><td>(3) Based on our responsibility for environmental protection, the Company has been monitoring environmental changes that may arise from climate change and extreme weather events. Considering both the current and future potential risks and opportunities for the Company, we intend to develop and implement risk management standards and regulations to improve our organizational operations and enhance our disaster prevention and response capabilities. Our objective is to mitigate the impact of natural disasters resulting from climate change and achieve uninterrupted operations.
<table>
<tr><th>Climate risks</th><th>Potential impacts</th><th>Climate opportunities</th></tr>
<tr><td>Temperature increase</td><td>Increase in the energy consumption, costs and carbon emissions</td><td>Develop energy-saving and carbon-reduction plans</td></tr>
<tr><td>Unstable water supply</td><td>Increase in operating costs</td><td>Water resource management</td></tr>
<tr><td>Typhoons and floods</td><td>Financial losses</td><td>Enhance resilience to natural disasters</td></tr>
</table></td><td></td></tr>
</table>

Evaluation items	Implementation Status		Summary description (Note 1)	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No		

Changes in customer behavior	Decrease in revenue	Establish digital economy services	

Implement measures to address climate-related issues	
Energy-saving and carbon-reduction countermeasures	The Company has established a greenhouse gas reduction management policy and actively promotes it to all employees to ensure full compliance. Future energy-saving and carbon-reduction efforts will focus on quantified management. For example: Implement energy-saving solutions for the air-conditioning system, electric lighting, and other equipment; monitor the usage status of air conditioning through centralized control equipment; and regularly inspect and replace old and energy-consuming equipment to avoid unnecessary waste.
Water resource management policies	Promote the implementation of water conservation measures, including the installation of water-saving valves in urinals and toilets, to reduce household water consumption.
Upgraded disaster resilience measures	1. The first floor is equipped with an overhead door to effectively resist wind disasters. 2. Purchase asset insurance to reduce related damages and risks. 3. Regularly perform fire-fighting and disaster-prevention drills, and carry out emergency response drills and measures on an irregular basis. 4. Install emergency power generators in order to supply back up electricity.
Establish digital economy services	1. Install online APP services. 2. Promote the report inquiry system. 3. Introduce the BPM online approval

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
(4) Did the Company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?			system. (4) The Company's primary source of energy consumption comes from externally purchased electricity, along with diesel used for the emergency power generator and gasoline for company vehicles. Over the past two years, the main source of emissions has been externally purchased electricity, which accounts for more than 99% of total emissions. Other emission sources include fixed sources (diesel from the emergency generator), mobile sources (gasoline for company vehicles), and fugitive emissions (from refrigerants, septic tanks, and fire extinguishers). Since the Company does not engage in manufacturing, there are no process-related emissions. We will continue to promote our energy-saving and carbon-reduction policies to achieve annual energy-saving targets. In 2023, the electricity-related CO_2e emissions were approximately 297 metric tons. In 2024, electricity-related CO_2e emissions are estimated to be around 392 metric tons (56 metric tons from direct emissions and 336 metric tons from energy-related indirect emissions). Compared to the previous year, emissions increased by about 95 metric tons. This increase is mainly due to the introduction of several automated instruments aimed at improving testing quality and efficiency. Additionally, with a total of approximately 9,326 test runs conducted in the lab, power consumption rose accordingly. Looking ahead, we aim to reduce per capita carbon emissions by 1% annually through initiatives in energy conservation, greenhouse gas reduction, water resource management, and waste management The tap water consumption was 2,407 cubic meters in 2023 and 2,857 cubic meters in 2024, representing an increase of 450 cubic meters compared to the previous year. This increase was mainly due to an abnormal water discharge from the urinals, which caused continuous water flow. Currently, our staff conduct irregular inspections across different areas, and whenever abnormal water usage is detected, the cause is immediately investigated to minimize unnecessary water waste. In cases of water leakage, problems are reported immediately to prevent further waste of water resources (Water usage is monitored and recorded on a monthly basis). Moreover, reducing the frequency of exterior wall cleaning and maintenance of the domestic water tanks can save over 30 cubic meters of water annually. In the future, the Company will continue to promote water conservation practices, helping employees recognize the value of water resources and encouraging further reduction in water usage.	

<table>
<tr><th rowspan="2">Evaluation items</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description (Note 1)</th></tr>
<tr><td></td><td></td><td></td><td>Moreover, the weight of waste in 2023 and 2024 is as follows:
<table><tr><th rowspan="2">Year</th><th colspan="2">Total Weight of Waste (kg)</th></tr><tr><th>Infectious Waste (Hazardous)</th><th>General Waste (Non-Hazardous)</th></tr><tr><td>2023</td><td>5,083</td><td>25,550</td></tr><tr><td>2024</td><td>4,827</td><td>25,915</td></tr></table>The amount of infectious waste generated in 2024 decreased slightly by 5.04% compared to 2023. Moving forward, laboratories will work to reduce waste generation by controlling the use of consumable materials and improving testing processes.
Measures related to the energy-saving and carbon-reduction management policies are as follows:
A. The Company has formulated energy-saving and carbon-reduction policies and promoted them to all employees to ensure compliance. Moving forward, the Company aims to quantitatively manage energy saving and carbon reduction initiatives.
B. Greenhouse gas (GHG) reduction policies:
(1) The installation of smart electricity meters, power monitoring systems, and a basic time-of-use pricing scheme (two-tiered) has greatly improved convenience and efficiency. For example, electricity usage during peak hours has been shifted to mid-peak periods, and some peak-hour consumption has also been transferred to off-peak periods. In addition to this, the large volume of data generated by smart meters not only enhances the reliability of electricity supply and improves transmission efficiency, but also supports national efforts to develop renewable energy sources. Overall, smart electricity meters allow users to monitor their electricity consumption in real time, identify peak and off-peak usage periods, better understand their energy usage patterns, and ultimately reduce unnecessary energy consumption—achieving both energy savings and cost reduction.
(2) The air-conditioning system uses a variable refrigerant flow (VRF) system, which detects room temperature and internal unit temperatures via indoor units. This system automatically controls the compressor rotation speed of the outdoor unit, the opening level of the electronic expansion valve, and the refrigerant flow,</td><td></td></tr>
</table>

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
			keeping every space at the most comfortable condition while achieving energy savings and improved efficiency. (3) The lights in the office and laboratory areas have been replaced with 40W LED panel lights, which save approximately 60% of electricity per unit compared to traditional fluorescent tubes. All lighting upgrades and purchases prioritize energy-efficient options (e.g., example, restrooms now primarily use 8W and 16W LED recessed lights). (4) With the use of the central air-conditioning control panel, the cooling status of the entire building can be monitored and temperatures adjusted at any time via the panel, helping to prevent resource waste. (In principle, the temperature is set at 26°C). (5) Install heat-insulating glass and fully blackout curtains (with specifications certified by fire safety authorities) throughout the building can effectively save over 30% of electricity. This helps reduce external heat sources and radiant heat from entering the space, thereby decreasing the need for air conditioning. (6) Regular maintenance of the air-conditioning system can extend its service life, enhance cooling efficiency, reduce energy costs, and maximize overall performance. It also helps maintain indoor air quality, preventing the occurrence of Legionnaires' disease, as well as avoiding malfunctions and water leakage issues. Moreover, maintaining the air-conditioning system contributes to reducing environmental impact. Long-term green benefits include lower energy consumption, reduced greenhouse gas emissions, and mitigation of the environmental pressure caused by energy demand. (7) Promote the digitization policy and advocate for the use of electronic tools, such as electronic forms (BPM), to reduce paper consumption. Encourage printing documents with double-sided printing and default black-and-white printing settings (in 2024, black-and-white printing decreased by approximately 58.34% compared to 2023, while color printing dropped by 21%), and support the recycling and reuse of waste paper. (8) Encourage employees to prepare their own cups and eco-friendly utensils to reduce the use of disposable ones; bring their own reusable bags; and use green transportation options (green transportation tools, such as the MRT, buses, or YouBike, can	

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
			significantly reduce carbon emissions and energy consumption compared to vehicles). (9) Implement operating environment monitoring-related planning, sampling, measuring, and analyzing every six months to assess the actual conditions of the labor environment and evaluate their exposure status. (10) Enhance advocacy among employees regarding turning off lights at all times (e.g., turning off lights after working hours, and turning off lights/air conditioning after using the meeting room). (11) To conserve energy, all user-operated computers should be configured to automatically enter low-power and sleep modes after 20 minutes of inactivity, which can reduce power consumption by up to 97.5%. For extended periods of non-use, computers should be completely powered off to avoid unnecessary standby energy loss. Also, promote the following energy-saving settings for computers: "7": The system enters standby mode after 700 seconds (approximately 12 minutes) of inactivity. "9": Hardware components automatically power down after 900 seconds (15 minutes) of inactivity. "5": The monitor turns off automatically after 5 minutes of idleness. "20": The computer enters sleep mode after 20 minutes of inactivity. These settings can be easily configured using the "Power Options" feature in the Control Panel of commonly used Windows operating systems. Assuming a desktop computer with a monitor consumes approximately 300 watts, and is used for 16 hours a day, applying these power-saving measures can reduce electricity usage by about 140 kWh per month per computer, translating to an estimated NT$420 in savings on electricity bills. (12) Hold meetings via telephone, video conference, or Google Meet to reduce the energy consumption associated with transportation during business trips. C. Water consumption reduction policies: (1) Post water-saving slogans to foster the habit of turning off taps when not in use.	

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
			(2) The toilets are installed with a two-stage flush system, while the urinals have adopted a pressurized flush design to conserve water usage. (3) Purchase of water-saving labeled products. D. Waste management policies: (1) Provide training for laboratory personnel to enhance their familiarity with and ability to optimize experimental instruments and procedures; and introduce new testing equipment (e.g., the 3730XL Nucleic Acid Analysis System) to streamline testing processes and help reduce the generation of infectious waste during experiments. (2) Implement a resource recycling and waste classification system for items such as used batteries, optical discs (CDs/DVDs), toner cartridges, paper, and stationery. Use shredders to save space and facilitate paper recycling. Reusable computer equipment and discs can be sold through the internal platform. (3) Promote overall waste reduction among all personnel. (4) Ensure effective recycling, management, and classification of materials such as iron, aluminum, glass, waste paper, and plastic bottles. Appoint qualified personnel to oversee the handling, sorting, and recycling of waste, and strictly enforce resource recycling regulations to support environmental sustainability policies. E. Quantitative management goals for future years: (1) Short-term goals: Implement energy-saving, carbon reduction, GHG reduction, water usage management, and other waste management measures to achieve the target of reducing carbon emissions by 1% per capita annually; and formulate energy-saving and carbon-reduction management policies. (2) Mid-term goals: Take 2023 as the base year to reduce carbon emissions by over 5% by 2028, and continue to decrease emissions annually to reach the target value. (3) Long-term goals: Reduce carbon emissions by over 15% by 2035 and fully embrace green energy. The purchase of green products should account for over 30% of the Company's total purchases.	

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
4. Social Issues (1) Has the Company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		(1) Human rights policies The Company complies with the United Nations' "Universal Declaration of Human Rights", "Global Compact", "GI", "ILO Convention" and other international conventions on human rights, including "The Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), "Convention on the Rights of the Child (CRC)", and "Convention on the Elimination of All Forms of Racial Discrimination (ICERD)". We respect internationally recognized basic human rights, including the elimination of all forms of discrimination against women, children, and different races by individuals, organizations, or enterprises; and the protection of their reproductive rights. We are dedicated to maintaining employees' basic human rights; and building an environment that fully protects human rights. We support the elimination of any acts that violate human rights, with an expectation that all of our employees will be treated fairly and with dignity. **Human Rights Evaluation** While pursuing corporate sustainability, the Company pays great attention to enhancing the balanced interaction between humans and the environment, committed to promoting social responsibility towards employees and the overall environment. **Provide a Safe and Healthy Workplace with Good Communication** a. The Company promotes safe and health workplace through work rules and platforms such as the document management system and announcement management system. We regularly review an optimize relevant systems. b. Continue to foster a work environment that is both friendly and conducive to open communication, allowing our employees to work and develop happily. For example, we organize quarterly department gatherings, implement a leave policy, regularly host activities for employees or the Family Day event through the Employee Welfare Committee, and encourage employees to value and maintain a balance between their professional and personal lives. c. Establish "Human Factor Hazard Prevention Plan", "Regulations Governing the Prevention of Diseases Caused by Abnormal Workloads", "Regulations Governing Health Examination Operations", "Regulations Governing the Prevention of Illegal Infringement During the Implementation of Duties" and other	No material deviation is found.

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
			regulations to maintain the rights and interests of all employees and to build a friendly workplace. d. In the work rules, the Company has stipulated that the total daily work hours shall not exceed 12 hours, the total weekly work hours shall not exceed 7 days, and the maximum limit for overtime working hours shall be less than 46 hours. The Company also regularly promotes relevant regulations during labor-management meetings. **Value Labor's Rights and Interests, and Eliminate Discrimination** a. The labor contracts entered into between every employee and the Company comply with Taiwan's labor and human rights regulations. b. Our work rules specify the rights and obligations of our Company and employees regarding human rights, ensuring that every employee is treated fairly and respectfully. This includes the stipulation of the "Regulations Governing Sexual Harassment Prevention and Control Operations" and the provision of complaint channels. All relevant measures are specified in the annual report. c. We care for individuals with physical and mental disabilities, as well as disadvantaged groups. For example, these individuals are employed in proportion to the provisions outlined in the People with Disabilities Rights Protection Act or the Indigenous Peoples Employment Rights Protection Act. All forms of illegal discrimination, including those based on gender, race, social or economic status, age, marital status, and family status, have been eliminated. **Prohibit forced labor and adhere to labor laws and regulations of local government** Upon establishment of employment, both parties shall sign a labor contract specifying that the employment is established based on mutual agreement, as prescribed by law. If any adjustments to an employee's job duties are required due to business needs, the Company shall obtain the employee's consent according to "The Five Principles for Job Transfer" before making the adjustment. Any form of forced labor is prohibited. **Child and female labor** a. The Company shall not employ any child or adolescent below 18 years old. Any conduct that may lead to the employment of child labor is not allowed.	

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
			b. Advocate workplace gender equality and maintain the Company's employment gender ratio at 1:2.2. c. The Company has specified labor protection measures, especially for pregnant women, in the work rules. These measures include, but are not limited to, restrictions on working at night and prohibitions on engaging in hazardous tasks. **Salary and fringe benefits** Pay employees salaries that comply with all salary-related regulations, including provisions related to the minimum salary, overtime working hours, and prescribed fringe benefits. Employees are free to choose whether to receive overtime pay or compensatory leave. The Company upholds the principle of "equal pay for equal work" and regularly reviews the salary system to ensure internal equity and external competitiveness. **Humane treatment** It is prohibited to subject employees to any inhumane treatment. This includes all forms of sexual harassment, physical punishment, mental or physical coercion, or verbal insults. **Human rights protection training** a. Pre-employment training for new employees: Advocate compliance with laws related to human rights protection and the Company's internal communication framework to enhance employees' awareness of human rights. Promote sexual harassment prevention and control by teaching employees sexual harassment prevention concepts and informing them about how the Company handles sexual harassment. b. Advocate for the workplace bullying prevention mechanism: Assist employees in understanding workplace bullying to effectively avoid it. Create a friendly workplace that fosters open communication and promotes happiness. c. Provide diverse complaint channels: Establish employee complaint email box, hotlines, and an HR window for handling related matters.	
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	✓		(2) The Company has established work rules, which cover the Company's working hours, leave policies, pension payments, compensation for occupational accidents, and other provisions in compliance with the Labor Standards Act. The Company has also established the Employee Welfare	

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
			Committee to promote and facilitate the implementation of employee welfare initiatives. These approaches are summarized as follows: A. The Company provides assistance and benefits to employees in compliance with the Labor Standards Act and the Gender Equality in Employment Act. Examples are as follows: a. Providing maternity leave, pregnancy checkup leave, pregnancy checkup accompaniment leave, and family care leave. b. Approving parental leave without pay. c. Establishing breastfeeding rooms and providing childcare subsidies to reduce employees' parenting burdens. d. Each month, the Company sets aside 0.05% of its revenue for the Employee Welfare Committee in order to provide employees with bonuses for the three major Chinese festivals, monthly birthday gifts, marriage allowances, funeral allowances, maternity allowances, annual company trips, and other benefits. e. None of our employees are covered under the old labor retirement system. All employees are subject to the Labor Pension Act (the new pension scheme). Accordingly, 6% of each employee's monthly salary is contributed to their individual pension account at the Bureau of Labor Insurance, in compliance with statutory retirement protection requirements. B. The Company also appropriately reflects our operating performance or achievements in employees' compensation. The adopted approaches are as follows a. Establishment of the Remuneration Committee: The Company formulates and regularly reviews Directors and managerial officers' performance evaluation, as well as salary and compensation policies, systems, standards, and structures through the establishment of the Remuneration Committee. In order to attract and retain outstanding talents, the Company also established a comprehensive salary and compensation framework, which specifies not only salaries but also various allowances and bonuses. The "Employee Salary Adjustment and Promotion Management Guidelines" have also been established, enabling employees to receive salary adjustments and promotions contingent upon the company's profitability. b. Apart from receiving monthly salaries from the Company, employees are provided with performance bonuses or achievement	

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
			bonuses by our sales or technical departments based on their monthly sales performance. c. Implement performance evaluation rewards: Bonuses for the three major Chinese festivals, employees' remuneration, and year-end bonuses are distributed based on employees' seniority. Alternatively, employees may be promoted during the year or have their salaries adjusted accordingly. On average, the Company distributes 1.5 months of bonuses to our employees to achieve the goal of talent retention. d. Employees' remuneration: The "Regulations Governing Remuneration to Managerial Officers" were officially approved by the Board of Directors on November 10, 2021. These regulations serve the purpose of differentiating the remuneration distributed to managerial officers and employees, allowing employees to truly share in the benefits of the Company's operations.	
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	✓		(3) The Company provides employees with a safe work environment and strictly adheres to relevant regulations by establishing "The Guidelines for Safety and Health at Work". We regularly hold firefighting regulations courses and organize annual health checkups for all employees, as well as Family Day events and company trips. The Company complies with the law by purchasing labor insurance, national health insurance (NHI), and group insurance to protect the rights and interests of our employees, while fully supporting their balanced development in body, mind, and spirit.	
(4) Has the Company established effective career development training programs for employees?	✓		(4) The related career development training is as follows: 1. Professional skills training During the Company's semi-annual performance evaluation, both the managerial officer and the employee will engage in an in-person performance review to discuss the employee's career development and either set or revise their work plan. The Company has also established the "Guidelines for Employee Educational Training and Continuing Education", which outlines both internal and external training programs designed to meet the specific needs of each department. These initiatives aim to enhance and upgrade employees' knowledge and skills, support their career advancement by developing core competencies, and promote a holistic balance of their physical, mental, and emotional well-being. 2. Core competence training	

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
			Apart from enhancing employees' professional skills, the Company's internal training programs also cover essential topics such as corporate culture, personal data protection and management, ethical business practices, human rights, sexual harassment, and workplace bullying. Full-time employees may apply for continuing education based on their work needs. Upon approval by the relevant authority, employees will be granted official leave to participate in approved educational courses. 3. Managerial training and development To clearly define employees' career development, the Company has established the "Job Level and Title Structure " and the :Managerial Officer Training and Development Plan", both of which serve as frameworks to guide employees' career progression. Furthermore, following the performance evaluations conducted every June or December, or as needed based on individual requirements, direct supervisors may assess the characteristics of trainees and recommend managerial training programs. Upon approval, the training will be implemented, and a mentorship system may be introduced to facilitate the transfer of expertise and knowledge sharing. Currently, the Company has successfully developed three mid-level managerial officers, replacing underperforming staff with highly qualified individuals and encouraging the retention of top talent within the organization.	
(5) Does the Company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?			(5) 1. The marketing and labeling of our products and services fully comply with relevant regulations and international standards. We also offer a variety of product brochures and informational materials to provide customers with clear and accurate product details. 2. The Company provides multiple complaint channels and has established a section on our corporate website dedicated to stakeholders. If stakeholders' rights and/or interests are violated, customers can report related issues via the customer hotline, email, or corporate website to ensure their rights and interests are protected.	
(6) Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?			(6) The Company has established supplier management regulations and standards to ensure the stable sourcing and quality of their supplies. The Company has also strengthened suppliers' compliance with regulations related to labor rights, interests, and human rights, as well as labor health and safety, environmental protection, integrity and ethical standards, and so on, as reference criteria for selecting and regulating suppliers.	

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	
			a. New suppliers shall pass the evaluation before being contracted. The Company also evaluates suppliers based on their products, delivery time, services, price, and other factors, as part of our responsibility in managing and supervising suppliers. b. Evaluate key suppliers to ascertain whether they have a history of environmental and societal impact, as well as violations of labor rights. This is aimed at preventing transactions with those who may conflict with the Company's corporate social responsibility policies, and requires the signing of a “Supplier Corporate Social Responsibility Commitment Agreement”. c. Each year, the purchasing unit requests suppliers to provide the “Supplier Corporate Social Responsibility (CSR) Self-Evaluation Form” to review their implementation of CSR. The purpose of this is to enhance supply chain management, ensuring that suppliers collectively fulfill corporate social responsibilities and promote sustainable development.	
5. Does the Company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the Company obtain third party assurance or certification for the reports above?		✓	The Company's sustainability report is prepared in accordance with the disclosure guidelines outlined in the GRI Standards 2021, published by the Global Sustainability Standards Board (GSSB). The Company also takes into account both domestic and international sustainability trends, as well as the AA1000 Stakeholder Engagement Standard (2015), to identify and analyze issues of concern for stakeholders. These issues form the basis of the information disclosed in the report. Following approval by the Board of Directors, the report will be published. As of now, the Company has not received third-party assurance or verification.	A third-party verification will be conducted based on the situation in the future
6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviation from the principles in the Company’s operations: The Company has already established the “Sustainable Development Best Practice Principles” and there is no deviation from the principles in the Company's operations.				
7. Other important information to facilitate better understanding of the company’s promotion of sustainable development: (1) Environmental protection: The Company implements environmental protection measures in accordance with relevant regulations to fulfill our responsibilities as eco-friendly citizens. (2) Social welfare: Social welfare: Apart from managing our core business, the Company also donates to research or charitable institutions as needed (3) Human rights and employees’ rights and interests: a. The Company maintains a favorable work environment in accordance with the “Gender Equality in Employment Act” and the “Sexual Harassment Prevention Act”, in order to safeguard the employment rights of employees b. Official communication channels are established through irregular meetings, facilitating coordination among employees at all levels and ensuring that personnel from all departments can fully express their opinions. (4) Safety and health: The Company has always prioritized the management of employees’ occupational safety and health, with department heads continuously monitoring to control occupational safety and health risks, and improve performance. (5) Methods and frequency of communicating with stakeholders and response highlights:				

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	

Stakeholders	Communication methods	Frequency	Material topics of concern	Response highlights
Employees	• Work performance review • Labor-management coordination meeting • Employee Welfare Committee meeting • Assistance to employees and complaint channels • Internal meeting/ employee care interview	• Twice a year • Once per quarter • Once per month • Instantly • Irregularly	• Salary and benefits • Career development • Occupational health and safety • Labor relations • Feedback and communication	• Labor and management representatives should embody the principles of coordination and collaboration to strengthen the labor-management relationship and safeguard labor rights and interests. • Provide employees with smooth communication channels, such as the employee opinion platform, hotline, and designated email address to voice themselves, fostering a conducive communication environment. • The discount contracts with contracted stores have been signed, with details announced on the Company's internal website for the convenience of employees to check at any time.
Shareholders/ investors	• Shareholders' meeting • Investor conference • Financial statements • Major information on the Market Observation Post System (MOPS) • Corporate website (the "Investor Relations" section) • Investor visits	• Once a year • Twice a year • Quarterly • Instantly • Quarterly • Irregularly	• Performance and management of the Company's operating performance. • Compliance with regulations and standards • Corporate governance	• Actively disclose the Company's up-to-date operating status and financial performance to shareholders and investors through the Market Observation Post System (MOPS). • Disclose contact telephone numbers and email addresses, as well as a Q&A section in the "Investor Relations" section on the corporate website. Investors or shareholders can raise any questions at any time.

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	

Stakeholders	Communication methods	Frequency	Material topics of concern	Response highlights
Customers	• Customer satisfaction survey • Business visits • Official website/Member center /FB/IG/Blog Telephone/ email contacts	• Once a year • Instantly • Instantly • Instantly	• Product and service quality • Corporate operations and management • Compliance with regulations and standards Business image	• The progress of the report can be checked online. Sales representatives irregularly visit customers to understand their needs and collect their opinions.
Suppliers	• Supplier evaluation • Telephone/ email contacts • Business visits	• Once a year • Irregularly • Irregularly	• Company operations and management • Product and pricing competitiveness • Supplier management • Corporate social responsibility	• The Company's suppliers are required to sign the "Supplier Corporate Social Responsibility Commitment Agreement". • Each year, the purchasing unit requests suppliers to fill and submit the "Supplier Corporate Social Responsibility (CSR) Self-Evaluation Form". This form allows them to review the implementation of suppliers' corporate social responsibility. • The Company regularly assesses suppliers.

Evaluation items	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description (Note 1)	

Stakeholders	Communication methods	Frequency	Material topics of concern	Response highlights
Government	• Proactively disclose information on the Company's corporate website or Market Observation Post System (MOPS). • Bi-directional communication through official documents and emails. • Communication and discussions with the government and competent authorities via telephone.	Irregularly	• Legal compliance	The Company proactively adjusts its internal management practices in response to changes in laws and regulations and has therefore never been penalized or subjected to corrective actions.
Media	• Organize Investor Conferences and issue press releases. • Communication via telephone, email, and corporate website.	Irregularly	• Product and service quality • Company operations and management	The Company has adopted various communication methods and media channels to help stakeholders better understand the Company's sustainability-related practices.

(VII) Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
1. Establishment of ethical corporate management policies and programs				
(1) Does the Company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	✓		(1) The Company has established the "Code of Ethical Conduct for Directors and Managerial Officers" and "Business Integrity Operating Procedures and Code of Conduct"; and specified in the provisions that any amendments thereto shall be approved by the Board of Directors.	No material deviation is found.
(2) Whether the Company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Paragraph 2 of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	✓		(2) The Company has regulated relevant matters in the "Business Integrity Operating Procedures and Code of Conduct" and diligently implemented them.	
(3) Does the Company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	✓		(3) The Company has specified the types of benefits and regulated the scope of protection in the "Code of Ethical Conduct for Directors and Managerial Officers" and "Business Integrity Operating Procedures and Code of Conduct".	
2. Ethical management practice				
(1) Does the Company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	✓		(1) The Company does assess the ethical records of those with whom we have a business relationship. In case of finding any unethical conduct, the Company will immediately refuse to continue the business relationship.	All regulatory or necessary considerations shall be conducted in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and relevant regulations.
(2) Has the Company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?		✓	(2) The Company has designated our corporate governance team specifically for relevant operations. We have also allocated sufficient resources and capable personnel for amending, implementing, and interpreting these operating procedures and conduct guidelines, providing consultancy services, reporting and filing report details related to the operations, monitoring the implementation of relevant operations, and making regular reports to the Board of Directors.	
(3) Has the Company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	✓		(3) The Company has specifically prohibited any unethical conducts in the "Code of Ethical Conduct for Directors and Managerial Officers" and "Business Integrity Operating Procedures and Code of Conduct". Directors of the Board must, after stating their opinions and undergoing questioning, abstain from discussions and voting on agenda items in which they have conflicts of interest potentially detrimental to the Company's interests.	
(4) Does the Company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans	✓		(4) The Company has already established an effective internal control system, along with relevant regulations and accounting procedures that the implementation shall adhere to. Additionally, the Company	

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?			has designated our internal audit unit to develop internal audit plans, verify relevant transactions based on the audit plan, and report the implementation status to the Board of Directors Last reporting date: December 30, 2024.	
(5) Does the Company provide internal and external ethical corporate management training programs on a regular basis?	✓		(5) To guarantee compliance with ethical corporate management policies, the Company provides training programs for new employees. It is our goal that these training programs convey the Company's ethical corporate management concepts and instill this culture in the minds of every employee. To ensure that every employee shares the same values and concepts, we also periodically promote our ethical corporate management culture, with the hope that our employees will adopt it. In the future, we plan to organize seminars to further enhance our implementation of ethical corporate management.	
3. Implementation of complaint procedures (1) Has the Company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle- blowers? (2) Has the Company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner? (3) Has the Company adopted proper measures to protect whistle- blowers from retaliation for filing complaints?	✓		To encourage internal and external personnel to report any unethical or improper conduct, the Company maintains confidentiality regarding the identity of the whistleblower and the details of reported incident. We also ensure that whistleblowers are protected from any inappropriate handling resulting from their report. The Company has either established an internal independent reporting mailbox and hotline on our corporate and internal websites, or commissioned an external independent institution to provide the reporting mailbox and hotline for our Company's internal and external personnel. The personnel handling reported incident shall make a written declaration on keep confidentiality about the whistle-blower's identity and reported incident. The Company also commits to protecting the whistleblower from any improper treatment resulting from the act of reporting.	No material deviation is found.
4. Strengthening information disclosure Does the Company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	✓		The Company already established a corporate website to disclose company related information and has announced relevant information on the Market Observation Post System (MOPS).	No material deviation is found.
5. If the Company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviations between the principles and their implementation: The Company has established the "Code of Ethical Conduct for Directors and Managerial Officers" and "Business Integrity Operating Procedures and Code of Conduct" , and no material deviation is found.				
6. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the Company's reviewing and amending of its ethical corporate management best practice principles): (1) The Company adheres to the Company Act, Securities and Exchange Act, Business Entity Accounting Act, relevant securities regulations, and other regulations related to business conduct as the foundation for implementing ethical business practices.				

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
(2) The Company has specified the system for Directors to abstain from conflicts of interest in the “Rules for the Conduct of Directors Meetings”. For agenda items listed by the Board of Directors, Directors or legal persons represented by them should explain the significant details of their conflict of interest at the current board meeting. If they have conflicts of interest potentially detrimental to the Company's interests, they are not allowed to participate in discussions or voting, must abstain from discussions and voting, and are not allowed to exercise the voting rights of other directors. (3) The Company has established the "Operating Procedures for Handling Internal Material Information and Preventing Insider Trading", specifying that internal personnel and personnel who obtain the information due to their job must not disclose significant information to others. The Company also conducts periodic advocacy campaigns to remind our directors, managerial officers, and employees to pay attention to relevant regulations and regulations of the competent authority.				

(VIII) Other significant information that will provide a better understanding of the state of the Company's implementation of corporate governance may also be disclosed:

Statistics on Directors' (Including Independent Directors) continuing education status for the year 2024 is as follows:

Job title	Name	Date	Organizer	Name of the continuing education course	Hours
Chairperson	Su Yi-Ning	August 14,2024	Securities and Futures Institute (SFI)	Advanced Practice Conference for Board Members, (Independent) Supervisors, and Corporate Governance Officers	3.0
		November 13, 2024	Securities and Futures Institute (SFI)	The Challenges and Responsibilities of the Board of Directors under the Corporate Governance Evaluation Indicators and the Sustainability Action Plan	3.0
Director	Chen Chun-Hui	August 14,2024	Securities and Futures Institute (SFI)	Advanced Practice Conference for Board Members, (Independent) Supervisors, and Corporate Governance Officers	3.0
		November 13, 2024	Securities and Futures Institute (SFI)	The Challenges and Responsibilities of the Board of Directors under the Corporate Governance Evaluation Indicators and the Sustainability Action Plan	3.0
Director	Chen Ting-Yu	August 14,2024	Securities and Futures Institute (SFI)	Advanced Practice Conference for Board Members, (Independent) Supervisors, and Corporate Governance Officers	3.0
		November 13, 2024	Securities and Futures Institute (SFI)	The Challenges and Responsibilities of the Board of Directors under the Corporate Governance Evaluation Indicators and the Sustainability Action Plan	3.0
Director	Li Li-Chuan	August 14,2024	Securities and Futures Institute (SFI)	Advanced Practice Conference for Board Members, (Independent) Supervisors, and Corporate Governance Officers	3.0
		November 13, 2024	Securities and Futures Institute (SFI)	The Challenges and Responsibilities of the Board of Directors under the Corporate Governance Evaluation Indicators and the Sustainability Action Plan	3.0
Independent Director	Pan Yi-Shan	July 3,2024	Taiwan Stock Exchange (TWSE)	2024 Cathay Sustainable Finance and Climate Change Summit	6.0
		August 14,2024	Securities and Futures Institute (SFI)	Advanced Practice Conference for Board Members, (Independent) Supervisors, and Corporate Governance Officers	3.0
		September 10,2024	Taipei Exchange	Insider Equity Briefing for TWSE-Listed or Emerging Stock Companies	3.0

Job title	Name	Date	Organizer	Name of the continuing education course	Hours
		November 13, 2024	Securities and Futures Institute (SFI)	The Challenges and Responsibilities of the Board of Directors under the Corporate Governance Evaluation Indicators and the Sustainability Action Plan	3.0
Independent Director	Li Chien-Nan	August 14,2024	Securities and Futures Institute (SFI)	Advanced Practice Conference for Board Members, (Independent) Supervisors, and Corporate Governance Officers	3.0
		September 10,2024	Taipei Exchange	Insider Equity Briefing for TWSE-Listed or Emerging Stock Companies	3.0
		November 13, 2024	Securities and Futures Institute (SFI)	The Challenges and Responsibilities of the Board of Directors under the Corporate Governance Evaluation Indicators and the Sustainability Action Plan	3.0
		November 26, 2024	Accounting research and development foundation	Common Deficiencies Identified During Financial Statement Reviews and Recurring Issues Related to Asset Acquisitions and Disposals	3.0
Independent Director	Shih Fan-Chuan	August 14,2024	Securities and Futures Institute (SFI)	Advanced Practice Conference for Board Members, (Independent) Supervisors, and Corporate Governance Officers	3.0
		November 6, 2024	Securities and Futures Institute (SFI)	Internal Controls for Personal Data Management and Corporate Governance	3.0
		November 6, 2024	Securities and Futures Institute (SFI)	Analyzing Business Secrets and Managing Operational Risks for Directors and Supervisors	3.0

(IX) The state of implementation of the Company's internal control system

1. 2024 Statement on Internal Control

Sofiva Genomics Co., Ltd.

Statement of Internal Control System

Date: March 12, 2025

Based on the findings of a self-assessment, Sofiva Genomics Co., Ltd. (hereinafter referred to as "the Company") states the following with regard to our internal control system during the year 2024:

1. The Company's Board of Directors and managerial officers are responsible for establishing, implementing, and maintaining an adequate internal control system. Internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency and regulatory compliance of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
3. The Company evaluates the design and operating effectiveness of our internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component also includes several items which can be found in the Regulations.
4. The Company has evaluated the design and operating effectiveness of our internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, the Company believes that, on December 31, 2024, we have maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency and regulatory compliance of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of the Company's annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This Statement was passed by the Company's Board of Directors on March 12, 2025, with none of the seven attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Sofiva Genomics Co., Ltd.

Chairperson: Su Yi-Ning Stamp:

General Manager: Hung Chia-Cheng Stamp:

2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: None.

(X) Material resolutions of shareholders or board of directors' meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

1. Material resolution of shareholders' meetings

Date	Important Resolutions	Implementation
May 29, 2024	1. Adopt the Company's 2023 business report and financial statements proposals.	The resolution was passed.
	2. Adopt the Company's proposal for 2023 earnings distribution.	The resolution was passed, where the ex-dividend record date was June 6, 2024, and the cash dividend distribution date was July 26, 2024.
	3. Proposal for amendments to "Operating Procedures for Loans to Others".	The resolution was passed.

2. Material resolution of Board of Directors' meetings

Date		Important resolutions
March 13, 2024	1	The 2023 Directors' Remuneration Distribution Plan.
	2	The 2023 business report and financial statements.
	3	The 2023 earnings distribution proposal.
	4	The 2023 "Internal Control System Effectiveness Assessment" and "Internal Control Statement" proposals.
	5	Amendments to the Company's "Rules for the Conduct of Directors Meetings"
	6	Appointment of CPAs for the 2024 financial statements.
	7	Proposal for the full re-election of the Board of Directors
	8	List of nominated and finalized Director (Independent Director) candidates
	9	Proposal to remove the non-compete clause (NCC) for newly appointed Directors
	10	Matters concerning the Shareholders' Meeting's approval of Director (Independent Director) candidates nominated by shareholders
	11	Matters pertaining to the Company's 2024 shareholders' meeting.
	12	Proposal for the purchase of the laboratory's "3730XL Nucleic Acid Analysis System"
May 15, 2024	1	Proposal for the Company's 2024 consolidated financial statements for Q1.
	2	Establishment of the Company's "Sustainable Development Committee Charter"
May 29, 2024	1	The Company's chairperson re-election plan
	2	The Company's plan for appointing members to the 4th Remuneration Committee
August 14, 2024	1	Proposal for the Company's 2024 consolidated financial statements for Q2.
	2	Setting the record date for capital increase through conversion of employee stock warrants into common shares
	3	The Company's proposal for loaning money to the Thai subsidiary, Sofiva Genomics Bangkok Company Limited
	4	The Company's proposal for loaning money to SOFIVA Genomics Medical Laboratory
	5	The Company's proposal for loaning money to Sofiva Genomics Clinical Medical Laboratory
	6	Proposal for the Company's 2023 Sustainability Report
	7	Proposal for the monthly fixed remuneration for the Company's Independent Directors
November 13, 2024	1	Proposal for the Company's 2024 consolidated financial statements for Q3
	2	Proposal for formulating the Company's 2025 Internal Audit Plan
	3	Proposal for the establishment of the Company's "Sustainable Development

Date	Important resolutions	
		Committee”
December 30, 2024	1	Proposal for the Company’s 2025 Annual Budge
	2	Amendments to the Company’s “Internal Audit Implementation Rules”
	3	Amendments to the Company’s “Production Cycle”, “Procurement and Payment Cycle”, “Sales and Collection Cycle”, and “Asset Management Guidelines”
	4	Proposal for the establishment of the Company’s “Sustainability Information Management Procedures”
	5	Proposal for the establishment of the Company’s “Directors’ Remuneration Policy”
	6	Proposal to review the 2025 Directors Remuneration Policy, System, Standards and Structure
	7	Proposal to review the 2025 Board of Directors Performance Evaluation Standards
	8	Proposal for the 2025 Directors’ Year-End Bonus
	9	Proposal to review the 2025 Managerial Officers Remuneration Policy, System, Standards and Structure
	10	Proposal to review the 2025 Managerial Officers Performance Evaluation Standards
	11	Proposal for the 2025 Managerial Officers Performance Bonus
	12	Proposal for the 2024 Managerial Officers Performance Evaluation and Year-End Bons
March 12, 2025	1	2024 Directors Remuneration Distribution Plan
	2	2024 Employees Compensation Distribution Plan
	3	The Company’s 2024 business report and financial statements
	4	The 2024 earnings distribution proposal.
	5	The 2024 “Internal Control System Effectiveness Assessment” and “Internal Control Statement” proposals
	6	Amendments to the Company’s “Organizational Chart”
	7	Appointments of CPAs for the 2025 financial statements
	8	Amendments to the Company’s “Approval Authority Table”
	9	Amendments to the “Articles of Incorporation”
	10	Matters related to the Company’s 2025 Shareholders Meeting

(XI) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None.

IV. Information on the professional fees of the attesting CPAs

Unit: NT$1,000

Name of accounting firm	Name of CPAs		Period covered by the CPA audit	Audit fees	Non-audit fees	Total	Remarks
PwC Taiwan	Yu Chih-fan	Chih Ping-chun	January 1, 2024 – December 31, 2024	2,470	400	2,870	

Note: The Company’s non-audit fee is tax certificate, which is amounted NT$400,000.

(I) Whether the Company has changed its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year: N/A

(II) Whether the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more: N/A.

V. Information on replacement of CPAs

(I) Information regarding the former CPAs

Date of replacement	From Q1 of 2024			
Reason for replacement and explanation	The accounting firm made an internal adjustment to replace the CPAs.			
Describe whether the Company terminated or the CPAs terminated or did not accept the engagement	Parties / Circumstances		CPAs	The Company
	Terminated the engagement		N/A	N/A
	No longer accepted (discontinued) the engagement		N/A	N/A
If the CPAs issued an audit report expressing any opinion other than an unqualified opinion during the 2 most recent years, specify the opinion and the reasons	No			
Disagreement with the Company	Yes		Accounting principles or practices	
			Disclosure of financial reports	
			Audit scope or steps	
			Others	
	No	V		
	Specify details			
Other disclosures (Any matters required to be disclosed under sub-items d to g of Article 10.6.A)	No			

(II) Information regarding the successor CPAs

Name of accounting firm	PwC Taiwan
Names of CPAs	Accountant Yu Chih-fan, Accountant Chih Ping-Chun
Date of engagement	From Q1 of 2023
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the c	No
Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	No

(III) The reply letter from the former CPA regarding the Company's disclosures regarding the matters under Article 10.6.A and 10.6.B(c) of the Regulations: None.

VI. **Where the Company's Chairperson, General Manager, or any Managerial Officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed:** None.

VII. Any transfer of equity interests and/or pledge of or change in equity interests (finance) by a Director, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

(I) Changes in shareholding of Directors, managerial officers and major shareholders

Unit: Shares

Job title	Name	2024		As of April 6 for the year 2025	
		Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)	Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)
Chairperson and CEO	Su Yi-Ning	—	—	—	—
Institutional Directors and Top 10% Shareholders	Phoebus Genetech Co., Ltd.	—	—	—	—
Representative of Institutional Director	Chen Chun-Hui	—	—	—	—
Director	Chen Ting-Yu	—	—	—	—
Director	Li Li-Chuan	—	—	—	—
Independent Director	Pan Yi-Shan (Note 1)	—	—	—	—
Independent Director	Li Chien-Nan (Note 1)	—	—	—	—
Independent Director	Shih Fan-Chuan	—	—	—	—
General Manager	Hung Chia-Cheng	(132,000)	—	—	—
Independent Director	Ko Po-Cheng(Note 2)	—	—	—	—
Independent Director	Huang Li-Hua(Note 2)	—	—	—	—

Note 1：The director assumed office after the full re-election at the shareholders' meeting on May 29, 2024.
Note 2：The director stepped down after the full re-election at the shareholders' meeting on May 29, 2024.

(II) Information on related parties involved in equity transfers: None.

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

VIII. Relationship information, if among the Company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another

April 6, 2025; Unit: Shares

Name (Note 1)	Shareholding		Shareholding of spouse and minor children (Note 2)		Total shareholding by nominee arrangements (Note 2)		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree (Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Name of entity or individual	Relationship	
Phoebus Genetech Co., Ltd.	2,428,500	11.25%	-	-	-	-	Yala Investment Limited	The representatives are the same individual.	-
							Winsharp Investment Limited		
							Maiken Brothers Investment Co., Ltd.		
Representative: Chen Chun-Hui							Walsh Investment Limited	The representatives are relatives within the second degree of kinship.	
Yala Investment Limited	1,598,000	7.40%	-	-	-	-	Phoebus Genetech Co., Ltd.	The representatives are the same individual.	-
							Winsharp Investment Limited		
							Maiken Brothers Investment Co., Ltd.		
Representative: Chen Chun-Hui							Walsh Investment Limited	The representatives are relatives within the second degree of kinship.	
Walsh Investment Limited	1,348,200	6.24%	-	-	-	-	Phoebus Genetech Co., Ltd.	The representatives are relatives within the second degree of kinship.	-
							Yala Investment Limited		
							Winsharp Investment Limited		
Representative: Chen Chiu Ya-Hsiu							Maiken Brothers Investment Co., Ltd.		
Winsharp Investment Limited	1,312,000	6.08%	-	-	-	-	Phoebus Genetech Co., Ltd.	The representatives are the same individual.	-
							Yala Investment Limited		
							Maiken Brothers Investment Co., Ltd.		
Representative: Chen Chun-Hui							Walsh Investment Limited	The representatives are relatives within the second degree of kinship.	

Name (Note 1)	Shareholding		Shareholding of spouse and minor children (Note 2)		Total shareholding by nominee arrangements (Note 2)		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree (Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Name of entity or individual	Relationship	
Maiken Brothers Investment Co., Ltd.	1,063,000	4.92%	-	-	-	-	Phoebus Genetech Co., Ltd.	The representatives are the same individual.	-
							Yala Investment Limited		
							Winsharp Investment Limited		
Representative: Chen Chun-Hui							Walsh Investment Limited	The representatives are relatives within the second degree of kinship.	
Li Chih-Yung	574,000	2.66%							
Hung Chia-Cheng	489,000	2.27%	-	-	-	-	-	-	-
Wu Chu-Mei	480,000	2.22%	-	-	-	-	-	-	-
Su Yi-Ning	464,500	2.15%	96,000	0.45%	6,401,500	29.65%	Huian Investment Limited	Being a second-degree relative of the representative.	-
Tseng Wen-Chieh	459,000	2.13%	-	-	-	-	-	-	-

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

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

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

IX. The total number of shares and total equity stake held in any single enterprise by the Company, its Directors, managerial officers, and any companies controlled either directly or indirectly by the Company

December 31, 2024; Unit: Shares

Investee enterprise (Note)	Investment by the Company		Investment by the Directors, Supervisors, managerial officers and directly or indirectly controlled entities of the Company		Total investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
Phoebus Genetics Co., Ltd.	1,500,000	100%	-	-	1,500,000	100%
Sofiva Genomics Bangkok Co.,Ltd.	13,500	90%	1,200	8%	14,700	98%
Dianthus Co., Ltd.	14,825,000	16.56%	26,961,812	30.12%	41,786,812	46.68%

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

C. Information on Capital Raising Activities

I. Capital and shares

(I) Source of capital

1. Capital formation

Unit: NT$1,000/1,000 shares

Month/year	Issued price (NT$)	Authorized capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital (仟NT$1,000)	Capital paid in by assets other than cash	Other
Jun 2012	10	500	5,000	500	5,000	Initial capital 5,000	None	Note 1
Aug 2012	10	4,000	40,000	4,000	40,000	Capital increase by cash 35,000	None	Note 2
Mar 2013	10	10,000	100,000	5,000	50,000	Capital increase by cash 10,000	None	Note 3
Jan 2014	10	10,000	100,000	6,000	60,000	Capital increase by cash 10,000	None	Note 4
Mar 2014	10	10,000	100,000	8,000	80,000	Capital increase by cash 20,000	None	Note 5
May 2015	10	10,000	100,000	10,000	100,000	Capital increase by cash 20,000	None	Note 6
Jul 2015	10	22,000	220,000	10,000	100,000	Change in authorized capital	—	Note 7
Jan 2016	10	22,000	220,000	13,000	130,000	Capital increase by cash 30,000	None	Note 8
Jun 2016	10	22,000	220,000	13,910	139,100	Capitalization of retained earnings9,100	None	Note 9
Jul 2016	22	22,000	220,000	18,670	186,700	Capital increase by cash 47,600	None	Note 10
Nov 2017	15.6	22,000	220,000	18,744	187,444	Conversion of employee stock option certificates 744	None	Note 11
Jan 2018	72	22,000	220,000	18,979	189,794	Employee stock option for capital increase by cash	None	Note 11
Jan 2018	82.71	22,000	220,000	21,090	210,904	Capital increase by cash 21,110	None	Note 11
Feb 2019	14.3	30,000	300,000	21,159	211,588	Conversion of employee stock option certificates 684	None	Note 12
Jan 2020	13.1	30,000	300,000	21,215	212,152	Conversion of employee stock option certificates 564	None	Note 13
Jun 2020	13.1	30,000	300,000	21,219	212,192	Conversion of employee stock option certificates 40	None	Note 14
Mar 2021	11.7	30,000	300,000	21,261	212,616	Conversion of employee stock option certificates 424	None	Note 15
Mar 2022	11.1	30,000	300,000	21,362	213,624	Conversion of employee stock option certificates 101	None	Note 16
Sep 2024	69.4	30,000	300,000	21,593	215,934	Conversion of employee stock option certificates 231	None	Note 17

Note 1: Bei-Fu-Jing-Deng-Zi No. 1015036278.
Note 2: Fu-Chan-Ye-Shang-Zi No. 10186489420.
Note 3: Fu-Chan-Ye-Shang-Zi No. 10281957720.
Note 4: Fu-Chan-Ye-Shang-Zi No. 10380157410.
Note 5: Fu-Chan-Ye-Shang-Zi No. 10381679600.
Note 6: Fu-Chan-Ye-Shang-Zi No. 10483600600.
Note 7: Fu-Chan-Ye-Shang-Zi No. 10486040910.
Note 8: Fu-Chan-Ye-Shang-Zi No. 10580514900.
Note 9: Fu-Chan-Ye-Shang-Zi No. 10586564800.
Note 10: Fu-Chan-Ye-Shang-Zi No. 10589939020.
Note 11: Fu-Chan-Ye-Shang-Zi No. 10746027220.
Note 13: Fu-Chan-Ye-Shang-Zi No. 10945728900.
Note 14: Fu-Chan-Ye-Shang-Zi No. 10950483400.
Note 15: Fu-Chan-Ye-Shang-Zi No. 11046496810.
Note 16: Fu-Chan-Ye-Shang-Zi No. 11146638310.
Note 17: Fu-Chan-Ye-Shang-Zi No. 11352822010.

2. Type of stock

April 6, 2025; Unit: Shares

Type of stock	Authorized capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common share	21,593,400	8,406,600	30,000,000	The Company is listed on the over-the-counter (OTC) market

3. Information relating to the shelf registration system: None.

(II) List of major shareholders

The names, number of shares and shareholding ratios of shareholders who hold more than 5 percent or rank in the top 10 in shareholding.

April 6, 2025

Shares / Major shareholders	Shareholding (No. of shares)	Shareholding ratio
Phoebus Genetech Co., Ltd.	2,428,500	11.25%
Yala Investment Limited	1,598,000	7.40%
Walsh Investment Limited	1,348,200	6.24%
Winsharp Investment Limited	1,312,000	6.08%
Maiken Brothers Investment Co., Ltd.	1,063,000	4.92%
Li Chih-Yung	574,000	2.66%
Hung Chia Cheng	489,000	2.27%
Wu Chu-Mei	480,000	2.22%
Su Yi-Ning	464,500	2.15%
Tseng Wen-Chieh	459,000	2.13%

(III) The Company's dividend policy and implementation thereof

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

Upon the final settlement of accounts, if there is no surplus profit, the Company shall not distribute any dividends or bonuses. If there is surplus profit, the Company shall first pay the taxes due and make up the accumulated losses before allocating 10% thereof as legal surplus reserve, unless the Company's legal surplus reserve has already reached its total capital. The company shall also, in accordance with laws or regulations stipulated by competent authorities, allocate or reverse special surplus reserves before determining the annual distributable profits. The Board of Directors shall draft a proposal for earnings distribution based on the total of distributable profits of the year and the accumulated undistributed surplus from the previous year. The proposal shall then be submitted to the shareholders' meeting for approval, with the condition that the dividends distributed to shareholders should not be lower than 30% of the distributable surplus of the year. If the accumulated undistributed surplus is less than 1% of the paid-in capital, no distribution shall be granted. The surplus may be distributed as cash dividends or stock dividends. As the Company's operations are currently stable, the surplus is primarily distributed in cash, followed by stock dividends. However, the proportion of distributed cash dividends shall not be less than 30% of the total dividends. The Company authorizes that distributable dividends and bonuses, in whole or in part, may be paid in cash after the resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors as prescribed in Paragraph 5 of Article 240 of the Company Act. Alternatively, the Company may distribute the legal reserve and the following capital reserve, in whole or in part, in cash as prescribed in Paragraph 1 of Article 241 of the Company Act, and report it to the shareholders' meeting.

2. Dividend distributions proposed at the most recent shareholders' meeting

The Company's Board of Directors approved the proposal for 2024 earnings distribution on March 12, 2024. It is proposed to distribute a cash dividend of NT$0.3 per ordinary share, totaling $6,478,000.

3. Explanations on material changes in dividend policy: None.

(IV) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting: None.

(V) Profit-sharing compensation of employees and Directors:

1. The percentages or ranges with respect to employee and director profit-sharing compensation, as set forth in the Company's Articles of Incorporation:
If the Company generates any profit in the fiscal year, the Company shall allocate between 1% and 10% of the profit as employee profit-sharing compensation, and no more than 2% as director profit-sharing compensation. However, in the event of an accumulated deficit, the Company shall retain a specific amount to offset the deficit. The distribution of employee profit-sharing compensation in stocks or cash can only occur after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and shall be reported to the shareholders' meeting. The employee profit-sharing compensation in stock or cash can only be distributed to subordinate employees who meet certain criteria.

2. The basis for estimating the amount of employee and director profit-sharing compensation, for calculating the number of shares to be distributed as employee profit-sharing compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.
The estimation of the Company's employee and director profit-sharing compensation for the year 2024 is based on the distribution ratio stated in the Articles of Incorporation. If there is any discrepancy between the amount approved by the shareholders' meeting and the estimates stated in the financial report, such discrepancy will be considered as an estimated variance and recognized as profit or loss for the following year.

3. Information on any approval by the Board of Directors of distribution of profit-sharing compensation:
   (1) The amount of any employee profit-sharing compensation and director profit-sharing compensation distributed in cash or stocks. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment:
   On March 12, 2025, the Company's Board of Directors passed a resolution to approve the employee profit-sharing compensation for 2024 at NT$235,000 to be disbursed in cash.

The aforementioned employee and director profit-sharing compensations have been recognized as expenses in 2024, and there is no discrepancy between the recorded amount and the distribution amount proposed by the Board of Directors.

(2) The amount of any employee profit-sharing compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee profit-sharing compensation: This item is not applicable as the Company has opted for cash distribution.

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

There is no discrepancy between the actual distribution in 2023 and the employee and director profit-sharing compensation recognized in the 2023 financial report.

(VI) Status of the Company's repurchase of own shares: None.

II. The Company's issuance of corporate bonds: None.

III. Preferred shares: None.

IV. **Global depository receipts:** None.

V. Employee stock warrants

(I) Unexpired employee subscription warrants issued by the Company and the effect on shareholders' equity

April 6, 2025

Type of employee stock warrants	The 1st issue of employee stock warrants of 2020	The 2nd issue of employee stock warrants of 2020
Effective registration date and total number of units (shares)	May 13, 2020 770,000	May 13, 2020 230,000
Issue date	May 13, 2020	March 24, 2021
Number of units issued	77,000	230,000
Number of units still available for issuance	-	-
Ratio of the number of issued subscribable shares to the total number of shares issued	3.60%	1.08%
Duration	5 year	5 year
Exercise method	Issuance of new shares of common stock	Issuance of new shares of common stock
Vesting period and percentage (%)	Upon completion of 2 years: 20% Upon completion of 3 years: 50% Upon completion of 4 years: 100%	Upon completion of 2 years: 20% Upon completion of 3 years: 50% Upon completion of 4 years: 100%
Number of shares subscribed through exercise of the warrants	217,000	14,000
Amount of the shares subscribed through exercise of the warrants (NT$)	11,433,400	632,800
Number of unexercised shares	378,000	31,000
Subscription price per share of the unexercised shares	52.6	45.1
Ratio of the number of unexercised shares to the total number of issued shares (%)	1.75%	0.14%
The effect on shareholders' equity	If the employee stock warrants from this issuance are fully exercised, it is expected to increase the common stock capital by NT$10,000,000. The difference between the subscription price and the face value will then be recognized as capital surplus.	If the employee stock warrants from this issuance are fully exercised, it is expected to increase the common stock capital by NT$10,000,000. The difference between the subscription price and the face value will then be recognized as capital surplus.

(II) Names and acquisition/subscription status of managerial officers who have obtained employee stock warrants and of employees who rank among the top ten in terms of the number of shares to which they have subscription rights through employee stock warrants acquired

April 6, 2025; Unit: 1,000 shares; NT$1,000.

	Job title	Name	No. of shares acquired	Ratio of acquired shares to total issued shares	Vested				Unvested			
					No. of scribed shares	Subscription price (NT$)	Subscription amount (NT$)	Ratio of subscribed shares to total issued shares	No. of scribed shares	Subscription price (NT$)	Subscription amount (NT$)	Ratio of subscribed shares to total issued shares
	General Manager	Hung Chia-Cheng	220	1.02%	-	52.6	-	-	220	52.6	11,572	1.02%
	Finance Director	Chang Fu-Chien										
Top 10 employee stock option holders	Manager Director	Fang Mei-Ya	270	1.25%	153	52.8 and 52.6	8,064	0.71	117	52.6	6,154	0.54%
	Product Manager	Wang Yu-Chu										
	Technical Director	Kuo Tzu-Ling										
	Technical Director	Lin Tzu-Kang										
	Technical Director	Chen Yi-Chu										
	Accounting Manager	Yang Shih-Yu										
	Audit Manager	Peng Hui-Wen										
	Operational Manager	Chang Shu-Yun										
	Operational Manager	Lin Shu-Yuan										

(III) Status of any private placement of employee stock warrants up to the date of publication of the annual report: None.

VI. **New restricted employee shares:** None.

VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: None.

VIII. Implementation of the Company's capital allocation plans: None.

D. An Overview of Operations

I. A description of the business

(I) Scope of business

1. Major lines of business

Sofiva Genomics (hereinafter referred to as “the Company” or “we”) has gathered authoritative physicians, experts, and consultants from maternal-fetal medicine, cancer genetic medicine, genetic medicines, and clinical medicine. Our expectation is to leverage the expertise of both clinical physicians and research scientists to bridge medical research and clinical diagnosis through the translation of medicine, thereby realizing the important mission and value of genetic medicines.

Our team is dedicated to developing internationally renowned local services for genetic testing across six major product lines in a dual main axis:

Fetal (maternal-fetal) genetic medicine: The Company offers a series of maternal-fetal genetic testing services spanning various stages, including preconception, pregnancy, newborns, and children. Following the progress of technology, we have also adopted diverse foundational screening and diagnostic programs in reproductive medicine, obstetrics, gynecology, and pediatrics. This enables early screening and disease diagnosis, thereby facilitating more decisions regarding pregnancy and treatment

Cancer genetic medicine: Cancer ranks among the top 10 causes of death in Taiwan. Apart from the ongoing development of treatment medications, the flourishing progress of genetic testing provides cancer patients with the opportunity for precise medication. This not only enhances patients' quality of life and extends their longevity but also aligns with the future trends of precision medicine.

Professional genetic counseling services: Offering various genetic counseling services for different diseases can assist clinical physicians in targeting specific conditions and interpreting genetic reports. It also enables patients and their families to gain a greater understanding when confronting the disease, leading to better comprehension and informed decision-making regarding treatment and follow-up.

(1) Reproductive Genetic Testing

Combined with in vitro fertilization (IVF) treatments at assisted reproductive centers, this option aids families with genetic diseases in excluding abnormal gene embryos using Preimplantation Genetic Testing for Monogenic Disorders (PGT-M) technology before implantation and pregnancy. This helps to prevent families from being impacted by severe genetic diseases while fulfilling their needs for rescue babies. For couples experiencing infertility, recurrent miscarriages, or chromosomal abnormalities due to known or unknown factors, Preimplantation Genetic Testing for Aneuploidy (PGT-A) and Non-Invasive Preimplantation Genetic Testing for Aneuploidy (niPGT-A) can assist them in selecting chromosomally healthy embryos to improve the likelihood of pregnancy. Today, genetic testing technology plays a significant role in reproductive medicine by assisting more couples in reducing the risk of hereditary genetic diseases while increasing their pregnancy rate.

(2) Prenatal Genetic Testing

The utilization of PlGF, sFlt1, and hemodynamics on an international scale has enabled the prediction of preeclampsia (PE), leading to the publication of several related international academic journals. This advancement has significantly assisted numerous pregnant women in successfully avoiding the potentially lethal risks associated with preeclampsia (PE).

In early days, the Company was dedicated to research on carriers of spinal muscular atrophy (SMA) and fragile X syndrome. In recent years, our research scope has expanded to include screening for various hereditary diseases. The aim is to conduct early assessments of latent diseases to prevent their inheritance to future generations and enable clinical physicians to offer comprehensive family disease risk assessments and genetic counseling to mitigate relevant risks.

We have applied internationally advanced Next Generation Sequencing technology to conduct non-invasive prenatal chromosome screening, chromosomal microdeletion detection, and monogenic disease screening in Taiwan. This technology enables us to, as early as 10 weeks into pregnancy, draw 10cc of maternal blood to assess the health status of the fetus.。

The Company stands as a pioneer in introducing array Comparative Genomic Hybridization (aCGH) technology into prenatal diagnosis in Asia. Having applied this technology in over 10,000 cases, we have successfully assisted customers in identifying fetal chromosome and chromosomal microdeletion

problems. Presently, we have enhanced this technology to offer unique monogenic disease testing, capable of detecting up to 82 specific monogenic diseases.

(3) Newborn Genetic Testing

In the early days, we focused on pioneering research and development in otolaryngology, with a specific emphasis on addressing hearing loss. Our efforts led to the groundbreaking innovation of newborn Hearing-Loss Genetic Testing, which has since been implemented in early screenings for newborns. Today, our Newborn Genetic Testing services have expanded to include screening for drug hypersensitivity reactions, central nervous system diseases, metabolic diseases, hematological diseases, multi-symptom diseases, immunodeficiency diseases, pediatric cancers, epilepsy, muscular diseases, visual loss, congenital heart defects, Congenital Cytomegalovirus (CMV) Infection Screening, and Atopic Dermatitis Genetic Screening.

(4) Rare Diseases Genetic Testing

The primary cause of most rare diseases is genetic defects: Some arise from mutations, some are hereditary, and some remain unidentified with definite pathogenic factors. This is the reason that Sofiva Genomics continues to innovate and develop in the field of genetic medicines, offering customized genetic testing options that meet various clinical diagnosis needs. Our goal is to uncover pathogenic factors for families impacted by rare diseases, providing additional solutions for human genetic medicine and aiding customers in need.

(5) Cancer Genetic Testing

The breast cancer history of Angelina Jolie’s family has deeply influenced public awareness of preventive medicine. The concept of seeking early screening for hereditary conditions for early prevention in clinical settings has advanced due to the progress of medical technology.

Utilizing the circulating tumor DNA (ctDNA) detection technology, which identifies tumors circulating in the blood, in cancer patients can provide a more accurate real-time assessment of the patient's tumor status compared to traditional imaging and biomedical examinations. This not only leads to early detection of tumor recurrence and effective monitoring of treatment outcomes, but also serves as a diagnosis basis prior to targeted therapy, assisting physicians in adjusting treatment strategies. In regard to early cancer screening for healthy people, in addition to the Cervical Cancer Pap Smear Screening promoted through the "6-minute nursing for life" slogan, Sofiva Genomics also aligns with global trends by providing forward-looking services, where the HPV (Human Papillomavirus) Screening is considered a frontline defense in safeguarding women's health.

(6) Precision Medicine Genetic Testing

The international guidelines have continuously updated genetic diagnosis and integrated it with even more effective treatment strategies, including precision treatment with specific cancer-targeted drugs. Major international pharmaceutical companies have continuously announced drugs that have passed clinical tests and their applications. Some of these drugs require accompanying genetic testing results to ensure compliance with drug applicability and national health insurance coverage. Genetic testing prior to the administration of effective drugs for specific diseases in clinical conditions is essential for achieving optimal medical strategies in precision medicine.

(7) Genetic Counseling Services

Apart from forming a strong research and technology team to provide the best testing services, Sofiva Genomics also has a professional team of genetic counselors who offer “genetic counseling services” for various diseases. This enables patients and their families to better understand the inheritance patterns of the disease and the likelihood of recurrence. Besides offering pathological interpretations, we also prioritize the psychological well-being of patients and their families by offering them additional care and psychological support, enabling them to gain more understanding and make informed decisions regarding further treatment and management when facing diseases.

Starting from new life and aiming for health protection. Sofiva Genomics’ team has integrated the use of Sanger Sequencing and various new technologies, including Next Generation Sequencing (NGS)、Oligonucleotide Microarrays、and Multiplex Ligation-dependent Probe Amplification (MLPA), to rapidly read the gene sequences for investigation. This enables their applications in genetic analysis and diagnosis platforms required by patients of different clinical departments and ensures technical quality through international certification.

We have established collaborative relationships with both Illumina and Roche, globally renowned as leading testing companies. We have also integrated extensive sample verification data and experiences, greatly enhancing testing accuracy and precision.

2. Business contribution of major products

Unit: NT$1,000; %

Year / Major products	2023		2024	
	Sales amount	Business proportion	Sales amount	Business proportion
Genetic testing	466,544	100.00	453,159	100.00
Others	253	0.00	153	0.00

3. The Company's current products (services)

(1) Reproductive Genetic Testing

Every mother is cautious during pregnancy, hoping to give her baby the best gift – health. However, some families carrying pathogenic genes such as haemophilia, thalassemia, and spinal muscular atrophy (SMA) are more prone to having babies with genetic illnesses compared to ordinary couples. There are also mothers who suffer from infertility, advanced maternal age pregnancy, and recurrent miscarriage. They often endure miscarriages caused by chromosomal abnormalities in the embryo and struggle to conceive even after multiple attempts at assisted reproduction. Fortunately, medical technology now offers solutions that can alleviate the sorrows of these families and help them escape this pain.

A. Preimplantation Genetic Testing for Monogenic Disorders (PGT-M)

Preimplantation Genetic Testing for Monogenic Disorders (PGT-M), together with in vitro fertilization (IVF), examines whether the embryos have specific genetic disorders using embryo biopsy, whole genome amplification (WGA), and personalized diagnostic probes after fertilization of the sperm and egg, but before implantation of the embryo into the uterus.

Successfully Applications of the Preimplantation Genetic Testing for Monogenic Disorders (PGT-M)

1	β-thalassemia	39	Ectodermal dysplasias
2	Arrhythmogenic right ventricular dysplasia (ARVC)	40	Hypokalemic periodic paralysis (HOKPP)
3	Achondroplasia (dwarfism)	41	Juvenile polyposis syndrome (JPS)
4	Adrenoleukodystrophy (ALD)	42	Kennedy disease
5	Adrenoleukodystrophy (ALD)	43	Krabbe disease
6	Congenital nephrotic syndrome (CNS)	44	Lesch–Nyhan syndrome (LNS)
7	Androgen insensitivity syndrome (AIS)	45	Limb-girdle muscular dystrophy (LGMD2I)
8	Ankylosing spondylitis	46	Marfan syndrome
9	Aromatic L-amino acid decarboxylase (AADC)	47	Meckel-Gruber syndrome
10	Auditory neuropathy	48	Menkes syndrome
11	Autosomal dominant polycystic kidney disease (ADPKD)	49	Metachromatic leukodystrophy (MLD)
12	Autosomal recessive polycystic kidney disease (ARPKD)	50	Molybdenum cofactor deficiency
13	Bardet-Biedl syndrome	51	Mucopolysaccharidosis type 2 (MPS2)

14	Beckwith-Wiedemann syndrome	52	Multiple acyl-CoA dehydrogenase deficiency (MADD)
15	Branchio-oto-renal (BOR) syndrome	53	Neurofibromatosis type 1 (NF1)
16	Bruton agammaglobulinemia	54	Noonan syndrome
17	Bullous congenital ichthyosiform erythoderma	55	Ornithine transcarbamylase deficiency (OTCD)
18	Cerebral autosomal dominant arteriopathy with subcortical infarcts and leukoencephalopathy (CADASIL)	56	Osteogenesis imperfecta (OI)
19	Charcot-Marie-Tooth disease (CMT)	57	Periventricular heterotopia (PH)
20	Citrullinemia type 2	58	Phenylketonuria (PKU)
21	Color blindness	59	Retinoblastoma
22	Congenital adrenal hyperplasia (CAH)	60	Retinitis pigmentosa (RP)
23	Congenital hearing impairment	61	Sensorineural hearing loss
24	Congenital generalized lipodystrophy	62	Severe combined immunodeficiency (SCID)
25	DiGeorge syndrome	63	Spinal muscular atrophy (SMA)
26	Duchenne/Becker muscular dystrophy (DMD/BMD)	64	Spinocerebellar ataxia type 1 (SCA1)
27	Epidermolysis bullosa simplex	65	Spinocerebellar ataxia type 2 (SCA2)
28	Epidermolytic palmoplantar keratoderma	66	Spinocerebellar ataxia type 3 (SCA3)
29	Fabry disease	67	Spinocerebellar ataxia type 6 (SCA6)
30	Facioscapulohumeral muscular dystrophy (FSHD)	68	Spinocerebellar ataxia type 17 (SCA17)
31	Familial adenomatous polyposis (FAP)	69	Spondyloepiphyseal dysplasia tarda (SEDT)
32	Fragile X syndrome	70	Neuronal ceroid lipofuscinosis (NCLs)
33	Glycogen storage disease type 1A (GSD1A)	71	Tuberous sclerosis complex (TSC)
34	Glycogen storage disease type 2 (Pompe Disease)	72	Von Hippel-Lindau (VHL) disease
35	Haemophilia A	73	Waardenburg syndrome
36	Haemophilia B	74	Wilson's disease
37	Human leukocyte antigen (HLA)	75	X-linked juvenile retinoschisis (XLRS)
38	Huntington’s disease (HD)	This list is only an example, as there are now over a hundred successful cases of using disease probes.	

B. (Non-Invasive) Preimplantation Genetic Testing for Aneuploidy (PGT-A/niPGT-A)

Preimplantation Genetic Testing for Aneuploidy (PGT-A), together with in vitro fertilization (IVF), examines whether there are any abnormalities in the 46 chromosomes of the embryos using embryo biopsy, whole genome amplification (WGA), and Next Generation Sequencing (NGS) technology after fertilization of the sperm and egg, but before implantation of the embryo into the uterus. Then the embryos with normal chromosomes are implanted into the uterus, greatly increasing the pregnancy rate.

As PGT-A requires embryo biopsy to obtain cells for testing, and since embryo invasive procedures carry risks, we have developed a new technique that only requires a sample of embryo

culture medium. This medium contains circulating DNA released from the embryo cells, which can be used for chromosome screening. This technique is called Non-Invasive Preimplantation Genetic Testing for Aneuploidy (niPGT-A).

The Sofiva Genomics PGT-A/niPGT-A provides in vitro fertilization couples with even more diverse screening options. Both tests have adopted Next Generation Sequencing (NGS), an internationally recognized technology with higher sensitivity, to facilitate the detection of even more chromosome variations. With the increasing population facing infertility, this technology has successfully assisted thousands of couples in achieving childbirth and is believed to have even broader application in the future. The Company has taken the lead in the industry by incorporating mosaic level into the embryo grading criteria, drawing from up-to-date clinical literature. This approach subdivides embryos into five grades, aiming to provide our customers and physicians with more information to precisely increase the embryo implantation success rate.

(2) Prenatal Genetic Testing

The new "inverted pyramid of prenatal care" proposed by the British authority in fetal medicine, Professor Kypros H. Nicolaides, specifically emphasizes that the focal point of prenatal care has shifted to the first trimester. That is, during this period, the high-risk population can undergo screening and receive attentive care and regular monitoring from professional medical teams. On the other hand, the low-risk population is advised to undergo a high-level ultrasound examination at the 20th week; if no abnormalities are found, they should wait until the 37th week to assess fetal position and prepare for delivery.

Sofiva Genomics has developed comprehensive prenatal testing that incorporates new knowledge and technologies into routine checkups to reduce screening risks and enhance convenience, providing the best assistance and care for pregnant women and their fetuses.

A. SOFIVA Non-Invasive Prenatal Screening (SOFIVA NIPS v1.0/ v2.0/ v3.0)

SOFIVA Non-Invasive Prenatal Screening (SOFIVA NIPS) is a safe, rapid, and accurate next-generation method for fetal chromosome testing. After the 10th week of pregnancy, pregnant women can undergo a blood draw to extract fetal circulating DNA from plasma for high-throughput sequencing using the latest Next Generation Sequencing (NGS) technology. The obtained results are then subjected to bioinformatics analysis to detect whether the fetus is affected by chromosomal abnormalities, chromosomal microdeletions, or common skeletal-related disorders.

Non-invasive screening is the new trend in prenatal check-ups, offering advantages such as early-stage testing, no risk of miscarriage, high accuracy of over 99%, and no delivery risk due to local service. Sofiva Genomics has collaborated with the global testing giant illumina® to offer the most precise testing technologies and an abundant database containing domestic and foreign data. These enable us to provide testing services for all 23 pairs of chromosomes, 20 types of microdeletions, and 20 types of skeletal abnormality pathological loci, as well as subsequent professional genetic counseling services. This product is one of the Company's star products that has rapidly exceeded threefold growth in Taiwan. The Company has also designed different plans tailored to the specific needs of various countries and regions, with the aspiration to enter the international market and extend our testing services to even more regions.

B. SOFIVA Array (v1.0 / v2.0 / v3.0)

Array comparative genomic hybridization (aCGH) resolves the limitations of karyotyping in detecting chromosomal microdeletions. The American College of Obstetricians and Gynecologists (ACOG) even recommended the clinical value of aCGH in 2013.

Sofiva Genomics has accumulated years of clinical experience. In addition to utilizing the oligo microarray to test over 1,000 types of chromosomal microdeletion symptoms, we have also, under the recommendation of clinical physicians, incorporated over 80 types of monogenic diseases into the first-line routine testing. This is to provide a wider range of disease testing services to clinical physicians and families with pregnant women.

C. SOFIVA Carrier Scan v1.0 / v2.0 / v3.0

Seeing babies grow up safely and healthily is the greatest hope of parents. According to official statistics, approximately 3-6% of newborn babies worldwide succumb to congenital defects. Among them, 20% perish due to genetic factors, and there are over 10,000 types of genetic diseases associated with monogenetic disorders. These conditions can result in physical, cognitive, or organ defects in patients and may even lead to miscarriage in mothers. Sofiva Genomics utilizes the latest Next Generation Sequencing (NGS) technology to examine tens to hundreds of genetic mutations through blood tests, significantly reducing the risk of inherited genetic diseases.

Sofiva Genomics is the first testing team to have developed various screening tests for autosomal recessive diseases. We have compiled a database containing tens of thousands of individuals' data from the nation. From this database, we have selected 341 hereditary autosomal recessive diseases, enabling families, reproductive centers, and departments of gynecology and obstetrics to have a wide range of medical choices. Our goal is to assist even more people concerned about genetic diseases in understanding whether they are at risk of these conditions through testing.

D. Risk Assessment for Early/Late-Onset Preeclampsia

From various obstetric complications, "preeclampsia (PE)" is the one that impacts most significantly on the mothers and fetuses. The Early Preeclampsia Risk Assessment - Placental Growth Factor (PlGF), Pregnancy-Associated Plasma Protein-A (PAPP-A) screening, and Late-Onset Preeclampsia Risk Assessment - the soluble FMS-like tyrosine kinase-1/placental growth factor (PIGF) ratio can predict the occurrence of preeclampsia (PE) at an early stage, enabling timely and appropriate treatment to mitigate serious risks to the lives of both the pregnant woman and the fetus.

Sofiva Genomics is the first team to have developed such testing in Taiwan, and we have compiled a database containing tens of thousands of individuals' data from the nation to offer pregnant women more medical choices. This product is a testing service that our Company greatly values, as it allows us to help many families happily welcome new lives through testing and early-stage treatment and prevention.

E. Spinal Muscular Atrophy (SMA) Carrier Screening

Spinal muscular atrophy (SMA) is a hereditary autosomal recessive disease. In Taiwan, one out of forty people is a carrier, with the carrier rate second only to thalassemia. Although carriers do not develop the disease, when both parents are carriers, each pregnancy has a 1/4 chance of producing a baby with severe symptoms.

The Company began developing Spinal Muscular Atrophy (SMA) Genetic Testing in 2003 and has successfully established a testing system. Through continuous research and testing, we have utilized the high throughput, high sensitivity, and high specificity of the Multiplex Ligation-dependent Probe Amplification (MLPA) technology to rapidly and accurately screen carriers with an accuracy rate of 95-98%. This testing enables high-risk families to fully grasp the potential risks they may encounter and proactively prepare for them before childbirth.

F. Fragile X Syndrome Carrier Screening

Fragile X syndrome is a common hereditary intellectual disability disorder caused by the abnormal repetition of the CGG trinucleotide sequence in the FMR1 gene on the q27.3 region of the X chromosome. It can impact the development of brain neurons and result in intellectual problems, learning disabilities, hyperactivity, autism, and other symptoms.

Women before or during early pregnancy; couples with a family history of fragile X syndrome, intellectual disabilities, growth delays or autism; or those with early menopause, high levels of follicle-stimulating hormone (FSH), premature ovarian failure (POF) or history of other infertility are advised to undergo testing. This is especially important for couples at high risk of passing on genetic abnormalities that could lead to intellectual disabilities in their offspring. Currently, there are no curative medications available, and the progression of symptoms is extremely slow, making diagnosis and detection prone to errors or oversight.

G. Folate Metabolism Genetic Testing

Individuals with the MTHFR genetic mutation may experience impaired folate absorption, leading to elevated homocysteine levels in the blood and increasing the risk of cardiovascular diseases and megaloblastic anemia in adult patients. For pregnant women, this can have implications for fetal neural tube development; those with mild symptoms may experience bladder or gastrointestinal dysfunction, or paralysis of both legs; and those with severe symptoms may suffer from congenital malformations, such as spina bifida, anencephaly, or hydrocephalus, potentially leading to death shortly after birth.

Undergoing early testing can help women increase their intake of folic acid before or during pregnancy, ensuring they receive regular antenatal monitoring. Women who have previously had fetuses with neural tube defects, especially need to supplement with sufficient active folic acid under medical advice.

H. Congenital Infection Testing

- Toxoplasma Gondii Infection Screening

Toxoplasma gondii infection is a widely shared disease among humans and animals, with cats serving as the ultimate host of Toxoplasma gondii. Any pregnant woman infected for the first time during the first trimester can transmit the infection vertically to the fetus through the placenta, resulting in multiple systemic damages to the fetus. Examples include hydrocephalus, neurological damage, varying degrees of intellectual developmental disorders, low intelligence quotient, and even miscarriage, stillbirth, or malformed fetuses.

- Cytomegalovirus (CMV) Infection Screening

Cytomegalovirus (CMV) is a ubiquitous virus, with approximately 70% of pregnant women in Taiwan having been infected before pregnancy. If a woman becomes infected with CMV during early pregnancy, there is a 25% chance of transmitting it to the fetus, leading to conditions such as cognitive and locomotive impairments, hepatosplenomegaly, hearing loss, or central nervous system abnormalities after birth. Toxoplasma gondii infection screening and Cytomegalovirus (CMV) infection screening are conducted by extracting maternal blood or amniotic fluid for the detection of IgM and IgG antibodies in the immune serum. For pregnant women with positive results, we first conduct blood, amniotic fluid, and umbilical cord blood testing, followed by comprehensive treatment counseling services.

(3) Newborn Genetic Testing

The current government subsidies for Newborn Congenital Metabolic Disorder Screening and Newborn Hearing Screening only aid in detecting infants who have already developed metabolic diseases or moderate to severe hearing loss, allowing for immediate medical intervention.

Sofiva Genomics is committed to developing Newborn Genetic Testing. Through the use of the latest Next Generation Sequencing (NGS) technology, we are able to simultaneously test for a wider range of disease-related genes and promptly identify any genetic abnormalities. “Early detection, early treatment” has always been a fundamental principle in disease management. By identifying diseases before symptoms appear in infants and initiating treatment early, most patients can achieve favorable treatment outcomes, which greatly benefits both the baby and the entire family.

A. SOFIVA Baby Scan v1.0/v2.0/v3.0

- Drug hypersensitivity reaction and diseases

Drug hypersensitivity reaction refers to an infant's hypersensitive response to specific medication. It commonly presents as skin flushing, rashes, hives, itching, palpitations, difficulty breathing, asthma and, in severe cases, anaphylactic shock and even death.

Sofiva Genomics has targeted 7 genes associated with drug hypersensitivity to conduct locus detection in order to identify genes related to hypersensitive reactions associated with the following drugs: antiepileptic drugs, analgesics, antibiotics, and anesthetics. This testing can help to avoid the use of related drugs by patients or physicians, or adjust their usage accordingly to prevent severe hypersensitive reactions.

- Metabolic diseases

  According to medical statistics, about 60 out of 200,000 newborns are infected with a specific congenital metabolic disease. These abnormalities cause substances that should be metabolized to either accumulate and form toxic substances in the newborn's body or become deficient, leading to irreversible harm to their bodily functions.

  The initial symptoms of these diseases may not be readily apparent. However, as the levels of toxic metabolites increase or crucial substances decrease over time, clinical symptoms become more pronounced or acute, necessitating a series of examinations for a definitive diagnosis and leading to the possibility of missing the optimal treatment window. Therefore, early genetic testing for prompt genetic confirmation and timely medical interventions, such as nutritional, physical, and pharmacological therapies, are recommended.

- Hearing losses

  Parents must pay attention to their children's hearing problems during their growth, as hearing impairment can affect their development and result in delays in language and learning. Apart from testing for four genes and six loci, Sofiva Genomics has further developed the testing to include 36 hearing loss-related genes, enabling parents to better understand the causes of their children's hearing loss and the likelihood of its occurrence. Early detection and treatment are crucial, providing more preparation for the auditory development of children before school age.

- Hematological diseases

  Related diseases such as hereditary hemorrhagic telangiectasia and leukopenia are associated with abnormal vascular formation and repair rather than blood clotting problems or deficiencies in clotting factors. They are classified as types of vascular malformations and, when they occur, subsequent care such as blood transfusions and symptom monitoring may take place. Early detection of locus abnormalities can be achieved through sequencing relevant genes.

- Multi-symptom diseases

  The occurrence rate of related diseases, such as cystic fibrosis (CF), is about 1 in 3,200 among white people and 1 in 10,000 to 1 in 20,000 among Asian people. Due to defects in the CFTR gene, patients' epithelial cells in exocrine glands cannot properly transport chloride ions. This can lead to abnormal mucus secretion (resulting in thick and dry secretions) that obstructs secretion ducts in multiple organs, further affecting the functions of the respiratory, digestive, and reproductive systems. Besides, concerning leukopenia, since white blood cells play a crucial role in combating infections, a decrease in their count indicates a compromised immune system, leading to an increased risk of infection with severe cases posing a threat to life. Therefore, early detection through relevant genes can mitigate risks to infants.

- Immunodeficiency diseases

  Related diseases, such as severe combined immunodeficiency (SCID), are caused by a low number or malfunction of T cells in the immune system. Due to the lack of immune function, patients can suffer from recurrent infections by bacteria, viruses, and fungi, or experience chronic diarrhea or delayed growth. Without treatment, most patients can die within a year after birth.

  If these diseases can be diagnosed early and patients receive HLA-matched hematopoietic stem cell transplantation (HSCT) or umbilical cord blood stem cell transplantation promptly, the likelihood of treatment success is significantly enhanced. Among patients who undergo HSCT before reaching 3 months of age, 95% can survive. However, if transplantation is delayed until after three months of age, only 70% of patients can achieve long-term survival. Therefore, Newborn Metabolic Screening plays a crucial role in identifying variant loci to enable early treatment.

- Pediatric cancers

  Malignant tumors do not often occur in eyes. Among children, Retinoblastoma is the most common, occurring at a rate of 1/20,000 in the United States. Of these cases, 30% are inherited, while 70% are not. Moreover, only 80% of patients are diagnosed before reaching school age,

around 3 to 4 years old. Since these children often remain undetected for eye impairments, especially when it affects only one eye, parents may struggle to recognize the issue. Given the significant impact of children's visual health on their learning and development, Newborn Genetic Testing is considered essential.

- Epilepsy

  Infantile epileptic encephalopathy presents with frequent, treatment-resistant epilepsy seizures and severe early encephalopathy, often resulting in limited neurological development and a shortened lifespan. Epilepsy in affected children typically manifests before they reach two months of age, with half of the cases being diagnosed within the first 10 days of life. Furthermore, some mothers may perceive fetal seizures during the third trimester of pregnancy. If seizures occur, regular monitoring is recommended, and antiepileptic drugs may be administered as needed for treatment.

- Muscular diseases

  Muscular diseases, such as spinal muscular atrophy (SMA), can result in gradual muscle weakness and atrophy. However, patients' intellectual development typically remains normal, and onset can occur from birth to adulthood. Currently, there are several drugs available for patients of specific ages, and the dosage of SMN gene therapy is determined based on individual patient needs. However, as new drugs recently introduced to the market require further validation of their long-term efficacy and effects, early detection of such diseases through Newborn Genetic Testing can significantly alleviate the burden on families.

- Visual loss

  Congenital iris coloboma presents with incomplete development of all or part of the iris and fovea centralis of the retina, resulting in reduced vision and nystagmus. It often occurs in infants and is frequently accompanied by late-onset cataracts, glaucoma, and corneal abnormalities. Confirming whether patients carry abnormal sequence changes in the PAX6 gene can confirm the diagnosis of isolated congenital iris coloboma, and subsequent treatment can be managed through visual care.

- Congenital heart defects

  Congenital heart disease refers to structural abnormalities in the heart present at birth. This condition arises from obstruction or abnormal development during fetal heart formation. According to statistics, approximately seven to ten newborn infants out of every 1000 are affected by congenital heart disease, with ventricular septal defect (VSD) being the most common.

  If the ventricular septal defect (VSD) is severe, a large volume of blood shunting can lead to pulmonary hypertension, causing patients to experience shortness of breath, susceptibility to pneumonia, delayed growth, and eventually heart failure. In such case, Newborn Genetic Testing can perform relevant gene hotspot examinations, enabling timely identification and, when necessary, facilitating appropriate surgical interventions for treatment.

  Most Marfan syndrome patients are tall in stature and are well-suited for engaging in sports-related activities. However, they frequently encounter challenges related to their skeletal, muscular, and cardiac health. Clinically, such symptoms often lead to suspicion and diagnosis by cardiologists. Due to the common occurrence of aortic dissection in these patients, strenuous exercise is discouraged. Detecting any genetic abnormalities can significantly reduce the risk of sudden death resulting from intense physical exertion.

B. Hereditary Sensorineural Hearing Loss Screening

In Taiwan, approximately 600 to 2,000 newborns are diagnosed with congenital sensorineural hearing loss (3‰-1%) each year. As over 90% of these cases occur in children born to parents with normal hearing, many of them miss the critical period for language acquisition, impacting their language learning, cognitive abilities, communication skills, and social interactions.

After analyzing the domestic sensorineural hearing loss group, Sofiva Genomics reveals that the highest occurrence rate of genetic hearing loss among Taiwanese people is associated with four genes and six loci: GJB2, SLC26A4, mitochondrial 12S rRNA, and OTOF. Among these, the GJB2 gene is associated with two hotspots, which have been extended to the 681-nucleotide GJB2 whole exome sequencing (WES) in the Baby Scan (BS) project (v1.0/v2.0/v3.0), enabling the detection of other potential hearing loss loci. Early diagnosis can facilitate early treatment, enabling patients to achieve normal language learning and physical and mental development. Parents can also benefit from this information by seeking genetic counseling when preparing for subsequent pregnancies.

C. Congenital Central Hypoventilation Syndrome Screening

Although some babies may not exhibit neurological, muscular, or lung issues under clinical conditions and appear normal when awake during the day, they may experience increasingly low respiratory rates and even forget to breathe while sleeping at night, leading to oxygen deficiency or sudden death due to breathing irregularities during sleep.

The research conducted by Sofiva Genomics indicates that sleep apnea, medically known as “congenital central hypoventilation syndrome (CCHS)”, is caused by mutations in the PHOX2B gene within the newborn's body. The occurrence rate of this disease is 0.1-1 per 10,000, and many current cases of sudden infant death may be caused by such a disease. Together with the current newborn blood spot screening, Sleep Apnea Genetic Testing may be performed after the birth of a newborn for early diagnosis, enabling the provision of appropriate preventive measures to reduce the probability of babies dying in their sleep. Some patients may also experience improvement or even complete resolution of their symptoms as they grow up.

D. Congenital Cytomegalovirus (CMV) Infection Screening

Cytomegalovirus (CMV) is one of the most common viral infections in Taiwan. Although most infected individuals do not exhibit apparent symptoms, the virus can remain dormant for life and be transmitted to others after infection. When the immune system is significantly weakened due to severe burns, major illnesses, or organ transplantation, the virus can reemerge and trigger serious diseases. For unborn babies, cytomegalovirus (CMV) is particularly concerning. Mothers who have been previously infected with CMV can transmit antibodies to their fetus during pregnancy, providing protection and potentially ensuring a healthy birth. However, for pregnant women who are infected with CMV for the first time during pregnancy, babies may suffer from vertical transmission through the placenta, leading to various serious problems and even death within days or weeks after birth. These symptoms may manifest at birth or gradually worsen over many years. Each year, approximately 3,600 newborns in Taiwan are infected with CMV, and 8% of babies with congenital hearing loss are attributed to this disease. If babies are confirmed to be infected and exhibit symptoms, they can receive antiviral medication under the guidance of a healthcare professional to reduce the likelihood of symptom progression.

E. Atopic Dermatitis Genetic Screening

Atopic dermatitis (AD) is one of the most common chronic skin diseases in children. According to official statistics from Taiwan’s National Health Insurance Administration, approximately 6.8% of people are affected by this disease, which often manifests with dry, cracked, and inflamed skin after two months of birth. What is worse is that, as patients age, this condition can develop into symptoms such as rhinitis, hay fever, and asthma. Although most patients experience a reduction or disappearance of skin allergies as they reach adulthood, various research and observations indicate a strong genetic factor in this disease, suggesting that babies in subsequent generations may be hereditarily affected. While genetic predispositions cannot be altered, recent research suggests that early identification of high-risk infants, coupled with the application of high-efficiency moisturizers to bolster skin barrier function prior to symptom onset, can significantly increase skin moisture retention. Furthermore, implementing suitable measures such as anti-dust mite and antibacterial bedding, clothing, and air purifiers can substantially reduce allergen infiltration, resulting in a reduction of the onset rate of atopic dermatitis by more than 30%.

(4) Companion Diagnostic Testing for Cancer Treatment Evaluation

Cancer ranks among the “Top 10 Causes of Death” among nationals, with nearly thirty thousand deaths attributed to cancer each year. Currently, diagnosing cancer relies on clinical conditions, physical examinations, and serum tumor marker testing. However, upon identification, patients often find themselves at the mid-to-late stages of cancer, or with tumors that have metastasized, leading to a relatively low survival rate. Therefore, understanding how to detect cancer in its early stages for effective treatment and to enhance patient survival rates are crucial areas of focus. Thanks to advancements in molecular biomedicine, we now possess a deeper understanding of cancer, including its association with genetic mutations. Cancer Genetic Testing is the screening of genes that are likely to contribute to cancer, and is applied before any symptoms have been identified. By identifying mutations at the earliest stage possible, we have the opportunity to detect lesions for a timely response and even preventive actions.

A. SOFIVA Cancer Risk Genetic Testing v1.0/v2.0

Every person has inherited the genes from their parents and the genes that most of the people obtained from their parents are normal. Nevertheless, few of them have inherited mutations or abnormal tumor suppressor genes. These abnormal tumor suppressor genes can disrupt their cancer-inhibiting functions, potentially leading to the transformation of cells into cancerous ones.

Research suggests that around 10% to 20% of cancers stem from familial inheritance, known as hereditary cancer. Hence, Sofiva Genomics offers the “Hereditary Cancer Genetic Testing” option, as hereditary cancer tends to manifest at an earlier age than spontaneous cancer of the same type. Experts and scholars also suggest that people with a history of hereditary cancer can receive testing at a young age because individuals carrying any hereditary gene mutation may have a higher risk compared to ordinary people. This is something physicians should consider during cancer treatment and tracking strategies.

B. SOFIVA Cancer Risk – Women Cancer Screening

Each year, over 7,000 women are diagnosed with breast and reproductive tract-related cancers. These patients are mainly diagnosed and treated by breast cancer experts and gynecologic oncologists, and this number also indicates that female reproductive tract cancers (FRCs) are diseases that are worth attention and care. Currently, treatment for women's cancers mainly involves a combination of surgery, radiation therapy, chemotherapy, hormonal therapy, and Poly (ADP-Ribose) Polymerase Inhibitor (PARPi) treatment. However, due to the high recurrence rate, determining the most appropriate personalized medical approach and advancing medical interventions through early-stage screening and diagnosis have become crucial endeavors for enhancing women’s health.

Currently, we not only collaborate with clinical physicians but also aggregate data from databases related to women's cancers in Taiwan to offer comprehensive hereditary genetic testing with a focus on breast cancer, ovarian cancer, and endometrial cancer. This approach allows us to extend care to a larger number of women.

C. SOFIVA Cancer Risk – Colorectal Cancer Screening

Colorectal cancer is prevalent among Chinese populations. According to the statistics of the Ministry of Health and Welfare in 2023, it ranks third in cancer mortality, following liver and lung cancers. While environmental factors play a significant role in most cases, research suggests that up to 35% of cases are linked to hereditary factors. Examples of renowned hereditary colorectal cancers include hereditary nonpolyposis colorectal cancer (HNPCC) and familial adenomatous polyposis (FAP).

If a family member is diagnosed with a colon polyp or if two or more family members are diagnosed with colorectal cancer, it's crucial for other family members to seek medical support for further evaluation and check-ups. Early diagnosis of colorectal cancer enables prompt treatment. Therefore, the Company offers comprehensive genetic testing for colorectal cancer to families in need of further testing.

D. BRCA1/2 Screening

About half of hereditary breast cancer patients are diagnosed before the age of 40. Furthermore, not only do members of their families have a significantly elevated risk of inheriting breast cancer, but there is also a heightened likelihood of both females and males within the same family developing ovarian and prostate cancers. According to research, about 5% to 10% of breast cancer cases are related to family heredity. The most frequently discussed genetic variations related to this are the BRCA1 and BRCA2 genes, which account for 30% to 50% of breast cancer cases caused by mutations in these genes.

The genetic mutation of the BRCA1 and BRCA2 genes arises from autosomal dominant inheritance. In hereditary breast cancer families, once BRCA1 or BRCA2 mutations occur, all descendants of the family have a 50% chance of carrying these mutated genes, leading to a significantly increased risk of cancer. For females with a BRCA genetic mutation, the probability of developing breast cancer is 50% before the age of 50 and 87% before the age of 70, with a 44% probability of developing ovarian cancer before the age of 70. Males with a BRCA genetic mutation, on the other hand, also face the risk of developing breast and prostate cancers.

Moreover, the National Health Insurance (NHI) provides reimbursement for corresponding targeted drugs, such as PARP inhibitors, for breast and ovarian cancer patients. The NHI reimbursement principles for these drugs require patients to undergo testing to determine whether they carry the BRCA genetic mutation first. The reason is that these drugs are effective in inhibiting tumor growth only for patients with the BRCA mutation. Therefore, the application for NHI reimbursement necessitates the results of this testing. This is good news for patients of this kind.

E. HPV (Human Papillomavirus) Screening

The Cervical Smear Test is the most common method for screening cervical cancer, but 30% to 40% of cervical abnormalities cannot be detected through this test. Additionally, as many as 30% of women with cervical cancer may have had normal results from their last smear test. Cervical cancer is highly related to human papillomavirus (HPV). According to data from the World Health Organization (WHO), more than 99% of cervical cancer cases are caused by HPV infection, with over 70% of patients being infected by HPV types 16 and 18. Therefore, High-Risk HPV (Human Papillomavirus) Screening is extremely important for the prevention of cervical cancer.

Sofiva Genomics offers HPV (Human Papillomavirus) Screening services. If the screening results are positive, the individual is advised to undergo follow-up examinations at a medical institution as soon as possible, follow the physician's instructions, and continue monitoring the HPV infection status to prevent the occurrence of cervical cancer.

F. SOFIVA Cancer Scanning

In the past, cancer screening for healthy individuals relied solely on imaging examinations and traditional tumor markers. However, tumors typically only draw attention after they have manifested on imaging or through tumor markers, which often occurs at a late stage.

After discussions with clinical physicians, Sofiva Genomics has decided to introduce liquid biopsy. This involves a blood test to detect the presence of circulating tumor DNA (ctDNA) in examinees' bodies. This approach has been approved for its ability to detect the formation of various tumors at least six months prior to their discovery through imaging, without radiation

exposure, anesthesia, or traditional screening methods with low detection rates. SOFIVA Cancer Scanning is a new testing option offered to individuals concerned about their physical health.

(5) Precision Medicine Genetic Testing

The human genome has been sequenced. In the past, finding functional genes was like finding a needle in the ocean. Now, after the decoding of the gene sequence, these genes can be identified based on specific details and this testing, categorized as precision testing and pharmacogenomic testing, can be widely applied in the diagnosis, prevention, and treatment of diseases.

A. SOFIVA Comprehensive Genomic Profiling (CGP)

Following our growing understanding of the cancer genome in recent years, genetic testing now plays an even more important role in cancer treatment, allowing us to obtain a large amount of mutation information and cancer treatment suggestions from a single test. As cancer genetic testing has advanced, more mutated genes have been discovered as markers for selecting suitable Poly (ADP-Ribose) Polymerase Inhibitor (PARPi) treatments. The CGP genetic testing comprehensively analyzes 324 known cancer-related genes. Through Hybrid Capture-Based Next Generation Sequencing technology, we can fully detect four types of genetic mutations, including single nucleotide variants (SNVs), insertions/deletions (InDels), copy number variations (CNVs), and gene rearrangements; and learn about three genetic characteristics, including tumor mutation burden (TMB), microsatellite instability (MSI), and loss of heterozygosity (LOH). Moreover, conducting a wide analysis on tumor genes and clinical variations can help us to find ideal medicines for cancer patients and create even more treatment possibilities.

B. SOFIVA Cancer Monitor v1.0/v2.1/v2.2/v3.0/
lung cancer/ breast cancer/ colorectal cancer/ bile duct carcinoma/ urothelial carcinoma/BRCA1/2

Conventional cancer examinations require the use of medical imaging and tissue sampling to diagnose pathological lesions. However, these lesions often manifest at the late stage of development, when treatment efficacy and prognosis tend to be low. Nevertheless, with the rise of precision medicine, the early detection of cancers and serious diseases has been considered one of the key targets for combating these severe illnesses. In addition to performing Cancer Monitor Testing through traditional tissue biopsy, the circulating tumor DNA analysis technology (liquid biopsy) also enables medical personnel to detect ctDNA in the blood, providing immediate information on the status of cancer cells and aiding in making the most appropriate medical decisions thereafter

We have collaborated with Roche and Illumina to utilize the most advanced Next Generation Sequencing (NGS) and liquid biopsy technologies to offer patients of different cancer types and treatment stages a wider range of testing options. This enables clinical physicians to select the most appropriate precision testing for their patients.

For patients considering targeted therapy but without tissue specimens available, we will utilize SOFIVA Cancer Monitor v2.1 to test 77 types of genes. These genes cover criteria-based drug use genes, FDA-approved targeted therapy genes, and genes involved in ongoing clinical trials. This examination aims to identify whether there are pivotal genes related to targeted therapy or drug resistance in the tumor, enabling patients to choose the most suitable treatment.

For patients undergoing cancer treatment, evaluating the effectiveness of the treatment is an important topic in clinical practice.

The assessment following traditional therapy relies on medical imaging for diagnosing tissue lesions, with room for improvement in evaluating subtle molecular changes. Through preoperative/postoperative blood circulating tumor genetic analysis (liquid biopsy) and tumor genetic analysis, medical personnel can detect subtle changes in circulating tumor genes in the blood, assess the extent of tumor tissue reduction within the body, and provide the most appropriate subsequent medical decisions.

Depending on the patient's condition, our SOFIVA Cancer Monitor service can provide tissue and liquid biopsy monitoring tests for up to 249 genes, which is the highest on the market. Our goal is to allow patients to verify the probability of tumor recurrence or metastasis after cancer surgery (tissue) and before recurrence or metastasis (liquid) through ctDNA testing. This way, if necessary, physicians can change therapy as early as possible to provide patients with better medical care.

C. SOFIVA Cancer Track

For patients who have undergone the SOFIVA Cancer Monitor (liquid biopsy) service, we provide follow-up genetic testing services to confirm any changes in monitoring tumor recurrence and medication information, thus ensuring continuous patient health monitoring.

D. Endometrial Cancer Genetic Subtypes

According to the 2022 Cancer Registry Statistics (based on the 111th year of the Republic of China calendar), Endometrial cancer currently ranks 5th among female cancers, The number of newly diagnosed endometrial cancer cases reaches as many as 3,541 per year. When endometrial cancer is diagnosed early, the cure rate is high, with nearly all stage 1 patients able to achieve recovery. Regarding treatment methods, the current approach is therapy. For patients experiencing metastasis after surgery or in the late stage of cancer, either radiation therapy or chemotherapy is adopted. Additionally, targeted therapy and immunotherapy may also be utilized.

In the past, the treatment of endometrial cancer was determined not only based on general clinical examination, but also on immunohistochemistry. In recent years, the NCCN Treatment Guidelines of the United States suggest including genetic testing classification to facilitate judgment on subsequent treatment regimens. This testing service provides physicians and patients with four key benefits: (1) identifying patients with a favorable prognosis, thus avoiding unnecessary treatment; (2) pinpointing patients with a poor prognosis, prompting an escalation in treatment intensity; (3) aiding in the assessment of the necessity for immunotherapy; and (4) confirming whether the endometrial cancer stems from hereditary Lynch Syndrome.

E. Prostate Cancer Genetic Testing

Prostate cancer is one of the malignant tumors that frequently occur in males worldwide. In Taiwan, while cancer is the primary cause of death among the top 10, prostate cancer ranks fifth among all cancers, with approximately 1,700 patients passing away due to it every year. The current treatment approach for prostate cancer involves the use of hormone drugs. Nevertheless, patients may develop drug resistance within one to two years of using these drugs. Consequently, patients' conditions can worsen, leading to the development of hormone-refractory metastatic castration-resistant prostate cancer (mCRPC).

With the rapid development of precision medicine in oncology, PARP inhibitors, known as new targeted therapeutic drugs, are now available for hormone-refractory mCRPC patients. However, the premise of using them is that the patients must have mutations in BRCA1/2 or DNA repair-related genes.

Prostate Cancer Genetic Testing not only evaluates the possibility for patients to have hereditary Lynch syndrome but also helps to identify patients who are eligible for using PARP inhibitors and immunotherapy, assisting physicians in providing the most precise and effective treatments to patients

F. HRD Status:

Ovarian cancer is one of the most common female cancers globally. It currently ranks 7th in Taiwan among female cancers in terms of occurrence and death rates. Every year in Taiwan, approximately 1,800 women are diagnosed with this disease and over 600 women die from it. Sofiva Genomics has collaborated technically with SOPHiA GENETICS, a leading entity in the global data-sharing network, and utilizes illumina's NGS sequencing technology to detect 28 HRR genes, including BRCA1/2, and the Genomic Integrity Index (GII). This assists clinicians in identifying ovarian cancer patient groups suitable for treatment with poly (ADP-ribose) polymerase (PARP) inhibitors. In the past, clinical practice primarily relied on BRCA1/2 Screening, which could only identify around 22% of ovarian cancer patients suitable for targeted cancer drugs. However, HRD Status testing can increase this rate to 50%. HRD positivity is most commonly observed in ovarian, breast, and prostate cancers. In the future, more patients with other cancers can select appropriate targeted cancer drugs through HRD Status testis.

(6) Rare Diseases Genetic Testing

A. Rare diseases are those seldom encountered conditions with a low prevalence rate, including severe thalassemia, adrenoleukodystrophy (ALD), osteogenesis imperfecta (OI; brittle bone disease), and spinocerebellar ataxia (SCA; Penguin Family). The number of known patients with these diseases ranges from hundreds to thousands. Furthermore, some rare diseases have only a few cases worldwide, of which neither you nor I have heard.

Although rare diseases are seldom seen, it does not necessarily mean that they are incurable. Thanks to the continuous efforts of the global medical community, solutions have been found for some rare diseases. For these treatable or manageable rare diseases, timely and appropriate testing and diagnosis, along with the administration of orphan drugs, strict dietary controls, or consumption of special formula foods, can yield significant results, preventing children from experiencing developmental delays, intellectual disabilities, or even death.

Since our establishment, Sofiva Genomics has maintained close collaboration and conducted clinical research with the Health Promotion Administration (HPA), the Taiwan Foundation for Rare Disorders, as well as medical academic and research units and institutions. We have fulfilled our corporate citizenship responsibility by providing testing services to rare disease patients and carriers, ensuring that their infection risks are reduced or mitigated through early treatment and control.

B. Relationship Identification Testing examines the DNA of the child to confirm whether they carry any gene fragments from the parent. If the gene fragment results are identical, the parent-child relationship is established; if more than three loci differ, the parent-child relationship is ruled out. If one or two loci differ, it may indicate genetic mutation, and additional testing on the genetic loci is recommended for further identification. The testing provides nearly 100% accuracy in identifying relationships and has a 99.99% accuracy rate in confirming parent-child relationships. The biggest difference between the DNA relationship identification provided by Sofiva Genomics and conventional testing methods is that it can be performed on different specimens, such as blood, oral cells, and tissues. Since every person’s DNA is unique, much like the fingerprints, specimens containing DNA serve as an effective and accurate approach for relationship identification

(7) Genetic Counseling Services

Genetic counseling is a communication process aimed at addressing the occurrence or potential occurrence of various human genetic diseases, providing assistance to individuals or families. For example, it involves recognizing medical facts and disease inheritance patterns, including diagnosing the possible course of the disease and exploring potential treatment options. It also entails assessing the risk of the disease occurring in specific relatives, determining appropriate decisions, actions, and measures when faced with such risks, and addressing how to adapt to family members' illness and respond to disease recurrence. Sofiva Genomics has a team of professional genetic counselors to provide tailored genetic counseling for various diseases. Our goal is to assist patients and their families in gaining a deeper understanding of disease inheritance patterns and the probability of recurrence. In addition to offering explanations on pathology, we prioritize the psychological well-being of patients and their families, providing them with additional care and support for psychological adjustment.

4. The new products (services) planned for development

The genetic testing items that the Company has developed in stages by leveraging our advantages in clinical testing technology, the testing contents, and the departments to which the testing is applicable:

Development items	Content of testing	Applicable departments in clinical settings
Cancer Genetic Testing		
Whole Genome Cancer Screening	With advancements in genomic technology, circulating cell-free DNA (cfDNA) testing has been widely applied in fetal aneuploidy screening. However, recent studies have revealed that cfDNA data may inadvertently detect tumor signals originating from the mother, highlighting its potential value in early cancer screening. cfDNA is a circulating DNA fragment released into the bloodstream following the breakdown of human cells. It contains DNA from normal cells, fetal cells (in pregnant women), and tumor cells. Traditionally, cfDNA sequencing has been primarily used in non-invasive prenatal screening (NIPS) to detect fetal chromosomal abnormalities. However, when test results reveal multiple chromosomal abnormalities and variations, it may indicate the presence of an undiagnosed tumor in the pregnant woman. This finding has opened new possibilities for cancer screening. Building on this foundation, our R&D team is committed to developing an even more precise cfDNA analysis technique to differentiate DNA signals originating from normal cells, fetal cells, and tumor cells. Our goal is to enhance the sensitivity and specificity of cancer screening. We aim to further optimize data analysis algorithms, with the hope that abnormal tumor-derived DNA can be used to detect cancer at an even earlier stage, providing patients with the opportunity for earlier diagnosis.	Cancer screening related department
Optimization of Cancer Monitor Products	To further enhance the comprehensiveness and precision of testing, the Company plans to integrate cutting-edge genetic testing technologies developed by Memorial Sloan Kettering Cancer Center (MSKCC), one of the world's foremost cancer treatment institutions. This includes MSK-ACCESS® and MSK-IMPACT®, which provide in-depth analysis of the cancer genome and improve disease monitoring, marking a significant advancement in precision medicine. MSK-ACCESS® is a non-invasive liquid biopsy test that performs ultra-deep sequencing on ctDNA in plasma to rapidly track cancer-related genetic variations, dynamically monitor tumor progression, and comprehensively address tumor heterogeneity, making cancer monitoring sharper and more efficient. MSK-IMPACT®, on the other hand, is a high-resolution genetic sequencing technique designed for tumor tissues. This technique can precisely identify key genetic mutations in both common and rare cancers, providing in-depth tumor gene mapping and facilitating decision-making for precision diagnosis and customized treatment. Through the integration of MSK-ACCESS® and MSK-IMPACT®, we will provide clinical physicians with even more comprehensive and precise information on cancer genomes. From early detection to customized treatment, this will enable more efficient and precise cancer management, offering	Cancer screening related department

Development items	Content of testing	Applicable departments in clinical settings
	patients more forward-looking treatment options and hope for better health.	

(II) An overview of the industry

1. The current status and development of the industry

Biotechnology is an emerging technology that can enhance human health and well-being. With advancements in technology and its integration with other fields, biotechnology has been widely applied across various economic sectors. Moreover, in response to changes in population demographics, climate change and other global trends, there is increasing attention on healthcare, quality of life, and environmentally sustainable operations. These factors have led to the rapid development of the interdisciplinary knowledge-intensive biomedicine industry, making it a priority focus for countries worldwide.

Taiwan possesses specific advantages in the development of the biomedical industry innovation. For example, we have outstanding biomedical talents, internationally renowned medical technologies, support from government policies, and high market demand. All of these have resulted in the prosperous development of our domestic biomedical industry. To further enhance the strength of the domestic biotechnology industry, our government has promulgated the “Act for the Development of Biotech and Pharmaceutical Industry” and integrated all ministries, administrations, and commissions to launch the “Taiwan Biotechnology Takes Off Diamond Action Plan”, “Taiwan Biotechnology Takes Off Action Plan”, and “Taiwan Bioeconomy Industry Development Plan”. It is our expectation that our domestic industries will align with world trends and get involved in the international market to enhance the visibility and share of Taiwan’s biomedical industry in the global market.

Moreover, following the completion of “gene decoding” in 2000, issues related to gene sequencing have become the focus of the world. The continuous evolution of the groundbreaking Next Generation Sequencing (NGS) technology has led to the emergence of services related to human genes. This is also why DNA sequencing technology has become crucial in life science research and a highlight for expanding genetic medicine. The efficiency and costs of DNA sequencing have also increased significantly, facilitating the expansion of diverse market applications. Concurrently, scientists have developed the so-called "precision medicine" through various endeavors. Precision medicine is poised to lead the new era of medicine, and genetic testing also plays a vital role as it, through interdisciplinary and technological integration, specifically plans individualized medical services, marking necessary developmental trends.

With our dedication to genetic medicine, the Company has been developing expertise in genetic testing, prenatal diagnosis, and genetic counseling. We possess a range of capabilities, from technology transfer to product development and commercialization, making us a highly promising innovative enterprise. Aside from providing maternal-fetal medicine testing as our core service, we engage in collaborations with industry leaders such as Illumina, a globally recognized leader in genetic sequencing, and Roche, a renowned multinational corporation. Through the sharing of genome databases and clinical analysis resources, these partnerships empower us to deliver internationally standardized local testing services.

The advanced Next Generation Sequencing (NGS) and Oligonucleotide Microarrays technologies are SOFIVA’s core areas of technical expertise and main development services. Currently, they are applied in various prenatal and pregnancy-related tests such as (Non-Invasive) Preimplantation Genetic Testing for Aneuploidy (PGT-A/niPGT-A), Non-Invasive Prenatal Screening (NIPS v1.0/v2.0/v3.0), chromosome screening, and SOFIVA Array (v1.0/v2.0/v3.0). They are further extended to personalized precision and medicine genetic testing services, such as Cancer Genetic Testing, Hereditary Cancer Genetic Testing, and Endometrial Cancer Genetic Subtypes. We will continue to keep pace with international standards, providing next-generation genetic diagnosis and genetic counseling, and delivering comprehensive preventive medicine and health management services in one stop.

2. The links between the upstream, midstream, and downstream segments of the industry supply chain

The upstream sector of the industry is primarily comprised of molecular biology testing instruments, sequencing instruments, and reagent production suppliers. Key players in molecular biology testing instruments and reagent production include Roche, Siemens, Abbott, and Danaher. There are up-and-comers in the sector, such as Thermo Fisher Scientific, Alere, and Sysmex, each excelling in their respective fields. The barrier to entry in the sequencing instrument market is high, with illumina and Life Technologies, two foreign giants, dominating the sector. In particular, illumina holds a market share of over 80%. These suppliers currently dominate the genetic medicine upstream industry chain. The high technological barriers and closed nature of the market make it challenging for new enterprises to disrupt the dominant pattern in a short period of time.

The midstream sector of the industry comprises genetic testing service providers, which include sequencing and bioinformatic data analysis services. The Company is categorized as a testing service provider. Genetic testing services, which have experienced prosperous development both domestically and internationally, primarily support fundamental research in genetic medicine, clinical development applications, and testing services. This field exhibits the most rapid growth, presenting a competitive situation of short-term accelerated diversification. However, the provision of these services requires a comprehensive package, including high expertise, strong R&D capability, proficient bioinformatic analysis, rapid and accurate report provision, professional counseling services and diagnosis, and so on. As the industry model matures and gains sustainable deployment capabilities, industry leaders will emerge from it.

The downstream of the industry refers to the end users, primarily including hospitals and clinics where clinical applications are implemented, as well as academic and research institutions such as schools and pharmaceutical research institutions. In terms of applications, the field of non-invasive prenatal screening (NIPS) for maternal-fetal health is relatively mature at the moment, whereas fields like cancer screening and personalized medication therapy are the most valuable. Additionally, there are applications such as hereditary genetic testing, pathological genetic testing, pathogenic microorganism testing, and disease risk assessment.

3. Product development trends

After Watson and Crick discovered the double helix structure of DNA in 1953, molecular biology related new technologies have successively been developed. For example, the Sanger sequencing, the radioactive and non-radioactive labeling techniques, electrophoresis, chromatography, nucleic acid purification, nucleic acid liquid-phase and solid-phase hybridization, microarray technology, restriction enzyme, polymerase chain reaction (PCR) technology, capillary electrophoresis, real-time PCR, array comparative genomic hybridisation (aCGH), mass spectrometry, and next-generation sequencing.

In the past, testing technology was limited to examining one specific gene using a single genetic testing technology or platform for genetic diagnosis, serving as the foundation for testing genetic variations. However, in cases of multigenetic diseases or when dealing with a large quantity of specimens awaiting testing, these technologies often encounter bottlenecks and necessitate multiple experiments. This leads to prolonged testing times, expensive testing fees, and results that are difficult to interpret. The emergence of Next Generation Sequencing (NGS) technology offers the best solution: After over a decade of evolutionary development, it has become the most accurate and precise DNA sequencing method.

While molecular biomedicine research has rapidly developed, human and various biological genomes have also been continuously decoded, leading to active development in clinical molecular diagnosis and genetic medicine. The emergence of non-invasive testing, ongoing enhancements in automation standards, faster and more efficient experiments, greatly improved accuracy, and reduced costs – all these rapid advancements in technology and platforms facilitate mutually beneficial strides in genetic medical research and the adoption of new technological applications in clinical medicine.

According to market research conducted by Frost & Sullivan, the global in vitro diagnostics (IVD) market (excluding diabetes monitoring) was approximately US$43.6 billion in 2012 and is projected to reach US$58.8 billion by 2018, with a compound annual growth rate of 5.1%. Currently, the United States serves as the world's IVD innovation center and remains the largest market with an annual growth rate of 3% to 5%, while Europe has experienced a decline in the IVD equipment market due to economic crises. Together, the U.S. and Europe still account for over 75% of the global market. However, the primary drivers of growth in the global IVD market are emerging markets such as mainland China and Southeast Asian countries.

Moreover, genetic testing was predominantly confined to academic research in early days and only experienced a transformative leap forward after the NGS technology became mature in 2008. According to estimates by BCC Research, the global genetic sequencing market surged from US$8 million in 2007 to

US$4.5 billion in 2013, and is poised to escalate to US$11.7 billion by 2018, with a growth rate exceeding 20%.

Following advancements in testing technology and services, public awareness of disease prevention and testing has surged, resulting in a significant increase in market growth. While the entire genetic medicine industry is still undergoing development, numerous companies are willing to invest in it. However, as this industry features high thresholds, intense competition, and big changes, it is believed that the strong will prevail and, through collaboration, mergers and acquisitions, add value to their services to effectively maintain public health and enhance clinical effectiveness, opening a new era for modern medicine.

4. Product competitions

The core competencies of Sofiva Genomics are genetic diagnosis, molecular testing, and genetic counseling, with the provision of reproductive, prenatal, newborn, cancer, rare disease, and precision medicine testing services. Our pioneering professional R&D technology and outstanding team have earned us a significant presence in Asia's genetic medicine industry.

The Company has completed numerous cases applying Preimplantation Genetic Testing for Monogenic Disorders (PGT-M) to assist many parents with hereditary diseases in giving birth to healthy babies; supported several reproductive centers in Taiwan in helping couples facing infertility, chromosomal abnormalities, and susceptibility to miscarriage to have healthy babies through Preimplantation Genetic Testing for Aneuploidy (PGT-A);utilized placental growth factor (PIGF) and hemodynamics in clinical diagnoses to predict preeclampsia (PE), aiding many mothers in early prevention and treatment; identified carriers of spinal muscular atrophy through SMA screening and Carrier Scan, providing them with counseling services to understand related risks and assisting physicians in subsequent clinical evaluations; introduced array Comparative Genomic Hybridization (aCGH) in prenatal diagnosis, testing tens of thousands of patients for early diagnosis; employed Next Generation Sequencing for non-invasive prenatal chromosome testing at 10 weeks of gestation, screening for common microdeletions, and rare musculoskeletal diseases that may only be detected in later stages, providing reassurance to parents; and conducted Baby Scan (BS), covering the screening of 12 major diseases (e.g., genetic hearing loss, sleep apnea, Congenital Cytomegalovirus (CMV) Infection Screening, Atopic Dermatitis (AD) Genetic Testing, etc.) to ensure the health of newborns. Furthermore, the Company has extended assistance to minority groups in Taiwan by facilitating genetic familial diagnosis of rare diseases; offered preventive medical testing services to both healthy individuals and those with a family history of cancer; and supported cancer patients in monitoring the progression of their disease, aiding them in identifying optimal treatment strategies. The Company has been seeking optimal treatment strategies and collaborating with pharmaceutical companies to align the latest cancer medications with genetic testing before treatment. We are also involved in personalized precision medicine, such as conducting genetic research on chronic diseases and cardiovascular diseases, to develop customized genetic testing services, including kinship identification.

Compared to other domestic companies that primarily rely on standardized testing imported from abroad or offer limited testing options, Sofiva Genomics stands out with the most comprehensive testing scope, the safest and fastest localized testing services, and a complete package that includes pre-testing care and counseling, as well as subsequent genetic counseling and physician diagnosis. Apart from our one-stop service, which ensures customer satisfaction and peace of mind, we also serve the largest number of customers in Taiwan with contracts with over 400 institutions.

Overview of Services provided by Sofiva Genomics and Major Competitors

	Sofiva Genomics	Igenomix	GGA	Gene Health	Phalanx Biotech	Genomics	ACT Genomics	Roche Foundation Medicine
Reproductive Genetic Testing								
Preimplantation Genetic Testing for Monogenic Disorders (PGT-M)	V		V					
Preimplantation Genetic Testing for Aneuploidy (PGT-A)	V	V	V	V				
Non-Invasive Preimplantation Genetic Testing for Aneuploidy (niPGT-A)	V	V						
Prenatal Genetic Testing								
TORCH (toxoplasmosis, rubella cytomegalovirus, herpes simplex, and HIV) screening	V							
Folate Metabolism Genetic Testing-MTHFR	V							
Spinal Muscular Atrophy (SMA) Carrier Screening(SMA)	V		V	V		V		
Fragile X Syndrome Carrier Screening-FMR1	V		V	V		V		
Sofiva Carrier Scan	V	V	V	V				
Risk Assessment for Early/Late-Onset Preeclampsia	V		V					
Non-Invasive Prenatal Screening (NIPS v1.0/v2.0)	V		V	V	V	V		
Non-Invasive Prenatal Screening (NIPS v3.0)	V				V			
Maternal Serum Screening for Down Syndrome	V		V					
Chromosome Testing	V							
SOFIVA Array (v1.0)	V		V		V	V		
SOFIVA Array (v2.0/ v3.0)	V							
Newborn Genetic Testing								
Baby Scan (BS)	V							
Hereditary Sensorineural Hearing Loss Screening	V				V			
Genetic testing for Congenital Central Hypoventilation Syndrome (CCHS)	V				V			
Congenital Cytomegalovirus (CMV) Infection Testing	V				V			
Atopic Dermatitis (AD) Genetic Testing	V							
Rare Diseases Genetic Testing	V	V	V	V				
Cancer Genetic Testing								
Cancer risk genetic testing	V						V	
Cancer surveillance genetic testing	V						V	V
Cancer Genetic Testing	V							
HPV (Human Papillomavirus) Screening	V							
Precision Medicine Genetic Testing								
BRCA1/2	V						V	

	Sofiva Genomics	Igenomix	GGA	Gene Health	Phalanx Biotech	Genomics	ACT Genomics	Roche Foundation Medicine
Prostate Cancer Genetic Testing	V							
Endometrial Cancer Genetic Subtypes	V							
HRD Status	V						V	
CGP Cancer Genetic Testing	V							V

At present, in addition to the Taiwanese market, Sofiva Genomics has established a subsidiary laboratory with fixed partners in Thailand. We have also formed enduring partnerships in other countries such as Japan, Australia, Greece, Malaysia, and Indonesia. While our operations entail a high level of technology, we also have a mature business operating model. This is the reason why we are more than just a small-scale testing company but rather a representative genetic medicine service provider in Asia.

5. Special control regulations: LDTS

Following the rapid development of precision medicine molecular testing technology, genetic testing services are playing an increasingly important role in clinical medical practice, with numerous biotechnology companies launching their respective genetic testing services. However, as these testing services are mostly developed by their respective laboratories and involve high expertise and complex technology, the market lacked regulatory supervision or measures to control or manage the testing items and quality.

Consequently, to enhance the testing and service quality of precision medical and molecular testing laboratories, the Food and Drug Administration (FDA) of the Ministry of Health and Welfare regulated these laboratories' in-house developed tests as "Laboratory Developed Tests (LDTs)" and incorporated them into the "Regulations Governing the Applications or Uses of Specific Medical Technology, Examination, Laboratory Testing, and Medical Devices (hereinafter referred to as the Special Control Regulations)" for management in 2021.

Taking Sofiva Genomics as an example, we are categorized as a "specific laboratory" established by a non-medical institution. To provide testing services to the public, we are required to complete the following procedures:

- Registration of Precision Medicine Molecular Testing Laboratory
  Laboratories are required to submit an application to the FDA, receive written approval from the FDA, and undergo an on-site investigation to confirm their compliance with the testing and service quality requirements specified in the "Testing and Service Guidelines for Precision Medicine Molecular Testing Laboratories" before their registration in the Precision Medicine Molecular Testing Laboratory Registration System. Laboratories are also required to obtain qualifications for clinical testing in order to be eligible to provide Laboratory Developed Tests (LDTs) services.
- Quality certification for Laboratory Developed Tests (LDTs)
  All testing service items offered by the laboratory must undergo FDA's LDTs quality certification. Subsequently, the laboratory will be categorized into three types based on the testing technology. Only after review by the evaluators can the laboratory provide testing services to medical institutions.
- The medical institution submits the "Filing of Medical Implementation Plan" for application
  According to the "Special Control Regulations", genetic testing technology is classified as medical conduct and should be implemented by a medical institution. Therefore, it is regulated that, when a medical institution commissions a specific laboratory to conduct the test, the medical institution should file the application with the central competent authority.

The regulations will come into full effect from 2026, and only testing units that meet the registration and accreditation criteria mentioned above will be permitted to offer testing services to medical institutions and individuals. Given the complex procedures and substantial application fees involved, these regulations will undoubtedly affect specific laboratories. However, it is believed that, with oversight from relevant authorities, individuals will be able to choose medical tests with an ease, thereby reaching the goal of widespread adoption of precision medicine in the near future.

6. NGS reimbursement under national health insurance

As cancer treatment advances into the realm of precision medicine, clinical physicians now have more tools to combat cancer. These include targeted therapy, immunotherapy, antibody-drug conjugates (ADC), and others. The use of NGS testing enables quick and effective identification of appropriate treatment options. Particularly, since many drugs require a genetic testing report for reimbursement under the current National Health Insurance (NHI) system, NGS testing is highly valued by both clinical professionals and government authorities.

Recognizing the clinical need for NGS, the National Health Insurance Administration (NHIA) of the Ministry of Health and Welfare (MOHW) has incorporated NGS testing into the scope of NHI reimbursement. It targets nine solid tumors, including non-small cell lung cancer (NSCLC), triple-negative breast cancer (TNBC), ovarian/tubal/primary peritoneal cancer, prostate cancer, pancreatic cancer, NTRK gene fusion solid tumors, intrahepatic cholangiocarcinoma, thyroid cancer, and medullary thyroid cancer, for NHI reimbursement. Depending on the cancer type and testing kit, patients are subsidized with 10,000 to 30,000 NHI points. The payment rules regarding NGS are summarized as follows:

- Testing must be conducted at specific institutions, including medical centers, regional hospitals, and certified cancer treatment hospitals.
- The testing institution must have an established Molecular Tumor Board (MTB).
- Testing institutions must upload all results to the designated database.
- NGS sequencing applied for NHI reimbursement must receive approval from the institution for the "Medical Implementation Plan Filing".
- Depending on the cancer type, the testing must include specific genes and be performed using designated specimens.

Currently, the market for testing suppliers is limited by product specifications, quality certifications, and the filing of implementation plans. Despite the NHIA's inclusion of NGS in the NHI reimbursement program, institutions still face challenges when applying for NHI reimbursement for genetic testing. Since many of Sofiva Genomics' testing services meet the NHI reimbursement regulations and some have already received approval for the "Medical Implementation Plan Filing," Sofiva Genomics is well-positioned to stand out. We aspire for patients to access Sofiva Genomics' testing services through the assistance of NHI.

Market Strategy and Positioning of Sofiva Genomics

(III) An overview of the Company's technologies and its research and development work

1. A listing of research and development expenditures during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

Unit: NT$1,000

Year	2024	Q1 2024
R&D expenses	9,637	9,978

2. A listing of technologies and/or products successfully developed during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

Year	Product	Uses
2016	Congenital Cytomegalovirus (CMV) Infection Screening	Every year in Taiwan, approximately 3,600 newborns are affected by congenital cytomegalovirus infection, resulting in about 8% of them experiencing hearing loss. Performing CMV screening on newborns can enable early diagnosis and treatment.

Year	Product	Uses
	Atopic Dermatitis (AD) Genetic Testing	Atopic dermatitis (AD) is one of the most common chronic skin diseases in children. According to statistics from Taiwan's National Health Insurance Administration, approximately 6.8% of the population is affected by AD. Early prevention before onset can effectively reduce the probability of occurrence by more than 30%
2017	EGFR Genetic Testing	This testing has been recognized by the Food and Drug Administration (FDA) of the United States as pharmacogenomic testing and diagnosis standards. By detecting circulating tumor DNA (ctDNA) in blood, it avoids discrepancies stemming from tumor heterogeneity in tissue samples. Moreover, its long-term monitoring indicators can also serve as a reference for adjusting treatment strategies. It is certainly a favorable choice for patients who have poor physical condition and cannot undergo tissue biopsy.
	EP Breast Cancer Genetic Testing	Chemical treatments can induce significant pain and discomfort in cancer patients. Among breast cancer patients whose risk of cancer metastasis cannot be clearly determined using conventional methods, 61% of them are classified as low-risk based on EP genetic testing results. Physicians can further assess medication strategies based on the analysis report to effectively mitigate the risks of over-treatment or under-treatment.
	Non-Invasive Prenatal Screening Plus (NIPS+)	NIPS+ further enhances the screening efficiency by including special monogenic diseases, which traditionally could only be tested through amniotic fluid at 15-week gestation, within the scope of cell-free fetal DNA testing performed at 10-week gestation.
2018	SOFIVA Cancer Monitor +/ SOFIVA Therapeutic Drug+/ SOFIVA Cancer Scan/ SOFIVA Cancer Track SOFIVA Cancer Scanning	Compared to traditional approaches such as imaging, tumor markers, and tumor tissue analysis, the utilization of ctDNA provides patients with new methods for tracking and monitoring cancer, as well as selecting drugs for treatment. These services enable us to detect cancer changes half a year earlier, providing early warning and allowing for treatment adjustments accordingly. The early appearance characteristic of ctDNA in the testing helps healthy individuals to determine whether cancer is developing in their bodies simply through a blood test. Unlike conventional health checks, it can prevent the occurrence of cancer even more effectively.
	SOFIVA Array	This testing can be conducted together with traditional oligonucleotide microarrays and NGS testing to analyze the amniotic fluid of the fetus after the 15-week gestation. It enables the detection of thousands of different diseases and up to 82 rare monogenic diseases at one time.
2019	SOFIVA Carrier Scan	It is conducted through a blood test and can detect up to 333 types of hereditary autosomal recessive diseases at once. It helps people concerned about diseases to determine whether they are at risk of inheriting related diseases.
	Newborn Metabolic Screening	Congenital metabolic disorders can sometimes present with subtle symptoms. An early diagnosis

Year	Product	Uses
		can facilitate treatment during the gold treatment period. This screening service has been introduced to overseas markets such as Indonesia and Vietnam. If common congenital metabolic disorders that can be treated during the newborn stage are identified, dietary adjustments or medication may be considered. Providing health-related information to overseas customers can support the development of children with such diseases.
	SOFIVA Cancer Monitor	It offers liquid biopsy monitoring tests covering up to 249 genes, representing the largest selection currently available in the market, based on patients' conditions. This facilitates the evaluation of cancer recurrence/metastasis through ctDNA testing before its occurrence, allowing physicians to adjust or change treatments for better medical care services.
2020	SOFIVA Baby Scan	With the use of NGS technology, it can test for up to 200 diseases and related genes at once. Even asymptomatic newborns can be screened to ascertain the presence of any related diseases or genetic hypersensitivity abnormalities. In case where abnormalities are detected during newborn screening, the test results can serve as an adjunctive diagnostic tool. Moreover, if infants exhibit any symptoms, this test can help to identify the causes of the disease for early treatment.
	SOFIVA Cancer Risk (Hereditary Cancer)	Most cancers result from spontaneous genetic mutations, but approximately 5-10% are attributed to genetic inheritance. Despite representing a small percentage, these cases should not be overlooked. Examples of genetically inherited cancers include breast cancer, colorectal cancer, endometrial cancer, ovarian cancer, prostate cancer, lung cancer, and others. If the same type of cancer persists within a family, it is highly recommended not only to undergo regular cancer screenings but also to consider the possibility of genetic inheritance in order to raise awareness among family members.
	Non-Invasive Preimplantation Genetic Testing for Aneuploidy (niPGT-A)	This testing utilizes the DNA segment of embryonic cells circulating in the culture medium to detect whether the chromosome count is normal or not using NGS technology. Simultaneously, qualitative analysis of mitochondria is conducted to provide recommendations for embryo potential grading.
	Endometrial Cancer Genetic Subtypes	The classification of endometrial cancer based on pathological subtypes still has limitations and can only distinguish between two types. The National Comprehensive Cancer Network (NCCN) of the United States employed genetic typing using tissues and successfully classified it into four types, enabling clinicians to further adjust their treatment strategies for precision medicine.
2021	Prostate Cancer Genetic Testing	The testing helps metastatic hormone refractory prostate cancer (mHRPC) patients to find out whether PARP inhibitors, known as a targeted cancer drug, is applicable to them and whether they can effectively enhance treatment effects. It

Year	Product	Uses
		includes testing for 14 DNA repair-related genes such as BRCA1/2.
	SOFIVA Cancer Scanning Revision	ctDNA is known for its characteristics of detecting cancer changes a half a year earlier than the imaging. Through test blood , it assists healthy people to know earlier whether cancer is formulating inside their body. Unlike traditional health checkups, it can better prevent the occurrence of cancer. To better align with the clinical needs of the health screening center, this testing has separate screening items for common cancers among men and women.
2022	SOFIVA Carrier Scan Revision	Alongside conducting more precise demand grading based on international guidelines and diseases with a high carrier rate in East Asian populations, the testing technology has also undergone comprehensive upgrades. It has transitioned from the previous hotspot analysis to whole exome sequencing, thus offering a more comprehensive range of testing content.
	SOFIVA HRD Status	The detection covers 28 HRR genes, including BRCA1/2, and the Genomic Integrity Index (GII), assisting clinicians in identifying the group of ovarian cancer patients for whom PARP inhibitor treatment is applicable.
	SOFIVA CGP Cancer Genetic Testing	This testing conducts a comprehensive analysis of tissue biopsy to detect 324 genes known to be associated with cancer occurrence. It also leverages Hybrid Capture-Based Next Generation Sequencing technology to facilitate thorough detection of four types of gene mutations and three gene characteristics.
2023	SOFIVA Cancer Monitor – breast cancer/ colorectal cancer/ urothelial carcinoma/ bile duct carcinoma	This service is specifically designed for breast cancer, colorectal cancer, urothelial carcinoma, and bile duct carcinoma patients to identify targeted therapy drugs and common mutation genes. It can detect all targeted therapy drugs currently approved by the FDA for these cancers. Furthermore, both tumor tissue and liquid biopsy (ctDNA) can be tested to help clinicians identify appropriate targeted therapy drugs for breast cancer treatment.
2024	SOFIVA CGP Cancer Genetic Testing	The test content has been upgraded with the addition of 11 cancer-related genes to the original 324, bringing the total to 335. In addition, beyond the original three genetic features, a new feature – HRDsig – has been added to provide patients with more complete and comprehensive information.
	SOFIVA Genetic Testing for Dementia Risk	Alzheimer's disease is closely linked to genetic factors. By testing the APOE gene, individuals can be classified into different genetic types. Understanding one's risk of developing Alzheimer's disease can help support early prevention.

(IV) The Company's long- and short-term business development plans

1. Short-term business development plans

(1) Focused on research and development in genetic medicine

The goal of genetic diagnosis is to lay the foundation for translational medicine. Aligned with the principles of personalized medicine, genetic diagnosis aims to meet the demands of clinicians by developing testing methods through genomic research strategies that meet the clinical needs.

Sofiva Genomics has long been focusing on research and development in genetic medicine, and this will continue into the future. Over the years, whenever there has been a clinical demand, we have always done our best to support it. Today, we stand as the premier partner for numerous medical institutions and research institutes in Taiwan for genetic testing, collaborating to make impactful contributions to society. Not only does our management team, along with most of our employees, come from academic sectors, but we have also long been collaborating with domestically renowned medical institutions and research units. For instance, we have assisted National Taiwan University Hospital (NTUH) and MacKay Memorial Hospital in conducting disease genetic analysis, and supported Academia Sinica in confirming variant gene loci of rare disease patients. We have managed to consistently maintain our technological capability and innovation at the forefront domestically, enabling us to directly respond to physicians and people's needs by developing products that meet customer demands.

(2) Leading in the provision of internationalized local services

As genetic medicine progresses with time, Sofiva Genomics will continue to enhance our core competitiveness. This includes offering continuous training to our R&D personnel and technicians to sustain academic research and clinical applications; continuing to purchase instruments and facilities valued from millions to tens of millions; and updating and aggregating genetic and hereditary disease databases to ensure that our R&D and technical capabilities remain top-notch.

In terms of business operations, Sofiva Genomics not only proactively collaborates with international leaders in the genetic industry to offer internationalized local services but also maintains a cautious and rigorous approach to research. This, combined with the utilization of the latest precision technological instruments and excellent R&D technologies, enables us to serve society with testing products at a reasonable price. Meanwhile, through the promotion of research resources and marketing efforts, we have successfully commercialized our R&D research results, further solidifying a strong foundation for the domestic biotechnology industry.

(3) Service capability anchored in Taiwan while aiming for international reach

Sofiva Genomics possesses not only solid R&D, technical, and service capabilities but also internationally accredited laboratories and expertise to provide customers with the most advanced and high-quality services.

At present, we have not only established a laboratory in Bangkok in Thailand, but also formed long-term partnerships in Japan, Australia, Greece, Malaysia, and other Southeast Asian countries. In the future, we are committed to proactively expanding our business reach and service offerings to provide high-quality genetic diagnosis and counseling services to even more customers worldwide.

2. Long-term business development plans

(1) Expand applications of the NGS technology

The current international trends are focused on the development of NGS technology, known as the most accurate DNA sequencing method in the world. Our long-term goal is to facilitate research and development in clinical medicine by aggregating and evolving genetic technologies and big data. Additionally, we aim to expand the development and applications of NGS to provide an even more accurate and rapid testing platform.

Taking the maternal-fetal field as an example, our expectation is to develop a comprehensive testing package that enables patients to obtain fetal cells through a simple blood test of the mother for early diagnosis. For instance, this package would encompass testing for spinal muscular atrophy (SMA), preeclampsia (PE), chromosomal abnormalities, microdeletions, rare diseases, and relationship identification using only the mother's blood.

The goal of precision medicine in the field of cancer is to develop testing items customized to meet clinical treatment needs through precision medicine testing. Additionally, it utilizes long-term monitoring as a useful tool to track the course of the disease and its recurrence among cancer patients. Preventive

medicine, on the other hand, introduces the concept of comprehensive health check-ups to conduct various genetic tests for diseases using single specimens (e.g., blood, saliva, and oral mucosa), allowing physicians to devise the most effective treatment plans based on patients' age, genetic makeup, and physical condition. This approach is regarded as the true implementation of "precision medicine", offering personalized, comprehensive, and customized medical services.

(2) Aggregate biological databases and collaborate with pharmaceutical companies to develop customized medications

According to current regulations, medications are required to undergo rigorous clinical trial processes before being launched onto the market to ensure patient safety during use. Nevertheless, for different individuals, the tiny difference in genetics can result in completely different reactions to drugs and create medication side effects.

The establishment of biological database is a crucial topic. Sofiva Genomics not only possesses the most comprehensive genetic database and rare disease database in Taiwan, but also collaborates with illumina, an international enterprise, and sharing data therewith. Therefore, leveraging emerging technology to enhance the connection between different databases around the world, conduct efficient searches and comparisons, and develop a more diverse and comprehensive genetic diagnostic platform is a continuous goal of the Company's efforts.

The rapid interpretation of enormous biological information and the development of diagnostic platforms can effectively assist in uncovering genetic information related to drug metabolism and physiological effects. This, in turn, aids pharmaceutical companies in reducing R&D costs and shortening the timeline for new drug development. Furthermore, through genetic diagnostic modules and platforms, Sofiva Genomics can support physicians in selecting the most suitable treatment drugs, and determining optimal dosages, administration routes and frequencies for patients. Alternatively, physicians can identify drugs unsuitable for certain patients, thus helping to prevent severe adverse reactions. These advancements empower medical professionals to administer medication safely and precisely, significantly enhancing the success rate of disease treatment.

(3) Expand into overseas markets to showcase Taiwan's excellence

Emerging countries in Asia, such as China, India, and ASEAN nations, represent high-growth markets for genetic testing. These markets exhibit high demand for genetic testing services across various domains, including prenatal screening, hereditary diseases, cancer detection, personal health monitoring, or drug efficacy assessments.

Taiwan's medical technologies and capabilities are globally renowned, with significant attention paid to our genetic diagnostic developments. With a professional team, internationally recognized technologies, and a successful business model, our focus is on offering internationalized local testing services. This involves exporting and transferring our technology worldwide or establishing overseas laboratories. We have no constraints on collaboration and business models. Our goal is to expand into emerging markets overseas by aligning with local customs and market preferences. Through this, we aim to ensure that even more people receive quality genetic testing, genetic counseling, and medical diagnosis services, and to continue shining the light of Taiwan abroad.

(4) Continuously build and enhance rare disease diagnostic platforms

Although rare diseases are uncommon, they are not necessarily incurable. With the efforts of the global medical community, many rare diseases have found solutions. If rare diseases that can be treated or controlled are timely and appropriately examined or diagnosed, it is expected to achieve positive treatment outcomes through orphan drugs, strict dietary control, or consumption of special formula food, thereby preventing patients from suffering from mental developmental delays, intellectual disabilities, or even death.

Diagnosis and counseling for rare diseases have always been the social responsibilities we have given to ourselves. Over the years, Sofiva Genomics has collaborated with the Health Promotion Administration (HPA), the Office of Rare Diseases, and the Taiwan Foundation For Rare Disorders to facilitate the rapid diagnosis of rare diseases using the latest technologies and diagnostic platforms, ensuring early treatment and positive prognosis. Moreover, we have aggregated data and information on rare diseases to create a comprehensive database. As we expand our market to the entire Asian region in the future, we will continue to establish a disease database for the region. We plan to integrate this database with cloud

computing and high-efficiency computation to develop an even more comprehensive diagnostic platform for rare diseases, offering rare disease patients with the best testing and counseling services possible.

(5) Follow Special Control Regulations to guide medical institutions in applying for implementation plans

As amendments to the Special Control Regulations require genetic testing developed by registered laboratories to comply with LDTS certification requirements, medical institutions commissioning such testing are required to apply to the Ministry of Health and Welfare (MOHW) for a genetic testing-related implementation plan in advance. This plan shall also pass administrative and substantive reviews by the Joint Commission of Taiwan and be reported to the local health bureau in order to be included within the scope of genetic testing implemented by the medical institution. Sofiva Genomics, as a qualified laboratory, will assist medical institution clients in applying for the implementation plan and continue to provide them with high-quality testing services for clinical purposes.

(6) Expanding Medical Accessibility in Response to NHI's Reimbursement for NGS

Following the inclusion of NGS testing in the National Health Insurance (NHI) reimbursement scheme, discussions about genetic testing among clinical physicians have increased, and institutional departments (e.g., pathology labs, precision medicine centers) are showing greater acceptance. Sofiva Genomics has identified clinical demand and accelerated both contract signings with hospitals and applications for implementation plans.

Moreover, some institutions have already signed contracts with Sofiva Genomics and received approval for their implementation plans. These institutions will be designated as key hospitals and will intensify clinical-end promotion. Through regular visits to clinical physicians and assistance with the NHI's NGS application process, Sofiva Genomics strengthens clinical trust in its testing services. By aligning with NHI policies, more patients are expected to access and accept testing, thereby expanding the medical accessibility of Sofiva Genomics' services.

II. An analysis of the market as well as the production and marketing situation

(I) 5.2.1 Market analysis

1. Areas/regions of sales (supply) of the Company's major products (services)

Unit: NT$1,000

Year / Region	2023		2024	
	Amount	Ratio (%)	Amount	Ratio (%)
Domestic sales	452,315	96.90	434,432	95.84
Others	14,482	3.10	18,880	4.16
Total	466,797	100.00	453,312	100.00

2. Market share

Since our establishment in 2012, the Company has pioneered the development of various innovative testing services tailored to meet clinical needs. We also provide one-stop service packages to solidify our presence in the fields of genomic and clinical medicine, all while accruing significant resources.

We currently stand as the leading laboratory offering the most comprehensive testing services in the country, commanding the top position in Taiwan in both reputation and market share. Moreover, several of our testing items are exclusive products, giving us a competitive edge with no rivals in the market.

3. Market's future supply/demand conditions and development potential

The Human Genome Project (HGP) engaged by 18 countries achieved a milestone in 2003 by sequencing the 3 billion (3×109) base pairs comprising the human genetic code, successfully unlocking the sequence of the human genome. Since then, DNA sequencing technology has been playing an important role in life science research and genetic medicine. Apart from pursuing enhanced efficiency and reduced costs, DNA sequencing has also begun to expand its diversified applications to reach the ultimate goal of bringing a healthy and beautiful life for human beings.

Taiwan currently has approximately 130,000 newborns each year. As late marriage can affect fertility, families have high expectations regarding the health of the next generation, and there is a desire to avoid invasive testing on babies due to its potential impact on their health, clinical choices are increasingly leaning towards a broader and more refined approach. The prenatal services currently provided by the government are insufficient to meet the demand. Expectant mothers all wish to undergo comprehensive check-ups including ultrasound and genetic testing to screen for various aspects of fetal health, such as chromosomal

abnormalities, chromosomal microdeletion, common single-gene disorders, and structural anomalies of organs. While some fetal abnormalities may go undetected during pregnancy, the provided testing has already covered the majority, helping to prevent critical diseases in newborns.

The reproductive medicine, prenatal, newborn screening, and Carrier Scan services provided by Sofiva Genomics based on clinical demands are testing services required by parents and standard testing items recognized by advanced countries for many years. While maternal-fetal testing remains in its growth stage, Non-Invasive Prenatal Screening (NIPS) has demonstrated consistent expansion. The Carrier Scan, introduced in 2020 and refined in 2023, saw a remarkable revenue growth of 35% in 2024. The Baby Scan (BS), on the other hand, experienced nearly tripled sample volume in 2024 after its launch in 2020 and is expected to continue growing in 2024. Other testing items also exhibit similar growth trends. Through an integrated health education marketing and most appropriate suggestions offered by medical institutions, it is believed that the long-term education and promotion of safe and accurate testing will be selected by even more parents. It is believed that, through integrated health education marketing and the provision of appropriate suggestions by medical institutions, the long-term promotion of safe and accurate testing will be chosen by even more parents.

Moreover, the testing of cancer genes, such as HPV (Human Papillomavirus) Screening, Hereditary Cancer Genetic Testing, Cancer Genetic Testing, and targeted therapy drugs-related testing, has facilitated the international development of precision medicine. Since its launch in 2018, precision medicine has witnessed a threefold increase in testing volume in 2021 and a fourfold increase in 2022. In 2025, the Health Promotion Administration newly offers free annual HPV screening for women aged 35, 45, and 65. This advancement is anticipated to benefit even more individuals by aiding in the detection of risk factors or early signs of cancer, thereby substantially enhancing their survival rates through preventative measures or advanced treatments. Consequently, this ensures a healthier and higher quality of life for those affected.

Apart from the Taiwanese market, China and Southeast Asian nations also collaborate to promote it, with our laboratories established in these regions. Given the immense potential of these emerging markets, they are expected to further facilitate the expansion and growth of the market.

4. Competitive niche

Sofiva Genomics is the only clinical testing company in Taiwan that provides comprehensive local services from counseling, specimen collection, laboratory testing, and report generation to physician counseling, all in one station. Our expertise lies in biochemical testing, PCR testing, chip testing, and NGS testing. With our diverse testing capabilities, we swiftly and precisely identify issues, empowering physicians to deliver tailored counseling and treatment to individuals.

SWOT Analysis

Strengths	Weakness
• Possessing various testing platforms and top-notch R&D capabilities; collaborating with international companies; and holding a leading position in the market. • All testing processes are conducted in Taiwan; and possessing high-quality laboratories and national accreditation. • Sofiva Genomics has a professional team composed of clinicians and genetic experts. We have a strong bioinformatics team responsible for analyzing services, professional physicians for auditing reports, and a genetic counseling team that provides related services. • Being the first in the market, our professional team offers physicians and patients a comprehensive package of various testing services. • Complying with the laboratory accreditation qualifications specified in the Special Control Regulations and meeting the needs of medical institution clients.	• High testing costs, which are attributed to the high expenses incurred from laboratory equipment and reagent consumables. • High turnover rate within the department, which may lead to talent gaps (less talents within 1 to 3 years). • Excessive loss due to prolonged storage of inventory reagents. • The proportion of human error in laboratory processes is excessively high. • The market becomes quite competitive as competitors introduce low-cost testing from overseas and reduce the price accordingly. • The range of testing products span from maternal-fetal to cancer diagnostics. To comply with Special Control Regulations, additional investments in manpower and laboratory accreditation costs are required.
Opportunities	**Threats**

• Customers' diverse consumption patterns and the integration and promotion of marketing channels will effectively facilitate brand precision. • Following the awakening of the internet generation, utilize digital marketing channels to reach various customer segments, enhancing their brand awareness while maximizing broadcasting benefits. • Promoting precision medicine creates new opportunities in genetic testing for medical purposes. • Make the overall arrangement with Dianthus Medical to promote the operations of Sofiva Genomics, creating a win-win situation. • "In response to the Ministry of Health and Welfare (MOHW) Special Control Regulations, genetic testing must undergo LDTS listing and registration certification. Sofiva Genomics' laboratories possess various testing certifications or accreditations, enabling rapid compliance with regulations and ensuring high market competitiveness. • The National Health Insurance Administration is expected to subsidize Cancer Genetic Testing starting in May 2024, aiming to help people to understand the importance of genetic testing. Meanwhile, Sofiva Genomics also offers corresponding products to meet clinical demand.	• As the Special Control Regulations will impact the current status of the industry market, laboratories are required to adjust relevant measures to ensure legal compliance. • The deployment of Dianthus Medical has led to the crowding-out effect in the medical industry and has affected sales promotion. • After the National Health Insurance Administration begins subsidizing Cancer Genetic Testing, medical institutions' plans to develop their own testing may be affected, resulting in difficulties in contract signing.

Moreover, all testing services are approached from the perspective of physicians, emphasizing both academic and clinical practice. Over the years, we have remained committed to developing a brand new genetic diagnosis strategy tailored to disease symptoms. This innovative approach involves consolidating pathological genes associated with similar symptoms or different subtypes of the same disease into one comprehensive experiment. Subsequently, we utilize the NGS platform to amplify the target genes under discussion, followed by utilizing the bioinformatics center's platform and international-level databases to develop a disease-oriented genetic diagnostic platform. This strategy marks a paradigm shift, departing from traditional single-point genetic diagnosis methods, and stands poised to address the intricate needs of diagnosis and medical care more effectively.

We regularly organize professional explanatory sessions and have academic exchanges with physicians. We also introduce the testing procedures, scope of technical applications, and clinical health education to be provided therewith. Then, after the testing, professional counselors and the team of physicians will conduct a case discussion and track the progress. On the other hand, cancer cases require discussions between the medical institution’s cancer care team and experts from various fields, based on the genetic diagnosis results, pathological report, and current treatment status. Based on their discussion, an individualized precision medicine solution for cancer patients is then formulated.

The Company's clinical application and bioinformatics analysis capabilities have impressed various international companies, such as Illumina and Roche. These companies have proactively signed contracts with us to provide their services in Taiwan under a dual-brand model. Our comprehensive testing services, offered in a single station, have also garnered high recognition from neighboring countries in Asia, leading to collaborations in technical and sales marketing. For instance, by leveraging our technologies, racial similarity, and pricing advantages, we have successfully entered the Thai and ASEAN markets. However, there remains significant untapped potential in the overseas market. By fostering industrial collaborations and establishing local laboratories to deliver our services, we can rapidly enhance Taiwan's biotechnology and medical industries' transnational model. Scaling up our workforce will enable us to create more employment opportunities and drive industrial development, thereby contributing to the enhancement of people's livelihoods and welfare.

5. Advantageous and disadvantageous factors for future development and response measures

(1) Advantageous factors

A. An internationalized experiment platform established within the country

Due to constraints like funding, space, and the availability of experimental teams, many companies have opted to either establish testing laboratories overseas or collaborate with foreign testing companies. This not only poses challenges for domestic oversight but also complicates the management and supervision of samples sent abroad by a third party. Should any disputes arise from this scenario, companies will face difficulties in providing adequate guarantees to consumers, potentially compromising consumer rights and interests.

Sofiva Genomics is the only local testing service provider offering testing services that adhere to international experiment specifications. Individuals can entrust their samples to Sofiva Genomics for testing and expect prompt delivery of testing reports. Our service standards and capabilities surpass those of conventional testing companies.

B. A diagnostic platform with strong development and expansion potential

Taking Non-Invasive Prenatal Screening (NIPS) as an example, due to the adoption of different technologies, domestic and foreign mainstream platforms currently utilize chromosome-specific segments, focusing on the analysis of chromosomes 13, 18, and 21. However, this also highlights their limited capability to provide a thorough analysis of the number and structure of other chromosomes. Moreover, as they mostly collaborate with foreign companies, they not only lack a Taiwan database but also face challenges in consolidating data to enrich their existing database. Consequently, their limited capability to analyze microdeletions and rare diseases renders them unable to accurately address the genuine healthcare needs of the Taiwanese population.

Sofiva Genomics has been gathering genetic and rare disease data from Taiwan for more than a decade. Our databases can cross-reference with Illumina's extensive dataset, comprising millions of records. Our Company places high value on whole genome technology platform analyses and bioinformatic software, which significantly reduce the time required for backend data analysis and enhance accuracy. Employing the cloud database concept, we empower clinicians and technicians to directly oversee diagnosis procedures and results. Taking our patented NIPS technology as an example, it not only conducts whole chromosome analysis but also detects chromosomal microdeletion and monogenic diseases. In the future, we plan to expand the application of this technology to comprehensive microdeletion analysis and early-stage analysis of rare diseases in fetuses, optimizing the efficiency of a single platform and extending the reach of our testing services.

Research indicates that, out of the 20,000 genes in the human body, 400 genes are closely associated with cancer. When these cancer-related genes undergo congenital or acquired mutations, cancer can develop. For example, if the gene responsible for regulating cell formation undergoes a mutation, cells will begin to proliferate abnormally, leading to accelerated growth and the formation of tumors. With advancements in medicine, we can now rapidly decode the genetic code of tumors through Cancer Genetic Testing, assisting physicians in targeting the weaknesses of each patient's cancer cells to identify the most appropriate treatment.

Sofiva Genomics has closely followed the advancement of precision medicine. By screening and testing cancer genes, we can identify any acquired mutations in patients' bodies and determine if there are hereditary genes carrying high levels of cancer risk, enabling early prevention or intervention at the onset or prior to cancer occurrence. The most advanced NGS genetic testing technology not only evaluates patients' risk of developing malignant tumors but also comprehensively examines their individual genetic profiles to offer precision medicine services. This technology aids cancer patients in identifying optimal treatment methods, assessing the potential success of immunotherapy in advance, and providing new opportunities for patients unable to undergo targeted therapy.

C. The all-in-one station services offer examinees a sense of security

When clinicians communicate with patients, the most essential information pertains to medical procedures and subsequent measures. Many domestic and international testing companies identify themselves primarily as biochemical firms, often lacking direct input from clinically relevant physicians. This absence makes it challenging for frontline personnel to offer precise information to patients. Although they may collaborate with third-party physicians to obtain relevant insights, patient rights are sometimes inadequately upheld.

Sofiva Genomics' team comprises authoritative clinical physicians, experts, and consultants in Taiwan, whose expertise and leadership are unquestionable. We prioritize the customer perspective, ensuring that examinees receive counseling services from professional nurses, genetic counselors, and technical team leaders before testing. Following the completion of testing and experiments, the laboratory supervisor and clinicians will review the testing report to ensure its quality. Subsequently, professional genetic counselors, obstetricians, gynecologists, and medical geneticists will analyze the report and

provide subsequent care after examinees receive it. Our all-in-one station services undoubtedly offer maximum assurance to the testers.

D. The high threshold makes it difficult to imitate the genetic testing industry

Sofiva Genomics' molecular medicine and genetic testing, along with our database and key technologies, are not easily imitated or accessed. Moreover, our laboratory executives possess a high degree of R&D and innovation abilities. With a high market entry barrier, the services introduced by Sofiva Genomics have significant market development potential. Furthermore, the current trends in genetic analysis and development have rapidly evolved from a niche market into a key force that can drive the historic innovation of clinical diagnostic technologies.
The maternal-fetus related testing services provided by Sofiva Genomics now hold a prominent position in Asia, and we have successively developed personalized genetic services, such as Cancer Genetic Testing, Hereditary Genetic Testing, and more. In the future, we expect to further facilitate the development of health check-ups, disease prevention, medication development, and personalized medicine, tailoring exclusive medical plans for different diseases and needs. The market development potential is limitless.

E. The business model that meets the market demand

No matter in product development, integrated marketing, or market deployment, Sofiva Genomics has always stood at the forefront of the era. With our expertise and innovation, we flexibly adapt to changes in the economic environment and continuously grasp new trend dynamics to distinguish our services from our competitors. For instance, the physician-approved testing reports, the all-in-one station services, our technical collaborations with international giant companies, our newly developed report result inquiry APP, and the self-check function provided by our membership center on the website, among others.
The Company will continue to proactively promote fundamental research and clinical applications, strive to expand diversified operations, and advance towards the development of personalized preventive medicine. Our aim is to offer the public the most comprehensive and reputable genetic diagnostics, delivering superior gene testing technology and attentive services that surpass global standards, all while managing the business with utmost dedication.

(2) Disadvantageous factors and response measures

During the technological development process, the biotechnology industry often fails to fully understand the market through practice, resulting in the sudden rise and fall of sales. Moreover, competitors in Taiwan and mainland China tend to sway consumer judgment with their significant capital scale, rapid imitation, and market price disruptions, frequently creating competitive pressures.
Moreover, in response to emerging regulations, “Laboratory Developed Tests” have been incorporated into the Regulations Governing the Applications or Uses of Specific Medical Technology, Examination, Laboratory Testing, and Medical Devices (Special Control Regulations). This means that both major medical centers and clinical medicine laboratories established by biotechnology companies must comply with regulations in order to provide clinical genetic testing in the future. Sofiva Genomics will strive for high-quality and high-standard practices to proactively apply for registration and certification in accordance with regulatory requirements, and assist major medical institutions in submitting applications to the Ministry of Health and Welfare (MOHW).
Despite the aforementioned unfavorable factors, the Company remains steadfast in our business philosophy and corporate social responsibilities. By delineating our targets and positioning our market strategy, we have made great efforts to maintain our leading position as the most precise, comprehensive, and reputable genetic diagnosis and counseling service organization in Taiwan. Drawing on our expertise in clinical medicine and biotechnology, we perceive everyone’s demand and desire for health. This is why, from a caring perspective and with technology as our weapon, we have done our best to keep up with the market. With our roots deepened in Taiwan, we have a vision for the international market and are making utmost efforts to overcome all obstacles and challenges to pave a new path in genomic medicine.

(II) Usage and manufacturing processes for the Company's main products:

1. Significant applications of the main product

Applications	Product: Testing services
Reproductive Genetic Testing	•Non-Invasive Preimplantation Genetic Testing for Aneuploidy (niPGT-A) •Preimplantation Genetic Testing for Aneuploidy (PGT-A) •Preimplantation Genetic Testing for Monogenic Disorders (PGT-M)
Prenatal Genetic Testing	•SOFIVA Carrier Scan v1.0/v2.0/v3.0 •SOFIVA Non-Invasive Prenatal Screening (SOFIVA NIPS v1.0/v2.0/v3.0) •SOFIVA Array (v1.0 / v2.0 / v3.0) •Folate Metabolism Genetic Testing- MTHFR Gene (Folate) •Spinal Muscular Atrophy (SMA) Carrier Screening-SMN Grene (SMA) •Fragile X Syndrome Carrier Screening-FMR1 Gene (FXS) •Thalassemia Genetic Testing-HBA and HBB Gene •Congenital Infection Screening (TORCH) •Risk Assessment for Early/Late-Onset Preeclampsia (PE) •Maternal Serum Screening for Down Syndrome (FDS) •Prenatal Karyotyping
Newborn Genetic Testing	•SOFIVA Genomics Newborn Metabolic Screening v1.0/v2.0/v3.0 •Hereditary Sensorineural Hearing Loss Screening •Congenital Central Hypoventilation Syndrome Screening (CCHS) •Congenital Cytomegalovirus (CMV) Infection Screening •Atopic Dermatitis Genetic Screening (AD)
Cancer Genetic Testing	•SOFIVA Cancer Monitor v1.0/v2.0/ Male v2.2/ Female v3.0 •SOFIVA Cancer Risk – Hereditary Cancer v1.0/v2.0 •SOFIVA Cancer Risk – Women Cancer Screening •SOFIVA Cancer Risk – BRCA1/2 Screening •SOFIVA Cancer Risk – Colorectal Cancer Screening •SOFIVA Cancer Risk – Pediatric Cancer Screening •HPV (Human Papillomavirus) Screening
Precision Medicine Testing	•SOFIVA Cancer Monitor v1.0/v2.1/ v2.2/v3.0 •SOFIVA Cancer Monitor – Lung Cancer/ Breast Cancer/ Colorectal Cancer/ Bile Duct Carcinoma / Urothelial Carcinoma •SOFIVA Cancer Track •SOFIVA HRD Status •SOFIVA CGP •Microsatellite Instability Testing(MSI) •SOFIVA Prostate Cancer Genetic Testing •Endometrial Cancer Genetic Subtypes •SOFIVA Cancer Risk – BRCA1/2 Genetic Testing

Applications	Product: Testing services
Rare Diseases Genetic Testing	•Hearing-Loss Genetic Testing v1.0/v2.0/v3.0 •Whole Exome Sequencing (WES) •Haemophilia •Duchenne Muscular Dystrophy (DMD) •Prader-Willi Syndrome (PWS) •Angelman Syndrome •Rett Syndrome •Williams Syndrome •Albinism •Huntington's Disease (HD) •Tuberous Sclerosis Complex (TSC) •Adrenoleukodystrophy •Osteogenesis Imperfecta (OI; Brittle Bone Disease) •Spinocerebellar Ataxia (SCA) •Charcot-Marie-Tooth Disease (CMT) •Primary Pulmonary Hypertension Type 1 (PPH1) •Customized Genetic Testing < Providing over 600 types of Rare Diseases Genetic Testing services •Relationship Identification Testing (PT)

2. The manufacturing process of the main product

(III) Supply situation for the Company's major raw materials:

The primary suppliers are upstream suppliers of molecular biology testing instruments, sequencing instruments, and reagent production. All of the material suppliers that Sofiva Genomics collaborates with are international large-scale companies with stable equipment maintenance and supply of raw materials. Moreover, Sofiva Genomics has a stocking and inventory mechanism in place, ensuring uninterrupted testing services.

(IV) A list of any suppliers and clients accounting for 10 percent or more of the Company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases in the above figures. Where the Company is prohibited by contract from revealing the name of a client, or where a trading counterpart is an individual person who is not a related party, it may use a code in place of the actual name.

1. Suppliers accounted for more than 10% of total purchases in the two most recent years.

Unit: NT$1,000

	2023				2024			
Item	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer
1	Prisma Biotech Corporation	76,487	31.58	None	Prisma Biotech Corporation	75,136	36.19	None
2	Sofiva Genomics Medical Laboratory	28,062	11.59	Related party	Sofiva Genomics Medical Laboratory	45,654	21.99	Related party
3	Zuellig Pharma Inc.	21,298	8.79	None	LIFE TECHNOLOGIES CO., LTD.	24,644	11.87	None
	Others	116,321	48.03		Others	62,164	29.95	
	Net purchases	242,168	100.00		Net purchases	207,598	100.00	

Explanation of changes: The Company's major suppliers over the last two years primarily provide reagents, arrays, and outsourced testing services. With the advancement of our Company's technology and the transition of testing methods, there have been no significant abnormalities with our major suppliers.

2. Customers accounted for more than 10% of total sales in the two most recent years.

	2023				2024			
Item	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer
1	Dianthus MFM Clinic Minquan	31,670	6.78	None	Dianthus MFM Clinic Minquan	58,299	12.86	None

Explanation of changes: The Company’s major customers in 2023 and 2024 primarily received genetic testing services; and no significant irregularities were noted.

III. Employees

(I) The information of employees employed for the 2 most recent fiscal years, and during the current fiscal year up to the date of publication of the annual report

`		2023	2024	As of April 6, 2025
No. of employees	Operators	0	0	0
	Staff	136	144	140
	Total	136	144	140
Average age		35.2	35.7	35.8
Average year of service		4.3	4.0	4.2
Education level and distribution (%)	PhD degree	2	4	4
	Master's degree	55	65	66
	College	70	68	63
	Senior (vocational) high school	8	7	7

(II) Work environment and employee personal safety

The Company's work environment and employee personal safety protection measures are as follows:

1. Access control

   The Company implements access control management measures to enhance control over personnel entering and leaving the premises. All visitors must complete replacement card registration, while employees are required to swipe their employee identity cards upon entering the office area and wear them at all times to ensure safety and facilitate better management of our work environment.

2. The Company's occupational safety and health policy

   (1) Promote safety management

   Sofiva Genomics has established "Workplace Health and Safety Rules". Our ultimate goal is to provide a safe, healthy, and comfortable workplace in order to achieve the vision of sustainable operations and the delivery of high-quality services.

   (2) Health facilitation services

   Sofiva Genomics cares about our employees' health. We allocate and distribute a specific amount of budget, which is higher than the prescribed level, for arranging free health checkups to prevent the occurrence of occupational disasters. Furthermore, we have established several plans, including the Disease Prevention Plan for Abnormal Workloads, the Plan for Preventing Illegal Incidents During Duty Execution, the Human Factor Hazard Prevention Plan, and the Maternal Health Protection Plan. We also actively promote these plans and encourage our employees to adhere to them.

   (3) Implement disaster prevention measures and conduct drills

   Sofiva Genomics is dedicated to providing a safe workplace by planning and implementing relevant safety protection measures. We undergo regular "Firefighting Safety Equipment Maintenance and Reporting Inspection" and, every half year, implement the self-defense fire brigade formation training and report it to the Fire Bureau. Due to the strict implementation and effective management, we have not experienced any major safety incident in recent years.

   (4) Enhance safety and health education

   To enhance our employees' knowledge of occupational safety and health, Sofiva Genomics regularly holds "General Occupational Safety and Health Education Training". Conducted by supervisors

responsible for occupational safety and health affairs, this training mainly covers a summary of occupational safety and health regulations, Workplace Health and Safety Rules, emergency incident response and handling measures, firefighting-related knowledge, and other occupational safety and health-related topics, aiming to instill a safety-conscious mindset among our staff.

3. Monitoring of the labor operating environment

   The Company employs various methods, such as planning, sampling, monitoring, and analysis, to understand the actual conditions of the labor operating environment and evaluate workers' exposure to it. In order to safeguard labor from harm caused by hazardous substances in the workplace, we provide a healthy and comfortable work environment and conduct two operating environment monitoring sessions each year to gain a better understanding of the exposure levels of the staff.

4. Equipment safety management

   The Company does not have any dangerous machinery or equipment. However, for general machinery and equipment, such as our two elevators, we engage the original manufacturer for regular maintenance. Additionally, we ensure the upkeep of an emergency power generator through regular servicing by a professional mechanical and electrical engineering company. Furthermore, on an annual basis, we engage a professional firefighting equipment company to conduct regulatory testing on our firefighting equipment and handle the necessary filing procedures.

5. Occupational safety education training and promotion conducted by the Company in the most recent years

Year	No. of participants in training	Total training hours
2022	80	160
2023	80	160
2024	90	180

6. The Company's occupational safety performance in the most three recent years – Statistics on employee disabling injuries

Year	Fatal accidents	Disabling accidents
2022	Male:0 Female:0	Male:0 Female:0
2023	Male:0 Female:0	Male:0 Female:0
2024	Male:0 Female:0	Male:0 Female:0

7. Sexual Harassment Prevention and Control

   To prevent and control sexual harassment in the workplace, the Company has established the Workplace Sexual Harassment Prevention and Control Measures to maintain and create a safe workplace.

IV. Disbursements for environmental protection

An estimate of losses and disposals incurred in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation), along with disclosing measures already taken or planned (including improvement measures) and of possible expenses that could be incurred currently and in the future (including an estimate of losses, disposition and compensation that may occur if response measures are not adopted). If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

(1) The source of the Company's environmental pollutants is infectious waste produced from experiments and testing. As prescribed in the Waste Disposal Act, violations of hazardous waste disposal may result in fines ranging from sixty thousand to three hundred thousand New Taiwan Dollars. Moreover, violators will be

notified to make improvements within a designated time period; if improvements are not made within the specified period, continuous daily fines shall be imposed.

(2) The Company's disposal of infectious waste complies with government regulations. For example, the waste is packed and stored in designated containers and, if required, sterilized with high-temperature and high-pressure steam. Additionally, the Company outsources disposal of class A waste to organizations specializing in infectious general industrial waste, ensuring no environmental pollution concerns.

V. Labor relations

(I) Any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests:

1. Employee benefit plans

The Company's labor and management have established effective communication channels. Driven by the consensus of achieving synchronized growth to fulfill the Company's philosophy, we have established the Employee Welfare Committee by law. Since its establishment, the Committee has operated smoothly, allocating and distributing benefits and handling related affairs in accordance with regulations. Meanwhile, to recognize our employees' hard work, we have welcomed various suggestions to build Sofiva Genomics as a happy enterprise. Furthermore, to enhance our employee benefit system, we provide the following benefits on a regular or irregular basis:

（1）Meal allowance for department meal gatherings
（2）Employee company trip
（3）Employee birthday monetary gift
（4）Monetary gifts for major festivals (e.g., Mid-Autumn Festival and Dragon Boat Festival).
（5）Employee allowances for weddings, funerals, and celebrations.
（6）Employee health checkups
（7）Employee Sports Day
（8）Employee group insurance
（9）Year-end party and lucky draw
（10）Family Day
（11）Discounts offered by contracted stores
（12）Exclusive project-based discounts offered by partnered companies
（13）Monthly movie theater and special exhibition ticket discounts

2. Continuing education and training

The central focus of our Company's products lies in technology, with our commitment to delivering comprehensive and long-term product service planning. Therefore, our company policy places emphasis on optimizing operating procedures and enhancing our personnel's professional abilities, with a full investment of resources.

(1) New employee orientation training

To safeguard our employees' work efficiency and uphold quality standards, all of our departments provide new employees with orientation training for their job duties. This includes the Company's core training and training for professional skills, with the expectation that our new employees can assimilate into the Company's culture as quickly as possible and provide testing services that meet our quality standards.

(2) On-the-job training

During employees' tenure, supervisors irregularly provide professional education training (including internal and external training, and continuing education) to employees based on job requirements. Additionally, depending on actual needs, supervisors may also provide employees with full or partial subsidies for education training, along with incentive hours for education training. Upon approval of the supervisor, employees may also apply for official leave to engage in on-the-job training and other training relevant to their expertise. It is our expectation that what our employees have learned can be fully applied in their work.

(3) Continuing education and training management

Employees who have completed the training may share the training content with colleagues depending on actual needs. At the same time, registration is required for managing these employees. The purpose of this is not only to train professional talents but also to effectively utilize these talents in order to maintain our company's leading market position as a precise testing service provider.

3. Annual performance bonus

The performance bonus is allocated and distributed based on the Company's annual operating status and individual work performance, attendance, and employment ratio from the previous year.

4. Retirement systems and the status of their implementation

To protect the rights and interests of our employees, take care of their retirement life, and facilitate labor relations, the Company withholds the employees' pension and saves it in their individual labor pension accounts on a monthly basis, ensuring that our employees' lives after retirement are protected.

5. The status of labor-management agreements and measures for preserving employees' rights and interests

(1) Our corporate culture emphasizes prioritizing employees' welfare. Under this consensus, our management team collectively safeguards the rights and interests of our employees through the implementation of various benefit plans. Furthermore, we have fostered an organizational culture of mutual care and co-creating the future, which has infused the workplace with a vibrant atmosphere, fostering harmonious labor relations and facilitating seamless communication.

Our company believes that the success of an organization relies on the effective interaction between supervisors and their subordinates. This belief has driven us to cultivate a harmonious atmosphere within our team and to promote the cohesion of teamwork spirit. In terms of our business management philosophy and practices, we place emphasis on talent cultivation and motivation, respect for individuals, recognition of employees' efforts, and the provision of timely rewards to foster a mutually beneficial work environment. Additionally, we provide our employees with the space to fully utilize their abilities, offer ample opportunities for job rotation and promotion, develop their potential, train them in diverse skills, and cultivate their sense of responsibility. All of these not only enable employees to achieve a sense of accomplishment and confidence, but also encourage satisfaction and motivation.

(2) The labor-management agreements and measures for preserving employees' rights and interests:
With a strong emphasis on labor relations, the Company holds regular meetings to coordinate worker-employer relationships, promote cooperation, and enhance work efficiency in accordance with Article 83 of the Labor Standards Act. Moreover, to ensure that our employees can freely express their opinions, we have established various communication and complaint channels, including an employee complaint email, mailbox, hotline, and designated HR window. Our implementation status is as follows:

A. The employee assistance and complaint channels are directly managed by the Human Resources Division.

B. The complaint/reporting email on the corporate website is directly handled by internal senior executives within the Company.

C. A diverse communication platform can facilitate the establishment of long-term and harmonious labor relations.

(II) Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to labor disputes, and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:
The Company has successfully maintained labor relations. Currently, there are no instances of labor disputes, and the Company has not incurred any losses due to such disputes.

VI. Cyber security management

(I) Cyber security management strategy and framework

1. Corporate information security governance organization

Sofiva Genomics Co., Ltd. has established the "Information Engineering Division" to oversee the formulation and implementation of policies related to information security and protection, risk management, and compliance audits. The Company has also partnered with the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) to engage in joint information security defense efforts, ensuring continuous updates and access to the latest cyber security information and security control measures. Every six months, the General Manager reports on the effectiveness of information security management, relevant issues, and strategic directions to the Board of Directors. Our Information Engineering Division is responsible for overseeing and governing corporate information security, with both the General Manager and the head of the Information Engineering Division supervising and assessing the Company's information and network security management mechanisms and directions. To implement the information security strategy formulated by the information security organization and ensure compliance with information security-related standards, procedures, and regulations among our internal staff, the General Manager and the head of the Information Engineering Division are responsible for auditing, supervising, reviewing, and determining information security and protection guidelines and policies. Furthermore, the Information Service Department and System Maintenance Department under the Information Engineering Division are designated to execute and implement information security management measures to ensure their effectiveness.

2. Information security management strategy and framework

To effectively implement information security management, the Information Engineering Division is designated to hold routine meetings regularly. During these meetings, the division reviews the applicability of information security policies and relevant protective measures according to the Plan-Do-Check-Act

(PDCA) management cycle, and reports the implementation outcomes to the General Manager.

The “Plan” step focuses on managing information security risks to establish a robust Information Security Management System (ISMS). This system aims to minimize security risks across systems, techniques, and procedures, ensuring the delivery of a confidential information protection service that aligns with both customer demands and high standards. During the “Do” step, a multi-layered approach to information security protection is put into place. This involves continuously integrating innovative information security defense technology and internalizing the information security control mechanism. Furthermore, it entails integrating these controls into software and hardware maintenance operations, as well as into daily procedures for supplier information security management. Through systematic monitoring, this stage ensures the preservation of confidentiality, integrity, and usability of the Company’s most critical assets. The “Check” step proactively monitors the effectiveness of information security management and, based on the audit results, conducts assessments and quantitative analysis of information security indicators. Moreover, through regular drills on simulated attacks, it evaluates the maturity of information security. The “Act” step, on the other hand, is driven by reviews and continuous improvement, ensuring the sustained effectiveness of information security standards through supervision and auditing. When employees violate relevant regulations and procedures, they shall be handled in accordance with Information Security Violation Handling Procedures and may be subject to disciplinary action (including consideration of the employee's annual performance appraisal or the implementation of necessary legal measures) depending on the details of the violation. Additionally, in line with performance indicators and maturity evaluation results, regular reviews and implementation of improvement measures, such as information security protocols, educational training, and promotion, are conducted to ensure that the Company's important and confidential information remains undisclosed.

(II) Cyber security risks and response measures

Sofiva Genomics Co., Ltd. has established comprehensive internet and computer-related security protocols to address information technology security risks and management measures. However, this does not guarantee that our managed computer systems or the systems crucial for operating, accounting, and other essential business functions can absolutely keep away from any internet attacks from third parties, which could potentially paralyze our system. These internet attacks illegally penetrate Sofiva Genomics Co., Ltd.’s internal network system, damaging the Company’s operations and threatening its reputation. Affected by serious internet attacks, our systems may also lose important corporate data and suffer from suspended operations. Sofiva Genomics Co., Ltd. continuously reviews and evaluates our information security regulations and procedures to ensure the applicability and effectiveness of our protection measures. However, this does not guarantee that our Company, amidst the ever-changing landscape of information security threats, will remain unaffected by emerging risks and attacks. Internet attacks may also target the theft of our Company's business secrets and other confidential information, including data pertaining to customers, stakeholders, and employees. Malicious hackers may also attempt to introduce computer viruses, destructive software, or ransomware into our network system in order to disrupt our operations, engage in extortion or blackmail, gain control over our computer systems, or snoop on confidential information. These attacks can result in compensation claims and financial losses due to delays or interruptions in order processing. Alternatively, we may incur substantial expenses implementing remedial and improvement measures to enhance our internet security system; and may face substantial legal liabilities arising from litigation cases or regulatory investigations due to the disclosure of information concerning our employees, customers, or third parties, to whom we have an obligation to maintain confidentiality. In the past, Sofiva Genomics Co., Ltd. has been subjected to ransomware attacks, and the potential for similar incidents in the future remains a concern. To

proactively defend against such threats and minimize potential harm, we have implemented improvement measures and maintain vigilant system updates. For example, we have established the machinery and equipment security protection mechanism to prevent machinery and equipment containing malicious software from entering our Company. Furthermore, we have strengthened our network infrastructure by employing virtual segmentation to segment network segments at various levels and regulate internal and external network usage. Additionally, our employees are prohibited from connecting personal devices to our internal network and using remote desktop services. When external access to the computer system is required, it is necessary to apply for the use secure VPN connections. The connection between the server, systems and user, along with their respective protections, should also be segregated to prevent malicious connections and intrusions. Within the internal network, internal firewalls and network controls are utilized to prevent the spread of malicious software across devices and zones. For information service servers used for external connections, they are controlled by external firewalls to prevent malicious intrusion. In addition, we collaborate with cybersecurity firms that employ a global information security intelligence analysis and defense system to reduce and minimize external information security threats, hacker attacks, and malicious connections, as well as automatically blocking the intrusion of malicious software. Furthermore, we have established endpoint antivirus measures tailored to different types of computers; introduced the most advanced solutions for detecting and dealing with malicious software; designed and developed information security tools to enhance employees' personal computers; virtually established our private clouds and enhanced our system, as well as offsite data backup, to enable timely restoration of our system operations and ensure accurate access to our data in case of illegal attacks or damage, thereby helping to minimize damages to our company; introduced new technologies to enhance data protection; improved the detection of phishing emails; and monitored and recorded all packets and messages associated with the network and relevant systems to prevent and promptly protect our information security. Furthermore, our systems, machinery, and equipment are centrally managed using AD accounts for permission control. This ensures consistency and facilitates management, preventing the illegal intrusion of personnel. We also adopted the DLP system to prevent the leakage of confidential and sensitive data caused by both intentional and unintentional breaches, helping to enhance the security of data and documents. The introduction of the EDR system and the establishment of the SOC center can prevent, monitor, and analyze intentional improper computer behavior for early prevention and intervention, while also providing security measures. Moreover, in response to the growing utilization of mobile devices and equipment, we have implemented the MDM system to control and monitor the usage and security protection of relevant equipment, as well as to implement related security measures. We have also established a comprehensive security protection network covering 360 degrees both vertically and horizontally, and created an integrated automated information security operations platform; regularly implemented employee awareness testing; and commissioned external experts to conduct information security evaluations. However, despite continuous enhancements to the information security measures of Sofiva Genomics Co., Ltd., there is no guarantee of immunity from malicious software attacks and hacker intrusions. Furthermore, Sofiva Genomics Co., Ltd. is obligated to share highly sensitive and confidential information with certain third parties engaged in providing business services to Sofiva Genomics Co., Ltd. and our affiliated companies worldwide, facilitating the delivery of services to our customers. Although specified in the service contracts that Sofiva Genomics Co., Ltd. has signed with third-party service providers, requiring them to comply with confidentiality and/or internet security rules, there is no guarantee that every third-party service supplier will abide by such obligations. The internet network system and external cloud computation network (e.g., servers) maintained by the aforementioned service providers and/or their subcontractors may be at risk of internet attacks. If we or our service suppliers are unable to timely resolve technical problems caused by these online

attacks, ensure the integrity and usability of Sofiva Genomics Co., Ltd.'s data (or that of our customers or any other third parties), or control our or our service suppliers' computer systems, this may seriously undermine the commitments that Sofiva Genomics Co., Ltd. has made to our customers and other stakeholders. Consequently, the Company's operating outcomes, financial status, prospects, and reputation may be significantly impacted.

VII. Important contracts

Nature of contract	Contracting parties	Contract commencement and end dates	Major content	Restriction clauses
Technical cooperation	Illumina, Inc.	2020/7/1~2027/1/31	Technical cooperation	None
House Lease Contract	Asia Cement Corporation	2016/7/1~2026/6/30	House lease	None
House Lease Contract	National Taiwan University NTU Innovation and Incubation Center	2020/7/1~2026/6/30	House lease	None
House Lease Contract	Yeh Hsiu-chu	2019/6/10-2029/5/31	House lease	None
Commission Agreement	AstraZeneca Taiwan Ltd.	2022/1/3~2025/1/2	Commissioning the testing service: HRD Status	None
Procurement Contract	Prisma Biotech Corporation	2015/4/9–Present	General purchases	None
Procurement Contract	SOPHiA Genetics	2024/2/20~2025/2/19	General purchases	None
Commission Agreement	Life Technologies Co., Ltd.	2022/4/11~2025/4/10	Procurement of Equipment	None

E. A Review and Analysis of the Company's Financial Position and Financial Performance, and a Listing of Risks

I. Financial position

The main reasons for any material change in the Company's assets, liabilities, or equity during the past 2 fiscal years, and the effects thereof. Where the effect is of material significance, the measures to be taken in response:

Adoption of International Financial Reporting Standards (Consolidated)

Unit: NT$1,000

Year / Items	2023	2024	Increase (decrease) in change	
			Amount	Percentage (%)
Current assets	277,339	272,600	(4,739)	(1.71)
Property, plant and equipment	55,908	53,160	(2,748)	(4.92)
Intangible assets	6,864	8,192	1,328	19.35
Other assets	427,027	434,131	7,104	1.66
Total assets	767,138	768,083	945	0.12
Current liabilities	96,198	83,457	(12,741)	(13.24)
Non-current liabilities	52,568	40,222	(12,346)	(23.49)
Total liabilities	148,766	123,679	(25,087)	(16.86)
Share capital	213,624	215,934	2,310	1.08
Additional paid-in capital	332,060	341,594	9,534	2.87
Retained earnings	72,504	86,662	14,158	19.53
Other equity interest	(46)	(148)	(102)	221.74
Equity attributable to owners of parent	618,142	644,042	25,900	4.19
Non-controlling interest	230	362	132	57.39
Total equity	618,372	644,404	26,032	4.21
Where the change between the current and prior periods exceeds 20% and the total amount is over NT$10 million, analyze the main reasons below: 1. Total non-current liabilities decreased compared to the previous year, primarily due to a reduction in non-current lease liabilities.				

II. Financial performance

1. The main reasons for any material change in operating revenues, operating income, and income before tax during the past 2 fiscal years.

Adoption of International Financial Reporting Standards (Consolidated)

Unit: NT$1,000

Items \ Year	2023	2024	Increase (decrease) in change	
			Amount	Percentage (%)
Operating revenue	466,797	453,312	(13,485)	(2.89)
Operating costs	336,889	317,651	(19,288)	(5.71)
Gross profit	129,908	135,661	5,753	4.43
Operating expenses	145,790	139,034	(6,756)	(4.63)
Operating income	(15,882)	(3,373)	12,509	(78.76)
Non-operating revenue and expenses	24,785	26,988	2,203	8.89
Income before tax	8,903	23,615	14,712	165.25
Tax expenses	(3,020)	4,487	7,507	(248.58)
Net income	11,923	19,128	7,205	60.43
Other comprehensive income	(16)	(117)	(101)	631.25
Total comprehensive income (net after tax)	11,907	19,011	7,104	59.66

The Group's decisions are based on estimated customer demand and under the consideration of the overall market.

Where the change between the current and prior periods exceeds 20% and the total amount is over NT$10 million, analyze the main reasons below:

1. Decrease in net income: Primarily attributed to a decrease in operating revenue.
2. Decrease in non-operating revenue and expenses: Primarily attributed to a decrease in the shares of profit (loss) of associates and joint ventures accounted for using equity method.

2. A sales volume forecast and the basis therefor.

   The annual targets are set based on environmental factors, production capacity planning, and past business performance. Meanwhile, in response to diverse market demands, the Group will devote efforts to the research and development of new products to enhance our competitiveness. A stable growth in our Group’s annual sales revenue is highly anticipated.

3. The effect upon the Company's financial operations as well as measures to be taken in response.

   The Group will focus on the effective utilization of our production capacity and financial resources to meet the demands of business growth.

III. Cash flow

1. Descriptions and analysis of any cash flow changes during the most recent fiscal year:

Unit: NT$1,000

Items \ Year	2023	2024	Change	
			Amount	%
Operating activities	23,698	34,688	10,990	46.38
Investing activities	(9,987)	(10,662)	(675)	6.76
Financing activities	(36,669)	(8,566)	28,103	(76.64)
Amount of net cash inflow (outflow)	(23,006)	15,273	38,279	(166.39)

Analysis of change in cash flow:

1. Operating activities: The increase in net cash inflow is primarily attributed to the decrease in income tax payments for the year 2024。
2. Investing activities: The decrease in net cash outflow is primarily attributed to the decrease in property, plant and equipment and increase in dividends received , resulting in an increase in cash outflow from investing activities for the year 2024.
3. Financing activities: The decrease in net cash outflow is primarily attributed to the decrease in distributed cash dividends for the year 2024.

2. Improvement plan for insufficient liquidity: The Group currently has sufficient cash reserves and does not face any liquidity shortages or concerns.

3. Analysis of cash liquidity for the following year (2025):

Unit: NT$1,000

Beginning cash balance (1)	Estimated cash flow from operating activities throughout the year (2)	Estimated cash flow from investing activities throughout the year (3)	Estimated cash flow from financing activities throughout the year (4)	Ending cash balance (1)+(2)+(3)+(4)	Remedial measures for cash shortage	
					Investment plan	Financial management plan
112,079	46,191	3,619	(21,218)	140,671	-	-

Analysis of the change in future cash flow for the following year:

1. Operating activities: The revenue is expected to grow, resulting in a net cash inflow from operating activities
2. Investment activities: It is expected to have capital expenditures and receive dividends from equity investments, resulting in cash outflow from investing activities.
3. Financing activities: It is expected to distribute cash dividends and pay lease liabilities, resulting in net cash outflow from financing activities.

IV. The effect upon financial operations of any major capital expenditures during the most recent fiscal year:

None.

V. The annual report shall describe the Company's reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year.

In 2014, the Company invested in establishing Phoebus Genetics Co., Ltd. primarily to offer personalized genetic testing services (e.g., cancer genetic testing), aiming to distinguish itself from our Company's branding of maternal-fetus related testing. However, after years of promoting personalized testing, this testing business provided by Phoebus Genetics Co., Ltd. has been brought under the Company's management due to the greater synergies in unified marketing and business promotion. Presently, Phoebus Genetics Co., Ltd. predominantly focuses on implementing prenatal testing business (NIPS V1.0) and has consistently contributed to the Company's profitability.

In 2018, the Company invested in establishing its subsidiary in Thailand, Sofiva Genomics Bangkok Co., Ltd., aligning with the Group's strategy to develop the Southeast Asia market. While initially concentrating on the development of the local Thai market, the subsidiary encountered challenges in attaining economic scale and managing comparatively higher sales and marketing expenses, leading to a deficit. However, starting from 2024, this company had effectively transformed this deficit into a surplus, credited to the implementation of cost-saving measures aimed at operational expenses.

In 2018 and 2019, the Company made successive investments in Dianthus Co., Ltd.(formerly known as Heyao Co., Ltd.), acquiring a 16.56% shareholding by 2024. Established to expand into the maternal-fetal market, this company commenced official operations in 2019. Its revenue primarily comes from consulting fees charged to medical institutions and the sale of medical supplies to these institutions. This has consistently brought profitability to our company.

VI. Analysis and assessment of risks during the most recent fiscal year and up to the date of publication of the annual report:

(I) The effect upon the Company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future:

1. Impact of interest rate fluctuations on the Company's profit and loss, and response measures

(1) Impact on the Company's profit and loss

The Company's interest income for 2023 and 2024 was $1,455,000 and $1,398,000, respectively. This income was primarily derived from interest on bank deposits, accounting for 0.86% and 11.27% of the income before tax. As a result, it had a relatively minor effect on the Company's profit and loss. Furthermore, as the Company did not have any bank loans in 2023 and 2024, changes in interest rates did not have a material impact on the Company.

(2) Specific response measures

The Bank maintains a good credit relationship with its banking partners and possesses a solid financial structure, with interest rates falling within a favorable range. The Company also routinely assesses the interest rates offered on various deposit projects by banks and continuously monitors the impact of fluctuations in financial market interest rates on the Company's funds. Consequently, future changes in interest rates are anticipated to have minimal impacts on the Company's operations and financial performance.

2. Impact of exchange rate fluctuations on the Company's profit and loss, and response measures

(1) Impact on the Company's profit and loss

The Company's primary operations are based in Taiwan. Therefore, sales to customers are denominated in New Taiwan dollars (TWD; NT$), and purchases are also denominated in New Taiwan dollars (TWD; NT$). In 2023 and 2024, the Company recorded exchange losses of $626,000 and $450,000, respectively. These losses represent 0.13% and 0.10% of the Company's net operating revenue, and 7.03% and 1.91% of the Company's income before tax. Due to their small proportion relative to the Company's operating revenue and income before tax, exchange rate fluctuations are expected to have minimal impacts on the Company's profit and loss.

(2) Specific response measures

Our Finance Division maintains close relationships with financial institutions, continuously monitors exchange rate fluctuations, and stays fully informed about international exchange rate trends and changes. This enables our Finance Division to swiftly address the impacts of exchange rate fluctuations and adeptly adjust foreign currency positions in the spot market.

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

(1) Impact on the Company’s profit and loss

As of the publication date of the annual report, the Company has maintained strong partnerships with our suppliers and has not experienced any significant currency inflation. Our previous profit or loss has also not been significantly affected by currency inflation.

(2) Specific response measures

The Company closely monitors fluctuations in the upstream raw material market and maintains strong partnerships with our suppliers. In the future, we will continue to closely observe changes in the consumer price index, assess the impacts of inflation on the Company's operations, and promptly adjust product sales prices and raw material inventory to respond to inflationary pressures.

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

1. The Company is focused on our core business operations. We never engage in any high-risk or high-leverage investment activities.

2. The Company has already established the “Operational Procedures for Endorsements/Guarantees” and “Operating Procedures for Loans to Others” as the guidelines we adhere to when engaging in related practices. The recipients of the Company's funds are our subsidiaries, and the lending limits are determined according to our “Operating Procedures for Loans to Others”, which are implemented upon approval by the Board of Directors. The Company has not engaged in any endorsement or guarantee activities.

3. As of the publication date of the annual report, the Company has not engaged in any transactions involving derivative instruments. If necessary in the future, our transactions involving derivative instruments will primarily aim to mitigate market risks arising from exchange rate and interest rate fluctuations. We will refrain from engaging in arbitrage and speculative activities. Furthermore, our longstanding focus on core business operations means that related risks are inherently limited.

(III) Research and development work to be carried out in the future, and further expenditures expected for research and development work:

The Company's future R&D focus will remain in the fields of genetic testing and maternal-fetal medicine, centered around our six major genetic testing categories: "Reproductive", "Prenatal", "Newborn", "Cancer", "Rare Disease", and "Precision Medicine". We will continue to innovate new testing technologies within these categories and further advance our expertise in promoting maternal and child health, cancer medicine, and personalized medicine. Several of our tests and technologies have received recognition from esteemed organizations such as CAP, ISO15189, and LDTS. We also collaborate with prominent global leaders in genetic testing such as illumina, Roche, Thermofisher, and SOPHiA genetics, as well as the global pharmaceutical company AstraZeneca. Moreover, our professional team, comprising specialist physicians and genetic counselors, is dedicated to providing customers with comprehensive medical advice and services. We are committed to delivering inclusive and high-quality genetic testing services.

1. The Company's future R&D plan is as follows:

(1) Reproductive Genetic Testing

In today's society, natural miscarriage and infertility are common occurrences in the field of gynecology and obstetrics, often recurring in couples aspiring to conceive children, resulting in significant mental and familial stress. To assist couples facing similar challenges, Sofiva Genomics has introduced miscarriage and infertility testing services. By examining blood chromosomal abnormalities, these tests can identify structural imbalances, chromosomal microdeletions, or microduplications in couples struggling with infertility or experiencing recurrent miscarriages. The testing results can also be provided to clinicians to aid in their diagnosis related to pregnancy. In terms of intrauterine insemination, the Company has introduced the Preimplantation Genetic Testing for Aneuploidy (PGT-A) to screen for healthy embryos, successfully aiding thousands of couples in conceiving. Recently, we have also launched the latest Non-Invasive Preimplantation Genetic Testing for Aneuploidy (niPGT-A), which only requires the embryo culture medium containing DNA fragments released by the embryos. This simplified and non-invasive embryo cell acquisition process can minimize factors affecting embryo survival rates and enhance the selection of embryo morphology grades. The results also include mitochondrial analysis, providing infertile couples with a more diverse range of testing options during the intrauterine insemination process. From a technological standpoint, Next Generation Sequencing (NGS) and bioinformatic analysis allow us to maintain high sensitivity, high specificity, and rapid testing when examining embryo chromosomes. Furthermore, through further technological advancements, the Company has successfully enhanced NGS technology for screening individual genes in embryos. This capability enables us to identify genetic defects inherited from the family and detect chromosomal abnormalities, thereby enhancing testing efficiency and comprehensiveness. Moreover, the recent introduction of the ThermoFisher system offers clinical endpoints the flexibility to choose from various testing platforms based on their specific requirements and preferences.

The Company also offers the option of Preimplantation Genetic Testing for Monogenic Diseases (PGT-M), which involves designing personalized family-specific probes. Through direct and indirect testing techniques, it aids couples with a family history of hereditary diseases in screening embryos that do not carry such diseases. The test results can also be provided to clinicians to facilitate their reproductive-related diagnoses.

(2) Prenatal Genetic Testing

Disease inheritance patterns are commonly classified as recessive and dominant. In the case of autosomal recessive diseases, the condition manifests only when both parents carry the recessive gene variant on their chromosomes. When the variant is present on only one chromosome, the disease may not manifest, but the abnormal genes can still be passed down to the next generation. Furthermore, as carriers of hereditary autosomal recessive diseases do not develop the illness themselves, they may overlook the risks of having a severely affected child. In consideration of the health of future generations, the Company offers the SOFIVA Carrier Scan (v1.0 / v2.0 / v3.0) service. By leveraging NGS technology, this service can simultaneously test for over three hundred clinical common hereditary autosomal recessive diseases across fourteen major categories, providing prospective parents with valuable insights for their family planning. Going forward, the Company plans to incorporate common and critical autosomal recessive diseases identified in international benchmarks and the Taiwan Biobank to refine the selection of targeted testing genes, thereby enhancing the significance of the testing results.

Regarding prenatal testing, the Company introduced the groundbreaking prenatal testing product - SOFIVA Non-Invasive Prenatal Screening (SOFIVA NIPS) - in 2013. This testing allows pregnant women to undergo blood sampling as early as 10 weeks' gestation. During the test, we first extract plasma DNA from the blood and utilize NGS technology and bioinformatic analysis to examine fetal cell-free DNA (cfDNA), which is used to test for chromosomal trisomy (e.g., Down syndrome, Edwards syndrome, Patau syndrome, etc.). Over the years, we have continuously advanced our technologies and subsequently launched relevant testing services. The SOFIVA Non-Invasive Prenatal Screening (SOFIVA NIPS v1.0 / v2.0 / v3.0) service we currently offer not only assesses chromosomal abnormalities but also evaluates 20 mutation loci in the FGFR2 and FGFR3 genes associated with congenital skeletal abnormalities. In the

future, we plan to incorporate additional monogenic mutation testing for congenital diseases into our product portfolio. With the inclusion of chromosomal trisomy and microdeletions testing, we aim to provide pregnant women and fetuses with even more comprehensive prenatal screening services. Meanwhile, we have developed the SOFIVA Array (v1.0 / v2.0 / v3.0) testing that not only detects over 1,000 chromosomal microdeletion syndromes in the original array system but also examines dozens of monogenic diseases.

Regarding other prenatal testing, the Company has utilized placental growth factor (PIGF), soluble FMS-like tyrosine kinase-1 (sFlt1), and hemodynamics to predict the occurrence of preeclampsia (PE). This effort, published in an international academic journal, has successfully assisted many pregnant women in preventing the potentially fatal crisis of preeclampsia. Moreover, the Company has amassed years of experience in Spinal Muscular Atrophy (SMA) Carrier Screening and counseling services. Conducting tests on a stable platform allows us to rapidly and accurately identify SMA-related genetic mutations. We have also targeted common congenital infectious diseases in fetuses, such as Toxoplasma Gondii Infection Screening and cytomegalovirus (CMV) infection, for screening. The test of IgM and IgG in women's blood or amniotic fluid, for example, can facilitate early treatment before childbirth. Relevant products include testing for fragile X syndrome (a common hereditary intellectual disability disorder) and Methylenetetrahydrofolate Reductase (MTHFR) mutation (affecting fetal development), which aim to advance towards more comprehensive early diagnosis, early monitoring, and preventive treatment for women and fetuses.

(3) Newborn Genetic Testing

Newborns frequently face a variety of diseases, which is why Sofiva Genomics is committed to the development of Newborn Genetic Testing. The principle of "Early discovery, early treatment" has always guided our approach to treatment. Taking Hearing-Loss Genetic Testing as an example, by leveraging earlier research advancements and utilizing NGS technology, we have managed to analyze a wider range of genes associated with hearing impairment, while also efficiently analyzing sleep apnea genes. Meanwhile, we also offer screenings for Congenital Cytomegalovirus (CMV) Infection and Atopic Dermatitis Genetic Screening, both of which can be conducted shortly after birth to achieve early diagnosis and implement preventive measures.

At present, the Company has also introduced the SOFIVA Baby Scan (v1.0/ v2.0/ v3.0) service. By integrating various existing testing items and upgraded NGS technology, the SOFIVA Baby Scan can simultaneously test for genes associated with numerous diseases, including drug hypersensitivity reactions, hearing loss, central nervous system diseases, metabolic diseases, hematological diseases, immunodeficiency diseases, muscular diseases, epilepsy, visual impairment, congenital heart defects, and pediatric cancers, among others. For asymptomatic newborns, the SOFIVA Baby Scan can also identify genetic abnormalities related to diseases or drug hypersensitivity reactions. In cases where newborns exhibit symptoms, the testing report can serve as a diagnostic reference, aiding in early treatment by identifying the underlying cause of the disease. The Company will continue to advance genetic testing for newborn diseases and intends to incorporate additional drug hypersensitivity-related genetic testing to prevent potential harm when children require medication during their growth.

(4) Cancer Genetic Testing

Cancer has recently emerged as the leading cause of death in Taiwan, with the population of cancer patients of all types continuing to rise each year. In the past, the primary challenges associated with conducting cancer tests have been the difficulty in sampling and human judgment errors. Traditionally, testing has involved tissue biopsy, requiring patients to undergo surgery to provide a sample. This process is not only arduous but also poses various inconveniences for healthcare professionals in monitoring treatment effectiveness.

In recognition of this, the Company has utilized cell-free DNA (cfDNA) released after cell death and circulating tumor DNA (ctDNA) released after tumor cell death in the bloodstream to conduct liquid biopsy screening for cancer genes. Leveraging Roche's highly accurate and sensitive molecular barcode technology, this testing aids clinicians in diagnosing mutations identified through bioinformatic analysis and in addressing the genetic individuality differences of each cancer patient. The Company has already

introduced SOFIVA Cancer Monitor (v1.0/v2.1/v2.2/v3.0/breast cancer/colorectal cancer/bile duct carcinoma/urothelial carcinoma) and SOFIVA Cancer Track, tailored for cancer patients at various stages. These tests not only alleviate patient discomfort during sampling and facilitate nursing staff monitoring but also offer valuable guidance in identifying suitable chemotherapy or targeted therapy drugs, significantly enhancing the accuracy and efficacy of cancer treatment. Furthermore, SOFIVA Cancer Scanning (v1.0/v2.0-Male/v2.0-Female/v3.0) can serve as an option for health checkups for healthy individuals. Through a simple blood test, it can analyze hundreds of genes related to the top 10 cancers published by the Ministry of Health and Welfare (MOHW), as well as 29 other types of respiratory, digestive, nervous, and endocrine system cancers, enabling patients to gain a more comprehensive understanding of their health status.

The Company also targeted hereditary cancers caused by familial genetic mutations to develop the SOFIVA Cancer Risk – Hereditary Cancer (v1.0/v2.0) testing. This testing is offered to individuals from families with a history of hereditary cancer, those with close relatives diagnosed with early-onset hereditary cancer, or those who wish to determine whether they carry any hereditary cancer genes. Moreover, examinees may also choose to undergo testing for common BRCA1/2 gene mutations associated with familial hereditary breast and ovarian cancer, 25 colorectal cancer genes, or 44 gynecological cancer genes. The Company also launched HPV (Human Papillomavirus) screening for cervical cancer and recently collaborated with SOPHiA Genetics to develop the Homologous Recombination Deficiency (HRD) Status testing. The HRD Status significantly benefits ovarian cancer patients by confirming the effectiveness of targeted therapy drugs (PARPi). Current findings indicate that over 50% of patients are suitable for targeted therapy drugs, further enhancing disease-free survival time for individuals. In the future, we will continue to develop genetic diagnosis platforms for common cancers in Taiwan. We will strive to provide even more diverse, comprehensive, and high-quality testing services to patients at various stages of cancer, as well as to the general public seeking a better understanding of their health status.

(5) Rare Diseases Genetic Testing

The Company has provided genetic testing for hundreds of rare diseases, including severe thalassemia, osteogenesis imperfecta (OI; brittle bone disease), spinocerebellar ataxia (SCA; Penguin Family), and more. Our goal is to provide early-stage diagnosis and treatment opportunities to patients with rare diseases, assisting them in reducing infection risks. Currently, we are continuously expanding the range of detectable rare diseases, incorporating the optimal genetic testing platforms for different gene types and mutation patterns, and developing various molecular diagnostic methods and technologies. We have recently launched the whole exome sequencing (WES) service and are evaluating the integration of AI with natural language processing to provide testing services for rare disease patients.

(6) Precision Medicine Genetic Testing

The human genome has been sequenced. In the past, identifying functional genes was akin to searching for a needle in the ocean. However, with the decoding of the gene sequence, the sequencing results can now be extensively applied in disease diagnosis, prevention, and treatment. The Company also collaborates with clinical endpoints and pharmaceutical companies to develop Endometrial Cancer Genetic Subtypes and Prostate Cancer Genetic Testing, aligning with treatment guidelines and information from the Food and Drug Administration (FDA). Our strengths not only lie in developing personalized genetic screening to offer customized health services to our customers, but also in providing specific genetic testing with specially designed experimental procedures for customers in need. Recent literature, supported by clinical trials, has confirmed that integrating pharmacogenomic testing into clinical decision-making can reduce the probability of drug hypersensitivity by 30%. Therefore, our Company will further develop Pharmacogenomic Testing solutions that better meet clinical needs based on existing foundations

With our strengths in clinical testing technologies, we will develop genetic testing items, testing contents, and scope of application by stages. Our research and development items are as follows:

Category	**Product**	**Content**	**Departments applicable in clinical practice**
Reproductive (reproductive medicine) genetic testing	Male Infertility Testing	Modern medicine has revealed that, in many cases, infertility in couples are attributed to male factors. In addition to conducting physical examinations and sperm function tests, testing for genetic defects is also recommended. Currently, the Company provides azoospermia factor (AZF) genetic testing and will further develop to offer more related testing services through various technical platforms.	Reproductive centers Department of gynecology and obstetrics
Prenatal (prenatal and pregestational) genetic testing	Upgrade of SOFIVA Non-Invasive Prenatal Screening (SOFIVA NIPS)	Non-Invasive Prenatal Chromosome Screening (NIPS v3.0) is designed to detect abnormalities in 23 pairs of chromosomes, chromosomal trisomy disorders, and 20 types of microdeletions. It can also screen for 20 mutation loci in the single genes FGFR2 and FGFR3. Given the numerous chromosomal microdeletion and monogenic mutation diseases in clinical practice, we will continue to develop tests for other microdeletion and monogenic mutation diseases. These will be further incorporated into the current NIPS v3.0 testing to expand its scope and enhance the comprehensiveness and usability of this product.	Department of gynecology and obstetrics
Neonatal genetic testing	Baby Scan (BS)	Various genetic abnormalities can increase the risk for newborns to develop diseases and even sudden death during their growth process. Early identification and diagnosis of these conditions can provide newborns with better care, preventing the occurrence of diseases and mitigating the adverse effects caused by them. Our Company has developed the comprehensive Baby Scan (BS v1.0/v2.0/v3.0), which includes genetic testing for hearing loss, drug hypersensitivity reactions, multiple system	Departments of neonatology and pediatrics

Category	Product	Content	Departments applicable in clinical practice
		defects, metabolic diseases, and congenital heart defects. In the future, we will continue to collaborate with clinicians to develop genetic testing for drug hypersensitivity, further expanding the scope of the Baby Scan (BS). Moreover, this testing can also be combined with prenatal screening to facilitate the rapid genetic diagnosis of newborn-related diseases.	
	Atopic Dermatitis Genetic Screening	Atopic dermatitis (AD) is a chronic skin condition affecting children in Taiwan, with a strong genetic component that can impact the health of future generations within a family, as supported by previous research. Sofiva Genomics offers Atopic Dermatitis Genetic Screening, which identifies 20 high-risk loci commonly found in Taiwanese individuals based on literature. This screening categorizes individuals into high, moderate, or low-risk groups for allergic constitution, enabling subsequent assessments and tailored health education. We are currently enhancing our genetic testing for Atopic dermatitis (AD)-related genes using third-generation sequencing technology, providing a more comprehensive gene sequencing and screening service.	
	Kawasaki Disease Genetic Testing	In 2010, Kawasaki Disease was voted as the No.1 among "The top ten challenging pediatric diseases". Besides its high occurrence rate, Kawasaki Disease still lacks a specific and targeted method for clinicians to make an immediate diagnosis. This can lead to a high risk of delaying the optimal treatment window and even result in acquired heart disease in children. Currently, the Company has introduced the Kawasaki disease genetic testing developed by a medical center with the aim of enabling early disease diagnosis for patients.	
Cancer Genetic Testing	Non-Invasive Tumor Mutation Burden (TMB) Testing	Today's tumor immunotherapy (PD-1/PDL) stands as the final hope for patients when chemotherapy proves ineffective. Research underscores that among tumor immunotherapies, tumor mutation burden (TMB) is a crucial indicator strongly associated with the effectiveness of immunotherapy. However, conventional TMB testing involves invasive tumor sampling, causing discomfort for patients and inconvenience for medical staff. To address this challenge, the Company has collaborated with a leading foreign manufacturer to pioneer non-invasive tumor mutation burden testing.	Departments of oncology, surgery, internal medicine, and gynecology and obstetrics

Category	Product	Content	Departments applicable in clinical practice
		This innovative approach aims to benefit cancer patients by achieving more effective treatment outcomes without the need for invasive procedures.	
Cancer Genetic Testing	Tumor Early Screening	Currently, tumor testing primarily depends on tissue biopsy, which can be cumbersome for sampling and sample preservation. To address this, the Company has collaborated with the renowned genetic testing brand Roche to develop molecular barcode sequencing and advanced NGS CAPP-Seq technologies. These advancements not only greatly enhance testing accuracy and sensitivity, but also enable the utilization of ctDNA obtained from urine, stool, and other specimens for early genetic screening in patients with various types of cancer.	Departments of oncology, surgery, internal medicine, and gynecology and obstetrics Health screening centers
Rare Diseases Genetic Testing	Rare Diseases Genetic Testing	At present, the human genome consists of approximately 25,000 known genes, and the number of rare diseases caused by genetic mutations will likely increase as we move forward. The Company has developed hundreds of plans for Rare Diseases Genetic Testing. In the future, we will combine them with our abundant testing data to build up new testing platforms.	All departments
Precision Medicine Genetic Testing	Drug Hypersensitivity Testing	The Company's Baby Scan (BS) has included items related to drug hypersensitivity. In the future, our plans entail not only expanding the types of drugs and the number of genes for testing to enhance the comprehensiveness and completeness of the current testing, but also broadening the applicable population to include adult drug hypersensitivity testing. Our goal is to provide risk assessments for commonly used medications, thereby reducing potential risks associated with drug usage across all age groups.	All departments

2. Estimated R&D expenses:

The Company's R&D expenses for 2023 and 2024 were $10,335,000 and $10,335,000, representing 2.08% and 2.08% of the annual revenue for each respective year. With the expansion of our research and development endeavors, the range of genetic testing items provided by our company will grow. We anticipate investing $19,848,000, equivalent to 3% of our revenue, into R&D in 2024.

(IV) Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

In recent years, the Company has not experienced any significant financial impacts due to policy or legal changes. However, we remain attentive to domestic and international political and economic environments as well as trends in regulations in order to respond to any situation at any time.

(V) Effect on the Company's financial operations of developments in science and technology as well as industrial change, and measures to be taken in response:

1. As the Company is capable of timely grasping and analyzing the technological trends of relevant industries and leveraging the analysis results, we have not encountered any significant financial impacts from technological changes.
2. Information security risk assessment analysis

   The Company has established an internal control system for computerized operations to maintain our information security policy. We also review and evaluate our security regulations and procedures annually to ensure their appropriateness and effectiveness. Our response measures are as follows:

   (1) Information security policy:

   A. Ensure the security of the Company's data, system, equipment, and network communication to prevent external intrusion and damages
   B. Ensure that access to the system's documented accounts and any system changes are authorized and handled according to the Company's prescribed operating procedures.
   C. Implement destruction procedures, and any decommissioned computers and storage media should be destroyed to prevent accidental exposure and leakage of data.
   D. Monitor the security status and activity logs of the information system to effectively control and handle information security incidents.
   E. Maintain the availability and integrity of data and systems to enable restoration to normal operations in the event of a disaster or damages.

   The Company's information security maintenance measures are currently thorough. As information security risks are a newly emerging category involving information security classification and claims investigation support, the future applicability of our information security policy is still under evaluation.

   (2) The Company's information unit is dedicated to information security within the information security network architecture and regularly reports the management and operations of information security to the designated authority responsible for such matters. Our internal systems are situated within a virtual network, entirely isolated from direct access to the external network. We have also implemented a multi-network security defense system consisting of a firewall at the network's front end, an intrusion prevention system, and an email security control system responsible for filtering the content of incoming and outgoing connections. It effectively safeguards against external network attacks, promptly block the latest malicious software, harmful network links, spam emails, and other threats. The central control console has deployed antivirus software, EDR (Endpoint Detection and Response), and a SOC (Security Operations Center) on the main servers and endpoints within the intranet. This configuration facilitates the continuous updating of virus patterns and immediate identification of malicious conduct. It is capable of promptly intercepting viruses, trojans, worms, ransomware, and other malicious programs carried within folders, thereby significantly reducing the risk of damage from hacker attacks. Furthermore, DLP (Data Loss Prevention) measures are also in place to prevent unauthorized access to and leakage of sensitive data.

   (3) In terms of the system's account lifecycle management and privileged account management, user accounts and privileges are defined based on the scope of business and authority. Access to all data requires approval through an approval process by respective responsible supervisors before it can be used or modified. Upon the users leaving their original job positions, their user accounts and privileges are immediately revoked to prevent any unauthorized use.

   (4) The data access log audit backup can record the access tracks of system files and documents, as well as emails, for archival storage. Computers that have completed the decommissioning process must have their hard drives disassembled and destroyed to comply with prescribed management systems and the information security policy.

(5) The information system continues to operate, with daily, weekly, and monthly local backups of systems and documents. The monthly backup data is then transmitted to an off-site location for remote backup. Besides, regular annual system data recovery testing drills are conducted to ensure the normal operation and data integrity of the information system. This helps reduce the risk of data loss from unforeseen natural disasters and human-made disasters.

(6) The operations of the IT Department are implemented and executed in accordance with the Company's regulations to ensure data completeness and security, where the risk assessment results remain satisfactory. In the most recent fiscal year up to the publication of this annual report, technological changes have not had any significant adverse impact on the Company's information security nor posed significant operational risks.

The operations of the IT Department are implemented and executed in accordance with the Company's regulations to ensure data completeness and security, where the risk assessment results remain satisfactory. In the most recent fiscal year up to the date of publication of the annual report, technological changes have not had any significant adverse impact on the Company's information security nor posed significant operational risks.

(VI) Effect on the Company's crisis management of changes in the Company's corporate image, and measures to be taken in response:

Up to the date of publication of the prospectus, the Company has not encountered any incidents of corporate crises arising from changes in corporate image.

(VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken:

Up to the date of publication of the annual report, the Company has no plans for mergers or acquisitions.

(VIII) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken:

Up to the date of publication of the annual report, the Company has no plans for expanding facilities.

(IX) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken:

1. Purchases

   Due to industry characteristics and the need to maintain flexibility in purchasing prices while ensuring stable supply, the Company has maintained a good long-term partnership with our suppliers. As a result, the risk of purchase concentration are limited.

   The Company has maintained a good and stable partnership with our suppliers. Apart from managing our sources of raw materials well, we also implement strict measures to control our product prices and delivery, ensuring stable supply.

2. Sales

   The Company's current sales market is focused on Taiwan with an operating model of providing testing services through medical institutions. Our customer base for sales is diverse and widespread, mainly consisting of individual consumers. Therefore, there is no risk of sales concentration. However, considering risk diversification, we will proactively expand to other markets. With the development of our new products, the Company will also actively seek new customers while maintaining current customer relations, aiming to reduce risks.

(X) Effect upon and risk to the Company in the event a major quantity of shares belonging to a Director, Supervisor, or shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken:

The Company's directors or shareholders holding greater than a 10 percent stake have not caused significant impact on the Company's operations due to substantial transfer or change of ownership in the most recent year up to the date of publication of the annual report.

(XI) Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken:

Up to the publication date of the annual report, the Company has not experienced any changes in ownership.

(XII) Litigious and non-litigious matters:

1. For litigious and non-litigious or administrative disputes that have been concluded by means of a final and unappealable judgment, or are still under litigation in the most recent two years up to the publication date of the annual report, which could materially affect shareholders' equity or the prices of the Company's securities: None.
2. For concluded litigious, non-litigious, or administrative disputes, by means of a final and unappealable judgment, or that are still under litigation over the most recent two years up to the publication date of the annual report, involving the Company's director, company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the Company, the impacts could materially affect shareholders' equity or the prices of the Company's securities: None.

(XIII) Other important risks, and mitigation measures being or to be taken: None.

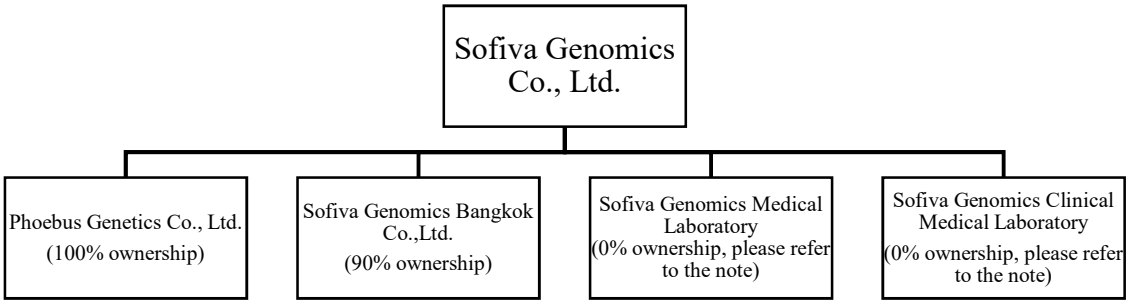
VII. Other important matters: None**.**

F. Special Items to be Included

I. Information related to the Company's affiliates

(I) Consolidated business reports of affiliated companies

1. Organizational chart of the affiliates



Note: Although the Company does not hold any investment shares, we have control over the financial, operational, and personnel policies of the testing agencies.

2. Basic information of the affiliates

December 31, 2024; Unit: NT$1,000

(foreign currency in units of NT$)

Company name	Date of incorporation	Address	Paid-in capital	Major business or production items
Phoebus Genetics Co., Ltd.	August 19, 2014	8F, No. 607, Ruiguang Road, Neihu District, Taipei City	52,000	All types of prenatal and pregestational medical testing services.
Sofiva Genomics Bangkok Co.,Ltd.	June 21, 2018	888 Polaris Tower, 4th Floor, Soi Sukhumvit 20, Sukhumvit Road, Khlong Toei, Khlong Toei, Bangkok 10110	THB 15,000,000	All types of prenatal and pregestational medical testing services.
Sofiva Genomics Medical Laboratory	April 16, 2021	No. 27, Baoqing Road, Zhongzheng District, Taipei City	-	Clinical biochemistry testing, general clinical testing, clinical blood testing, clinical immunological testing, transfusion testing, and blood bank operations.
Sofiva Genomics Clinical Medical Laboratory	February 15, 2023	5F & 7F, No. 27, Baoqing Road, Zhongzheng District, Taipei City	-	Clinical biochemistry testing, general clinical testing, clinical blood testing, clinical immunological testing, transfusion testing, and blood bank operations.

3. For companies presumed to have a relationship of control and subordination under Article 369-3 of the Company Act: None.
4. The industries covered by the business operated by the affiliates overall: All types of prenatal and pregestational medical testing services, as well as clinical biochemistry testing, general clinical testing, clinical blood testing, clinical immunological testing and so on.
5. Information on the directors, supervisors and general managers of each affiliate.

December 31, 2024

Company name	Job title	Name or representative	Shareholding	
			No. of shares	Shareholding ratio %
Phoebus Genetics Co., Ltd.	Chairperson	Sofiva Genomics Co. Ltd. Representative: Su Yi-Ning	1,500,000	100%
Sofiva Genomics Bangkok Co.,Ltd.	Director	Hung Chia-Cheng	1,199	7.99%
	General Manager	Hung Chia-Cheng	1,199	7.99%
Sofiva Genomics Medical Laboratory	Person-in-Charge	Lien I-ching	-	-
Sofiva Genomics Clinical Medical Laboratory	Person-in-Charge	Lin Po-wen	-	-

6. The overview of the operations of the affiliates

December 31, 2024; Unit: NT$1,000

Company name	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income (loss)	Net income (loss)	Earnings per share (NT$) (after tax)
Phoebus Genetics Co., Ltd.	15,000	25,416	5,691	19,725	10,413	2,295	3,795	2.53
Sofiva Genomics Bangkok Co.,Ltd.	14,085	3,348	5,230	(1,882)	10,541	1,641	1,480	1.05
Sofiva Genomics Medical Laboratory	-	21,885	21,583	302	46,442	635	302	-
Sofiva Genomics Clinical Medical Laboratory	-	1,286	1,039	247	351	267	247	-

(II) Consolidated financial statements of affiliated companies

For the fiscal year 2024 (from January 1, 2024, to December 31, 2024), the companies that should be included in the preparation of the consolidated financial statements of the affiliated companies, as stipulated in the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises", are identical to those that should be included in the consolidated financial statements of the parent and subsidiaries as prescribed in International Financial Reporting Standards (IFRS) 10. Furthermore, the information required to be disclosed in the consolidated financial statements of the affiliated companies has already been disclosed in the aforementioned consolidated financial statements of the parent and subsidiaries. Therefore, no separate affiliated consolidated financial statements will be prepared.

(III) Affiliation report: N/A.

II. **Private placement of securities carried out during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:** None.

III. Holding or disposal of shares in the Company by the Company's subsidiaries during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

IV. **Other matters that require additional description:** None.

G. Any of the situations listed in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the Company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

Sofiva Genomics Co., Ltd.

Person-in-Charge：Su Yi-Ning