FORMOSA PHARMACEUTICALS, INC. 台新藥股份有限公司

Stock Code：6838

Formosa Pharmaceuticals, Inc.

2025
Annual Report

Annual Report Information Query Website

Market Observation Post System **http://mops.twse.com.tw**

Formosa Pharmaceuticals, Inc. Website **https://www.formosapharma.com**

Printed on May 6, 2026

I. Name, Title, Contact Phone Number, and Email Address of Spokesperson and Acting Spokesperson

	Spokesperson	Acting Spokesperson
Name	Wei, Ching-Cheng	Tsao, Nai-Hsien
Title	Chief Business & Strategy Officer	Director of Finance and Administrative Management Department
Contact No	02-27557659	02-27557659
Email	ir@formosapharma.com	ir@formosapharma.com

II. Address and Phone Number of Head Office, Branch Offices, and Factories:

1. Head Office: 8F-6, No. 57, Fuxing N. Rd., Songshan Dist., Taipei City 105404, Taiwan Tel: (02)2755-7659

2. Branch Offices: None

3. Factories: None

III. Name, Address, Website, and Phone Number of Stock Transfer Agent:

Name: The statistical verification institution for the proxies of this shareholders' meeting is KGI Securities Co., Ltd. Stock Affairs Department.

Address: 5F., No. 2, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei City 100502, Taiwan

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

Tel：(02)2389-2999

IV. Name, Firm Name, Address, Website, and Phone Number of Certified Public Accountants Who Certified the Most Recent Annual Financial Report:

Certified Public Accountants for the Most Recent Annual Financial Report:
Teng, Sheng-Wei; Yen, Yu-Fang

Firm Name: PricewaterhouseCoopers Tel：(02)2729-6666

Address: 27F., No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City. Website: http://www.pwc.tw

V. Name of Overseas Exchange Where Overseas Securities Are Listed and Method for Querying Information on Such Overseas Securities: Not applicable.

VI. Company Website: https://www.formosapharma.com

Contents

I. Letter to Shareholders

Dear Shareholders:

This year, with your continued support, Formosa Pharmaceuticals has successfully achieved each of our business objectives according to plan.

1. 2025 Business Report

(1) Implementation Results of Business Plan

The Company focuses on developing clinical-stage drugs in therapeutic areas including ophthalmology and oncology. Its product line includes 505(b)(2) new drug products and ADC biosimilars. The Company also continues to advance and strengthen its proprietary APNT® nanoparticle formulation technology platform and apply this technology to the research and development of various drug dosage forms. Leveraging the dual-track Double A (APNT & ADC) approach as the core of its research and development, the Company's R&D pipeline spans both small and large molecule drug domains. In addition to small molecule drugs applicable to APNT technology—such as ophthalmic, inhalation, and local injectable formulations—the Company also focuses on ADC technology to develop ADC biosimilars and novel ADC therapeutics as large molecule drugs.

In March 2024, the Company received approval from the U.S. Food and Drug Administration (FDA) for APP13007 ophthalmic nanosuspension as a new drug, and the first commercial sale was completed by the former licensing partner Eyenovia, Inc. in September 2024. However, due to unexpected financial difficulties that prevented Eyenovia from continuing to promote and sell the product, the Company signed a termination of license agreement with Eyenovia in June 2025, and subsequently entered into an exclusive license agreement for the U.S. market with Harrow, Inc., a U.S.-listed ophthalmic drug development and commercialization company. The Company expects to achieve a relaunch in the U.S. market in the first half of 2026. Beyond the U.S. market, the Company is also actively negotiating with numerous specialty pharmaceutical companies and pharmaceutical distributors across various regions worldwide to seek licensing opportunities. The details of out-licensing arrangements are listed below in chronological order of contract execution:

Signing Date	Contracting Party	Licensed Territory
June 2021	Grand Pharmaceutical Group Limited	Mainland China, Hong Kong, and Macau.
May 2024	Tabuk	Saudi Arabia, United Arab Emirates, Kuwait, Yemen, Oman, Bahrain, Qatar, Kurdistan Region of Iraq, Lebanon, Jordan, Iraq, Syria, Algeria, Morocco.
July 2024	Tzamal	Israel.
August 2024	Apotex	Canada.
October 2024	DÁVI	Portugal.
November 2024	Medvisis	Switzerland, Liechtenstein.
March 2025	Cipla	India, Nepal, Sri Lanka, Bangladesh, Malaysia, Myanmar, Kenya, Nigeria, South Africa, Argentina, Colombia.

April 2025	Laboratorios Saval	Chile, Bolivia, Costa Rica, Guatemala, El Salvador, Honduras, Paraguay, Peru, Panama.
May 2025	Apotex	Mexico.
May 2025	Adalvo	Albania, Andorra, Austria, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Moldova, Monaco, Montenegro, Netherlands, North Macedonia, Norway, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Sweden, Turkey, United Kingdom, Brazil.
June 2025	Harrow	United States
December 2025	Rxilient Medical	Singapore, Thailand, Indonesia, Philippines.
January 2026	Samil Pharmaceutical	South Korea.
February 2026	Arrotex Pharmaceuticals	Australia, New Zealand.

Another key R&D focus of the Company is antibody-drug conjugates (ADCs). The TSY-110 ADC biosimilar program is actively preparing for scientific advisory meetings with the European Medicines Agency (EMA) and the U.S. Food and Drug Administration (FDA), incorporating feedback from both agencies to plan the PK/BE clinical program and seek consultation on clinical efficacy waivers, with clinical trials to commence upon confirmation of advisory outcomes. TSY-310 is an innovative bispecific Fc-fusion conjugate for which the Company obtained a license from Almac Discovery in May 2025. Process development and scale-up are currently underway, with non-clinical pharmacology and toxicology studies expected to commence in the second half of 2026.

(2) Research and Development Status

1. APNT® nanoparticle formulation platform

(1) APP13007 is an ophthalmic new drug for the treatment of post-operative inflammation and pain in ophthalmic surgery, which received U.S. FDA approval for marketing in March 2024.

(2) APP13002 is a nano-suspension for treating infectious eye diseases and related ocular surface disorders. Preclinical study results show good antibacterial and anti-inflammatory effects, with therapeutic potential for meibomian gland dysfunction causing dry eye syndrome and blepharitis.

(3) In addition to advancing R&D programs such as APP13007 and APP13002, the Company continues to collaborate with numerous domestic and international biopharmaceutical companies, utilizing the APNT® technology platform to assist in optimizing novel drug formulations. The research results from these collaborative projects also verify that APNT® technology can help partners overcome bottlenecks in new drug formulation development, improving formulation quality and stability, drug penetration into treatment sites, and bioavailability.

2. Antibody-Drug Conjugate (ADC) R&D Projects

(1) TSY-110 is a biosimilar of Kadcyla® (ado-trastuzumab emtansine), an ADC first approved and marketed by Roche in 2013, with target indications identical to those of Kadcyla® for the treatment of HER2-positive early breast cancer and metastatic breast cancer. Upon completion of scientific advisory meetings with the EMA and FDA, and incorporating feedback from both agencies to finalize the PK/BE clinical program and consultation on clinical efficacy waivers, the Company will initiate clinical trials.

(2) TSY-310 is an ADC targeting dual targets, EGFR and ROR1, aimed at overcoming drug resistance and mitigating adverse effects in current treatments for non-small cell lung cancer (NSCLC) and solid tumors. Cell line development, protein intermediate and chemical process development and scale-up are currently underway, with non-clinical pharmacology and toxicology studies expected to commence in the second half of 2026.

(3) Budget implementation status: Not applicable.

(4) Financial Income, Expenditure, and Profitability

The Company's operating revenue for 2025 was NT$9,495 thousand, a decrease of NT$133,861 thousand compared to 2024; the net loss for the current period attributable to the equity holders of the parent company was NT$83,565 thousand, a decrease of NT$117,449 thousand compared to 2024. The decrease in operating revenue was due to the recognition of the APP13007 U.S. licensing contract revenue in 2024 and the temporary suspension of APP13007 sales in fiscal year 2025. Regarding profit and loss, as the current R&D projects are in the pre-clinical stage due to phased transitions in the R&D cycle, and non-operating income in 2025 increased by NTD 90,552 thousand compared to 2024, net loss also showed a decrease.

2. Summary of 2026 Business Plan

(1) Management Policies

The Company focuses on clinical-stage drug development with continuous innovation and sustainable growth as our goals. We utilize extensive drug development experience and our globally patented proprietary technology platform to select research projects with global long-term growth value. We combine the strengths and expertise of our partners to ensure development success rates. Through flexible and diverse collaboration models, we actively seek partners and out-licensing opportunities to accelerate new drug launches, creating win-win situations with our partners.

(2) APP13007

The Company has completed licensing agreements covering more than 80 countries across major global pharmaceutical markets and continues to negotiate licensing opportunities with multiple pharmaceutical companies and distributors in various regions. Although sales of APP13007 in the United States were temporarily slowed due to the impact of the previous licensing partner, through the new licensing partner Harrow, Inc., APP13007 is expected to achieve re-launch in the U.S. market in the first half of 2026. Outside of the United States, regulatory approvals and sales launches are expected to be progressively obtained in

Canada, Taiwan, and Switzerland in 2026. The Company has also initiated scale-up process-related studies to reduce production costs, achieve economies of scale, and prepare for future global supply.

(3) Antibody-Drug Conjugate (ADC) R&D Projects

TSY-110 will leverage its competitive advantage as the first Kadcyla® biosimilar in development in the European and U.S. markets, with rigorous project management and risk mitigation, and initiate clinical trials following consultation meetings with the EMA and FDA regarding the PK/BE clinical program and clinical efficacy waiver. TSY-310 is an ADC targeting dual targets, EGFR and ROR1, aimed at overcoming drug resistance and mitigating adverse effects in current treatments for non-small cell lung cancer (NSCLC) and solid tumors. Cell line development, protein intermediate and chemical process development and scale-up are currently underway. Non-clinical pharmacology and toxicology studies are expected to commence in the second half of 2026.

(4) Regarding Company Operations

The Company will continue to strengthen human resource development, focusing on policies for selection, cultivation, utilization, and retention, in order to successfully develop various projects and achieve company milestones.

3 Future Company Development Strategy

(1) Marketing Strategy

1. Working closely with U.S. partners to promote the sales of APP13007 nano-suspension eye drops in the United States to generate sales revenue, and collaborating closely with various licensing partners to accelerate the regulatory approval applications for APP13007 in various countries, while encouraging partners to begin product sales planning and production-sales coordination at an early stage, in order to facilitate order generation and shorten the gap time from approval to official market launch.
2. Working closely with co-development partner EirGenix Inc. to proactively seek highly interested and capable global or regional Biosimilar companies to negotiate cooperation terms such as development cost sharing and future profit sharing, and to execute out-licensing agreements.
3. Actively participating in various BIO partnering conferences, CPhI exhibitions, and other events to seek opportunities to showcase the Company's image, R&D capabilities, and pipeline products, and to create opportunities for early-stage out-licensing, contract APNT formulation development, co-development, and other collaborations.

(2) Research and Development Aspect

1. Focus on deepening the APNT® nanoparticle formulation platform and applying it to our own pharmaceutical project development.
2. Based on unmet medical needs and market trends, the Company will expand the indications or application scope of existing products, such as APP13007.
3. Through the APNT® technology platform and collaborative partnerships, the Company co-develops drugs with partner companies to mitigate and diversify development risks.

4. Continuously advancing the R&D of TSY-310, completing CMC studies, scale-up manufacturing, preclinical pharmaceutical studies, and IND documentation preparation as early as possible.

(3) Production Aspect

1. Commissioning professional pharmaceutical manufacturers in Taiwan for production, focusing on cost structure and improving production efficiency, while collaborating with other biotech companies to create value for Taiwan's biotechnology industry.
2. Strictly implement quality control.

4. Impact of Industrial Environment, Regulatory Environment, and Economic Environment

Pharmaceuticals directly enter the human body and affect human health. Governments worldwide have stringent regulatory requirements for drug research and production. Substantial R&D investment is required to demonstrate the safety and efficacy of new drugs. The development process is long and complex, yet the probability of success remains highly uncertain. Drug development is inherently a race against time, and even after market launch, products still face challenges regarding market acceptance. In recent years, significant fluctuations in the macroeconomic environment have affected financing for new drug development, caused market volatility, and created greater operational challenges for the Company.

The Company's R&D team possesses new drug development experience from U.S. and Taiwanese pharmaceutical companies, spanning innovative drugs, 505(b)(2) modified new drugs, generic drugs, and biosimilars. The Company focuses on areas with unmet medical needs, pursuing development pathways with higher probabilities of success and shorter timelines to reduce uncertainties inherent in the drug development process. To expand and strengthen our drug development capabilities, we actively collaborate with other international companies and global strategic partners to develop our existing product lines and platform technologies, while simultaneously diversifying and reducing the risks associated with innovative drug development. The Company follows and strengthens its regulatory compliance, committed to completing the three-step process of "R&D, licensing, and market launch" for each new drug project, aiming to become a pharmaceutical development company that creates sustainable value for shareholders.

We would like to express our gratitude to all shareholders, partners, and suppliers for their support and encouragement of the company, and also thank all our colleagues for their dedicated efforts. Our Company will continue to develop and create greater value for our projects, meeting future medical needs and business opportunities, ensuring the company's continued growth and prosperity.

Chairman: Cheng,Chen-Yu

President: Erick Co

Principal accounting officer: Tsao, Nai-Hsien

II.Corporate Governance Report

1. Information on Directors, Supervisors, President, Vice Presidents, Assistant Vice Presidents, Heads of Departments and Branch Units:

(1) Director:

1. Information on Directors:

Unit: Shares Date: March 27, 2026

Title	Name	Gender Age	Nationality or Place of Registration	Date of First Elected	Assumed Office (Elected)	Term (Years)	Shares Held at Election		Number of Shares Currently Held		Shares Currently Held by Spouse and Minor Children		Shares Held in the Name of Others		Major Experience (Education)	Current Positions Held at This Company and Other Organizations	Supervisors or Directors with Spousal or Second-degree Kinship Relationships or Supervisor			Notes
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	Formosa Laboratories, Inc.	Not applicable	R.O.C	2010.11.22	2024.05.23	3	61,487,653	45.84%	61,387,653	40.66%	—	—	0	0.00%	Not applicable	1. Director, EirGenix, Inc. 2. Director, A. R. Z TAIWAN LIMITED 4. Director, Epione Investment Cayman Limited 4. Director and Supervisor of EPIONE PHARMACEUTICALS, INC. 5. Director of SynChem-Formosa, Inc.	None	None	None	None
	Representative: Cheng,Chen-Yu	Male 71-80 years old	R.O.C	2010.11.22	2024.05.23	3	86,274	0.06%	86,274	0.06%	197,865	0.13%	0	0.00%	1. Ph.D. in Medicinal Chemistry, University of California, San Francisco Medical Center 2. Postdoctoral Researcher in Chemistry, Massachusetts Institute of Technology (MIT) 3. Researcher at DuPont de Nemours, Inc. 4. Professor, School of Pharmacy, National Taiwan University 5. Chairman, Lian Qiao Biotechnology Co.,Ltd.	1. Chairman and President, Formosa Laboratories, Inc. 2. Institutional Representative Director, EirGenix, Inc. 3. Chairman and President, EPIONE PHARMACEUTICALS, INC. 4. Director, Rayoung Chemtech Inc. 5. Institutional Representative Director, Epione Investment Cayman Limited 4. Director, Epione Investment HK Limited 7. President, Activus Pharma Co., Ltd. 8. Institutional Representative Director, A. R. Z TAIWAN LIMITED 9. Managing Consultant, FORWARD ASSET MANAGEMENT LTD.	None	None	None	Note 1
Director	Formosa Laboratories, Inc.	Not applicable	R.O.C	2010.11.22	2024.05.23	3	61,487,653	45.84%	61,387,653	40.66%	—	—	0	0.00%	Not applicable	1. Director, EirGenix, Inc. 2. Director, A. R. Z TAIWAN LIMITED 4. Director, Epione Investment Cayman Limited 4. Director and Supervisor of EPIONE PHARMACEUTICALS,	None	None	None	None

Title	Name	Gender Age	Nationality or Place of Registration	Date of First Elected	Assumed Office (Elected)	Term (Years)	Shares Held at Election		Number of Shares Currently Held		Shares Currently Held by Spouse and Minor Children		Shares Held in the Name of Others		Major Experience (Education)	Current Positions Held at This Company and Other Organizations	Supervisors or Directors with Spousal or Second-degree Kinship Relationships or Supervisor			Notes
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
																INC. 5. Director of SynChem-Formosa, Inc.				
	Representative: Huang, Weng-Foung	Male 71-80 years old	R.O.C	2017.10.13	2024.05.23	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1. Bachelor of Science in Pharmacy, National Taiwan University 2. Ph.D. in Social and Administrative Pharmacy, University of Minnesota, USA 3. Master of Pharmacy Administration Research, University of Minnesota, USA 4. Director, Department of Pharmaceutical Affairs, Ministry of Health and Welfare 5. Director-General, Taiwan Food and Drug Administration, Ministry of Health and Welfare 6. Associate Professor, Professor, and Director, Institute of Health and Welfare Policy, National Yang Ming Chiao Tung University	1. Adjunct Professor, Institute of Health and Welfare Policy, National Yang Ming Chiao Tung University 2. Board Director, Development Center for Biotechnology 3. Independent Director, TaiGen Biopharmaceuticals Holdings Limited 4. Independent Director, EUSOL Biotech Co., Ltd. 5. Independent Director, AmCad BioMed Corporation 6. Corporate Representative Director, Orient PHARMA Co., Ltd. 7. Director, Panion & BF Biotech Inc. 8. Director, Bowlin Holding Co., Ltd. Seychelles 9. Director, Bowlin Holding Co., Ltd. Cayman 10. Corporate Representative Director, Cheng Fong Chemical Co., Ltd. 11. Senior Advisor, YFY Biotech Management Company 12. Corporate Representative Director, SynmyE Pharma Inc. 13. Member of the Limited Partners Advisory Committee, Hercules Bioventure II, L.P.	None	None	None	None
Director	Ma, Hai-Yi	Female 71-80 years old	R.O.C and United States	2017.10.13	2024.05.23	3	543,268	0.40%	543,268	0.36%	0	0.00%	0	0.00%	1. Ph.D. in Physical Chemistry, Lehigh University, USA 2. Master's Degree in Inorganic Chemistry, University of Iowa, USA 3. Bachelor of Science in Chemical Engineering, National Taiwan	1. Investment Partner at Vivo Capital 2. Independent Director, Lumosa Therapeutics Co., Ltd. 3. Corporate Representative Director, OBIGEN Pharma. 4. Director, AnHorn Medicines Co., Ltd. 5. Director, Handa	None	None	None	None

Title	Name	Gender Age	Nationality or Place of Registration	Date of First Elected	Assumed Office (Elected)	Term (Years)	Shares Held at Election		Number of Shares Currently Held		Shares Currently Held by Spouse and Minor Children		Shares Held in the Name of Others		Major Experience (Education)	Current Positions Held at This Company and Other Organizations	Supervisors or Directors with Spousal or Second-degree Kinship Relationships or Supervisor			Notes
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
															University	Pharmaceuticals, Inc. 6. Director, Senhwa Biosciences, Inc. 7. Independent Director, Steminent Corp. 8. British Virgin Islands Company of Acepodia/Independent Director 9. Consultant of National Health Research Institutes 10. Member of the Academic Advisory Committee, Biomedical Translation Research Center, Academia Sinica 11. Vice President of Taiwan Bio Industry Organization 12. Member of the Business Advisory Committee, College of Commerce, National Chengchi University				
															4. Co-Founder, Director, President & General Manager, and Chief Executive Officer, ScinoPharm Taiwan, Ltd. 5. Vice President of Global Pharmaceutical Manufacturing, Technology, and Quality Assurance, Syntex Pharmaceuticals 6. Associate Director and Plant Manager of Synthetic Fibers, Silicon Wafer Production, and Quality Assurance, Monsanto Chemical Company					
Director	Chang, Hung-Jen	Male 61-70 years old	Republic of China R.O.C.	2020.05.29	2024.05.23	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1. Master of Health Administration, Harvard School of Public Health, USA 2. Master of Preventive Medicine, Institute of Public Health, National Taiwan University 3. Deputy Minister, Ministry of Health and Welfare, Executive Yuan 4. President of National Health Insurance Administration 5. Director-General of Centers for Disease Control, Ministry of Health and Welfare, Executive Yuan	1. Vice Chairman, Taiwan Research-based Biopharmaceutical Manufacturers Association 2. Adjunct Professor, Institute of Public Health, National Yang Ming Chiao Tung University 3. Chairman and President, YFY Biotech Management Company 4. Chairman, EUSOL Biotech Co., Ltd. 5. Chairman, MICAREO TAIWAN CO., LTD. 6. Chairman, Micareo Inc. 7. Corporate Director Representative, TaiGen Biopharmaceuticals Holdings Limited 8. Corporate Director Representative, TaiGen Biotechnology Co., Ltd. 9. Director, EXCELSIOR BIOPHARMA INC. 10. Corporate Director Representative, Taiwania Capital	None	None	None	Note 2

Title	Name	Gender Age	Nationality or Place of Registration	Date of First Elected	Assumed Office (Elected)	Term (Years)	Shares Held at Election		Number of Shares Currently Held		Shares Currently Held by Spouse and Minor Children		Shares Held in the Name of Others		Major Experience (Education)	Current Positions Held at This Company and Other Organizations	Supervisors or Directors with Spousal or Second-degree Kinship Relationships or Supervisor			Notes
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
																Biotechnology Corporation 11. Independent Director, TOT BIOPHARM International Company Limited 12. Chairman, Xiang Yong Biotech Management Consultant Co.,Ltd. 13. Director, TCCD Angels Investment Co., Ltd. 14. Independent Director, Maywufa Co, Ltd. 15. Director, AmMax Bio Inc. 16. Corporate Director Representative, eYe Optics Technology Co., Ltd.				
Independent Director	Su,Yu-Hui	Female 51-60 years old	R.O.C	2021.07.09	2024.05.23	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1. Ph.D. , National Taiwan University 2. Master of Commerce, National Taiwan University 3. Bachelor of Accounting, National Taiwan University 4. Department Chair, Department of Accounting, Soochow University	1. Full-time Professor, Department of Accounting, Soochow University 2. Independent Director, AnnJi Pharmaceutical Co. Ltd. 3. Independent Director, MAKALOT industrial co., ltd. 4. Supervisor, China Steel Security Corporation	None	None	None	None
Independent Director	Lo, Li-Chu	Female 71-80 years old	R.O.C	2021.07.09	2024.05.23	3	1,000	0.00%	1,000	0.00%	0	0.00%	0	0.00%	1. Ph.D., University of Massachusetts (U.Mass.) 2. President, Orient PHARMA Co., Ltd. 3. President, Medical and Pharmaceutical Industry Technology and Development Center 4. Director, Technology Transfer Office, National Health Research Institutes 5. Independent Director, Welldone Co., Ltd. 6. Adjunct Professor, Department of Food Science, National Taiwan Ocean University	1. Independent Director, LYTONE Enterprise, Inc. 2. Independent Director, Anbogen Therapeutics, Inc. 3. Director, FA MA TECHNOLOGY CONSULTING CO., LTD. 4. Consultant, Asia-Pacific Intellectual Property Rights Development Foundation 5. Supervisor, CAIA Medical Co., Ltd.	None	None	None	None

Title	Name	Gender Age	Nationality or Place of Registration	Date of First Elected	Assumed Office (Elected)	Term (Years)	Shares Held at Election		Number of Shares Currently Held		Shares Currently Held by Spouse and Minor Children		Shares Held in the Name of Others		Major Experience (Education)	Current Positions Held at This Company and Other Organizations	Supervisors or Directors with Spousal or Second-degree Kinship Relationships or Supervisor			Notes
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	Kang, Chao-Chou	Male 61-70 years old	R.O.C	2021.05.23	2024.05.23	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1. Ph.D., Department of Chemistry, University of California, San Diego 2. Dean, College of Pharmaceutical Sciences, National Yang Ming Chiao Tung University 3. Vice President, National Yang-Ming University 4. Director, Food Safety Office, Executive Yuan 5. Director-General, Taiwan Food and Drug Administration 6. Director, Department of Pharmaceutical Affairs, Ministry of Health and Welfare 7. Director, Drug Research Center, National Taiwan University 8. Professor, Institute of Toxicology, National Taiwan University 9. Distinguished Professor, Institute of Food Safety and Health Risk Assessment, National Yang Ming Chiao Tung University	1. Adjunct Professor, College of Pharmaceutical Sciences, National Yang Ming Chiao Tung University 2. Adjunct Professor, Institute of Toxicology, National Taiwan University 3. Independent Director, AnnJi Pharmaceutical Co. Ltd. 4. Independent Director, Yingsol Biotechnology & Pharmaceutical Co., Ltd. 5. Independent Director, Orient PHARMA Co., Ltd.	None	None	None	None

Note 1: The current President and Chairman of the Company are not the same person, nor are they spouses or first-degree relatives.

Note 2: Chang, Hung-Jen resigned as a director on June 30, 2025.

2. Major Shareholders of Corporate Shareholders

Date: April 26, 2026

Name of Corporate Shareholder	Major Shareholders of Corporate Shareholders
Formosa Laboratories, Inc. (Note 1)	Cheng, Chen-Yu (6.41%)
	Ding Li Development Limited (3.02%)
	Li, Hsiu-Hui (2.56%)
	Moraga Inc. (2.32%)
	Ou Jia Si Ta Investment Co.,Ltd. (1.89%)
	Taishin Life Insurance Co., Ltd. (1.77%)
	Hygica Biotech Ltd. (1.41%)
	Wang, Li-Li (1.35%)
	TransGlobe Life Insurance Inc. (1.25%)
	Tsai Chang-jen (1.25%)

Note 1: Data sourced from Formosa Laboratories, Inc.'s 2025 annual report, as of April 26, 2025.

3. For the major shareholders listed above that are legal entities, their major shareholders are as follows:

Date: April 26, 2026

Name of Legal Entity	Major Shareholders of the Legal Entity
Ou Jia Si Ta Investment Co.,Ltd.	Li, Hsiu-Hui (57.14%), Cheng,Chen-Yu (14.29%), Cheng,Ta-Jung (14.29%), Cheng,Ta-Yueh (14.28%)
Hygica Biotech Ltd.	Li, Chien-Hung (100.00%)

4. Disclosure of Professional Qualifications and Independence of Directors and Independent Directors:

Criteria / Name	Professional Qualifications and Experience	Independence Status	Number of Other Public Companies in Which the Person Concurrently Serves as Independent Director
Formosa Laboratories, Inc. Representative Cheng,Chen-Yu	Chairman Cheng, Chen-Yu holds a Ph.D. in Pharmaceutical Chemistry from the University of California, San Francisco Medical Center. He previously served as a researcher at DuPont de Nemours, Inc., a professor in the Department of Pharmacy at National Taiwan University, and Chairman of Lian Qiao Biotechnology Co.,Ltd. Currently, he serves as the Chairman and President of Formosa Laboratories, Inc. and as a director of EirGenix, Inc. He has over 20 years of entrepreneurial experience in the biotech industry and extensive industry expertise. Does not fall under any of the conditions stated in Article 30 of the Company Act.	Not an independent director, not applicable.	0
Formosa Laboratories, Inc. Representative Huang, Weng-Foung	Director Huang, Weng-Foung holds a Ph.D. in Social and Administrative Pharmacy from the University of Minnesota. He previously served as the Director, the Institute of Health and Welfare Research at National Yang Ming Chiao Tung University, Director, the Bureau of Pharmaceutical Affairs at the Ministry of Health and Welfare, and Director, the Taiwan Food and Drug Administration. Currently, he serves as an independent director of TaiGen Biopharmaceuticals Holdings Limited, an independent director of EUSOL Biotech Co., Ltd., an independent director of AmCad BioMed Corporation, and a director of Panion & BF Biotech Inc. He excels in crisis management, possesses industry knowledge, and is a leader in the medical biotechnology industry. Does not fall under any of the conditions stated in Article 30 of	Not an independent director, not applicable.	3

Criteria / Name	Professional Qualifications and Experience	Independence Status	Number of Other Public Companies in Which the Person Concurrently Serves as Independent Director
	the Company Act.		
Ma, Hai-Yi	Director Ma Hai-Yi holds a Ph.D. in Chemistry from Lehigh University, USA. She previously served as Co-Founder and President & General Manager of ScinoPharm Taiwan, Ltd., and Vice President of Syntex Pharmaceuticals, among other positions. She currently serves as Independent Director of Lumosa Therapeutics Co., Ltd., Director of Senhwa Biosciences, Inc., Director of Handa Pharmaceuticals, Inc., and Independent Director of Acepodia, Inc., among other positions. She brings over 40 years of experience in the international pharmaceutical industry. Does not fall under any of the conditions stated in Article 30 of the Company Act.	Not an independent director, not applicable.	2
Su,Yu-Hui	Independent Director Su Yu-Hui holds a Ph.D. in Business Administration from National Taiwan University. She previously served as Chair of the Department of Accounting at Soochow University, among other positions. She currently serves as Full-time Professor in the Department of Accounting at Soochow University, Independent Director of Makalot Industrial Co., Ltd., Independent Director of AnnJi Pharmaceutical Co., Ltd., and Supervisor of China Steel Security Corporation, among other positions. She possesses strong expertise in accounting and financial analysis, crisis management, and international market insight. Does not fall under any of the conditions stated in Article 30 of the Company Act.	Independent director Su, Yu-Hui, her spouse, and relatives within the second degree of kinship (or using others' names) do not hold any shares of the Company, nor do they serve as directors, supervisors, or employees of the Company or its affiliated enterprises. In the past two years, they have not provided business, legal, financial, accounting, or other services to the Company or its affiliated enterprises for compensation.	2
Lo, Li-Chu	Independent Director Luo Li-Chu holds a Ph.D. from the University of Massachusetts (UMass), USA. She previously served as Adjunct Professor in the Department of Food Science at National Taiwan Ocean University, President & General Manager of Orient Pharma Co., Ltd., and President & General Manager of the Pharmaceutical Industry Technology and Development Center (PITDC), among other positions. She currently serves as Independent Director of Lytone Enterprise, Inc., Independent Director of Anbogen Therapeutics, Inc., Director of Farma Technology Consulting Co., Ltd., Supervisor of Eiromics Biomedical Co., Ltd., and Advisor of the Asia Pacific Intellectual Property Association (APIPA), among other positions. She brings extensive industry experience and professional expertise. Does not fall under any of the conditions stated in Article 30 of the Company Act.	Independent director Lo, Li-Chu, her spouse, and relatives within the second degree of kinship (or using others' names), only she herself holds 1,000 shares of the Company, and none of them serve as directors, supervisors, or employees of the Company or its affiliated enterprises. In the past two years, they have not provided business, legal, financial, accounting, or other services to the Company or its affiliated enterprises for compensation.	2
Kang, Chao-Chou	Independent director Kang, Chao-Chou holds a Ph.D. from the Department of Chemistry at the University of California, San Diego. He previously served as the Director, the Food Safety Office of the Executive Yuan, Director-General of the Taiwan Food and Drug Administration, and Director, the Pharmaceutical Affairs Department of the Ministry of Health and Welfare. Currently, he serves as an adjunct professor at the College of Pharmaceutical Sciences at National Yang Ming Chiao Tung University, an independent director of AnnJi Pharmaceutical Co. Ltd., an independent director of Anxo Pharmaceutical Co. Ltd., and an independent director of Orient PHARMA Co., Ltd. He possesses extensive expertise in biotechnology-related fields. Does not fall under any of the conditions stated in Article 30 of the Company Act.	Independent director Kang, Chao-Chou, his spouse, and relatives within the second degree of kinship (or using others' names), only his spouse holds 5,000 shares of the Company, and none of them serve as directors, supervisors, or employees of the Company or its affiliated enterprises. In the past two years, they have not provided business, legal, financial, accounting, or other services to the Company or its affiliated enterprises for compensation.	3

5. Diversity and Independence of the Board of Directors:

(1) Board Diversity

The Company's "Articles of Incorporation" specify a board of five to eleven directors. The Company's "Articles of Incorporation," "Director Election Rules," and "Corporate Governance Best Practice Principles" clearly establish guidelines for board diversity and disclose them on the Market Observation Post System. Board members should be diverse, have different professional backgrounds, emphasize gender equality, and generally possess the knowledge, skills, and qualities necessary to perform their duties. It is also clearly stipulated that among the above-mentioned number of directors, the number of independent directors shall not be less than three. The current board of directors of the Company consists of six directors, including three independent directors, with implementation as follows:

A. Diverse professional backgrounds: Board members include those with professional backgrounds in the biotechnology industry, at least one with financial and accounting expertise, and at least one with a management background.

B. Implementation of gender equality: Each gender accounts for at least one-third of board seats.

Title	Name	Gender	Age	Nationality	Professional Background in Biotechnology Industry	Business and Financial Work Experience	Planning, Management, and Leadership Experience	College/University Lecturer or Professional Technical Certification
Chairman	Representative of Formosa Laboratories, Inc., Cheng,Chen-Yu	Male	71~80	R.O.C				V
Director	Representative of Formosa Laboratories, Inc., Huang, Weng-Foung	Male	71~80	R.O.C				V
Director	Ma, Hai-Yi	Female	71~80	R.O.C and United States				—
Independent Director	Su,Yu-Hui	Female	51~60	R.O.C	—			
Independent Director	Lo, Li-Chu	Female	71~80	R.O.C				
Independent Director	Kang, Chao-Chou	Male	61~70	R.O.C		—		

(2) Independence of the Board of Directors

The Company currently has three independent directors, all of whom comply with the relevant independence regulations as stipulated in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. There are no spousal or second-degree relatives among all directors, and no circumstances specified in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act. Therefore, the Board of Directors of the Company already possesses considerable independence in its practical operations.

(2) President, Vice President, Associate Manager, Heads of Each Department and Branch

Unit: Shares Date: March 27, 2026

Title	Name	Gender	Nationality	Assumed Office (Elected)	Shareholding		Shares Held by Spouse and Minor Children		Shares Held in the Name of Others		Major Experience (Education)	Current Positions Held in Other Companies	Managers with Spousal or Second-degree Kinship Relationships			Status of Managers' Acquisition of Employee Stock Options	Notes
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship		
President	Erick Co	Male	United States	2023.03.06	370,000	0.25%	200,000	0.13%	0	0.00%	Ph.D. in Organic Chemistry, University of California, Los Angeles, USA Bachelor of Chemistry, California Institute of Technology, USA Exelixis, Inc. Senior Scientist Takeda Pharmaceuticals Senior Scientist Nitto Denko Corp. Chief Scientist and Project Manager Director, New Drug Development, ScinoPharm Taiwan Ltd.	Director, Activus Pharma Co., Ltd.	None	None	None	Note 3	None
Chief Business & Strategy Officer	Wei, Ching-Cheng	Male	R.O.C	2023.11.03	33,000	0.02%	2,000	0.00%	0	0.00%	Master's Degree, Institute of Health Policy and Management, National Taiwan University Vice President of International Trade Department, Greenyn Biotechnology Co., Ltd. International Business Manager, Standard Chem & Pharm CO., LTD. Vice President of International Business, Golden Biotechnology Corp.	None	None	None	None	Note 3	None
Director, Nanotechnology	Chen,Yu-Chi	Male	R.O.C	2023.11.03	201,238	0.13%	0	0.00%	0	0.00%	Ph.D. in Health Sciences, University of Shizuoka, Japan Master of Health Sciences, University of Shizuoka, Japan Bachelor of Food Engineering, Da-Yeh University Professor, Department of Cosmetic Science, Vanung University Postdoctoral Research Fellow, National Health Research Institutes Advisory Committee Member, Health Promotion Administration, Ministry of Health and Welfare Strategic Guidance Project for Cosmetic Manufacturing Facilities Complying with GMP Expert Committee Member, Health Promotion Administration, Ministry of Health and Welfare Research Advisory Group for Promoting Compliance with Good Manufacturing Practices in Cosmetic Manufacturing Facilities	None	None	None	None	Note 3	None
Director of Development Planning and Management Division	Tsan,Ya-Chuun	Female	R.O.C	2022.03.01 (Note 1)	381,788	0.25%	0	0.00%	0	0.00%	Master's Degree, Institute of Toxicology, University of Michigan, USA Bachelor's Degree, Department of Animal Science, National Taiwan University Manager, Protech Pharmaservices Corporation	None	None	None	None	Note 3	None
Director of Development Planning and Management Division	Wu, Pei-Tzu	Female	R.O.C	2025.09.22 ((Note 2)	0	0.00%	0	0.00%	0	0.00%	Ph.D. in Biochemistry and Molecular Biology, National Taiwan University Master of Science in Biochemistry, National Yang-Ming University Bachelor of Science in Entomology, National Chung	None	None	None	None	-	None

Title	Name	Gender	Nationality	Assumed Office (Elected)	Shareholding		Shares Held by Spouse and Minor Children		Shares Held in the Name of Others		Major Experience (Education)	Current Positions Held in Other Companies	Managers with Spousal or Second-degree Kinship Relationships			Status of Managers' Acquisition of Employee Stock Options	Notes
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship		
											Hsing University Deputy Director, Research and Development Division, Allgenesis Biotherapeutics Inc. Clinical Project Manager, TWi Biotechnology, Inc. QPS Taiwan Qualitix Medical Writer Project Manager, Lumosa Therapeutics Co., Ltd.						
Director, CMC & Production	Yu, Kuo-Ming	Male	R.O.C	2023.10.16	0	0.00%	0	0.00%	0	0.00%	Doctor of Philosophy in Biochemistry, Hong Kong Polytechnic University Master's Degree in Biochemistry, Imperial College London, UK Bachelor's Degree, Department of Life Sciences, National Tsing Hua University Athenex, Inc. Director of Biologics Avalon Biomedical Scientific Director R&D Manager, Tanvex BioPharma Inc.	None	None	None	None	-	None
Director, Regulatory Affairs & Quality Assurance	Ho, I-Ting	Female	R.O.C	2023.11.13	30,000	0.02%	0	0.00%	0	0.00%	Doctor of Philosophy in Applied Chemistry, National Chiao Tung University Master's Degree in Applied Chemistry, National Chiao Tung University Bachelor's Degree in Applied Chemistry, National Chiao Tung University Postdoctoral Researcher, National Chiao Tung University Postdoctoral Researcher, Department of Chemistry, The University of Texas at Austin Associate Director, Regulatory Affairs, Sunny Pharmtech Inc.	None	None	None	None	-	None
Director of Finance and Administration Division and Corporate Governance Officer	Tsao, Nai-Hsien	Male	R.O.C	2024.08.28	260,000	0.17%	0	0.00%	0	0.00%	EMBA Biotechnology and Healthcare Program, National Chengchi University Master's Degree in Accounting and Law, National Chung Cheng University Bachelor's Degree in Accounting, Chung Yuan Christian University Senior Accounting Specialist, New Chiens Biotech Co., Ltd.	None	None	None	None	Note 3	None

Note 1: Tsan, Ya-Chun, Director of Development Planning and Management Division, resigned on August 31, 2025.

Note 2: Wu, Pei-Tzu, Director of Development Planning and Management Division, assumed the position on September 22, 2025.

Note 3: Please refer to Section III, Part 5 of this annual report for information on employee stock options.

2. Compensation paid to directors, supervisors, president, and vice presidents in the most recent year:

(1) 2025 Directors' Compensation (Individually Disclosed)

Unit: NT$ thousand

Title	Name	Director's remuneration								The sum of the four items A, B, C, and D		The sum of the four items A, B, C, and D as a percentage of net income after tax (%)		Remuneration Received for Concurrent Employee Positions								The sum of the seven items A, B, C, D, E, F, and G		The sum of the seven items A, B, C, D, E, F, and G as a percentage of net income after tax (%)		Remuneration Received from Invested Companies Other Than Subsidiaries or Parent Company
		Remuneration (A)		Pension upon Retirement (B)		Director Remuneration (C) (Note 1)		Business Execution Expenses (D)						Salary, bonuses, and special disbursements, etc. (E) (Note 2)		Retirement Pension (F)		Employee Remuneration (G)										
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company		All Companies in the Financial Report		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	
																		Cash Amount	Stock Amount	Cash Amount	Stock Amount					
Chairman	Formosa Laboratories, Inc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Representative Cheng, Chen-Yu (Note 3)	0	0	0	0	0	0	36	36	36	36	(0.04)	(0.04)	0	0	0	0	0	0	0	0	36	36	(0.04)	(0.04)	9,976
Director	Formosa Laboratories, Inc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Representative Huang, Weng-Foung	0	0	0	0	0	0	36	36	36	36	(0.04)	(0.04)	0	0	0	0	0	0	0	0	36	36	(0.04)	(0.04)	600
Director	Ma, Hai-Yi	0	0	0	0	0	0	30	30	30	30	(0.04)	(0.04)	0	0	0	0	0	0	0	0	30	30	(0.04)	(0.04)	0
Director	Chang, Hung-Jen (Note 4)	0	0	0	0	0	0	18	18	18	18	(0.02)	(0.02)	0	0	0	0	0	0	0	0	18	18	(0.02)	(0.02)	0
Independent Director	Su,Yu-Hui	600	600	0	0	0	0	36	36	636	636	(0.76)	(0.76)	0	0	0	0	0	0	0	0	636	636	(0.76)	(0.76)	0
Independent Director	Lo, Li-Chu	600	600	0	0	0	0	36	36	636	636	(0.76)	(0.76)	0	0	0	0	0	0	0	0	636	636	(0.76)	(0.76)	0
Independent Director	Kang, Chao-Chou	600	600	0	0	0	0	30	30	630	630	(0.75)	(0.75)	0	0	0	0	0	0	0	0	630	630	(0.75)	(0.75)	0

Note 1: The Company's Board of Directors approved on March 10, 2026 not to distribute directors' remuneration for fiscal year 2025, which will be reported at the 2026 Annual Shareholders' Meeting.

Note 2: This refers to the compensation received in the most recent fiscal year by directors who also serve as employees (including concurrent positions as President, Vice President, other managers, and staff), including salary, job allowances, severance pay, various bonuses, incentive payments, transportation allowances, special disbursements, various subsidies, dormitory, company car, and other physical benefits, etc. If housing, cars, and other means of transportation or personal expenses are provided, the nature and cost of the provided assets, actual or fair market value of the rent, fuel costs, and other payments should be disclosed. In addition, if a driver is assigned, please note the relevant compensation paid by the company to the driver, but this is not included in the remuneration. Additionally, salary expenses recognized in accordance with IFRS 2 "Share-based Payment," including obtaining employee stock options, restricted employee shares, and participation in cash capital increase share subscriptions, should also be included in the remuneration.

Note 3: The Company's Chairman, Cheng, Chen-Yu, is the Chairman and President of the parent company, Formosa Laboratories, Inc.

Note 4: Chang, Hung-Jen resigned as a director on June 30, 2025.

Note 5: The Company's net loss after tax for 2025 was NT$83,565 thousand.

(2) Remuneration for the President and Vice Presidents in fiscal year 2025:

Unit: NT$ thousand

Title	Name	Salary(A)		Pension upon Retirement (B) (Note 1)		Bonuses, and Special Allowances, etc. (C) (Note 2)		Employee Compensation Amount (D)				The Sum of A, B, C and D as a Percentage of Net Income After Tax (%)(Note 3)		Remuneration Received from Invested Companies Other Than Subsidiaries or Parent Company
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company		All Companies in the Financial Report		The Company	All Companies in the Financial Report	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	Erick Co	4,665	4,665	108	108	3,321	3,321	0	0	0	0	(9.69)	(9.69)	0
Chief Business & Strategy Officer	Wei, Ching-Cheng	3,123	3,123	108	108	176	176	0	0	0	0	(4.08)	(4.08)	0
Director, Nanotechnology	Chen,Yu-Chi	2,695	2,695	108	108	199	199	0	0	0	0	(3.59)	(3.59)	0
Director, Finance Division and Corporate Governance Officer	Tsao, Nai-Hsien	2,024	2,024	103	103	73	73	0	0	0	0	(2.63)	(2.63)	0

Note 1: The retirement pension shown in the table above represents the total amount of pension contribution, and the actual payment amount is NT$0.

Note 2: The amount listed in this item is primarily the salary expense recognized based on IFRS 2 "Share-based Payment" (non-cash expenditure).

Note 3: The Company's net loss after tax for 2025 was NT$83,565 thousand.

(3) Remuneration of the Top Five Highest-Paid Executives of TWSE/TPEx Listed companies:

Unit: NT$ thousand

Title	Name	Salary(A)		Pension upon Retirement (B) (Note 1)		Bonuses, and Special Allowances, etc. (C) (Note 2)		Employee Compensation Amount (D)				The Sum of A, B, C and D as a Percentage of Net Income After Tax (%)(Note 5)		Remuneration Received from Invested Companies Other Than Subsidiaries or Parent Company
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company		All Companies in the Financial Report		The Company	All Companies in the Financial Report	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	Erick Co	4,665	4,665	108	108	3,321	3,321	0	0	0	0	(9.69)	(9.69)	0
Chief Business & Strategy Officer	Wei, Ching-Cheng	3,123	3,123	108	108	176	176	0	0	0	0	(4.08)	(4.08)	0
Director, Nanotechnology	Chen,Yu-Chi	2,695	2,695	108	108	199	199	0	0	0	0	(3.59)	(3.59)	0
Director, Finance Division and Corporate Governance Officer	Tsao, Nai-Hsien	2,024	2,024	103	103	73	73	0	0	0	0	(2.63)	(2.63)	0

Note 1: The retirement pension shown in the table above represents the total amount of pension contribution, and the actual payment amount is NT$0.

Note 2: The amount listed in this item is primarily the salary expense recognized based on IFRS 2 "Share-based Payment" (non-cash expenditure).

Note 3: The Company's net loss after tax for 2025 was NT$83,565 thousand.

(4) Distribution of Employee Compensation to Managers: The Company did not distribute any employee compensation in 2025.

(5) Comparative analysis of the ratio of total remuneration paid to the Company's directors, supervisors, president, and vice presidents by the Company and all companies in the consolidated financial statements to net income after tax in individual or separate financial reports for the past two years, and explanation of remuneration policies, standards and combinations, procedures for determining remuneration, and their correlation with operating performance and future risks

1. The ratio of total remuneration paid to the Company's directors, president, and vice presidents to net income after tax in individual financial reports for the past two years:

Unit: NT$ thousand

Item / Title	The Company and all companies in the financial reports			
	2024		2025	
	Total remuneration	Ratio to net income after tax in financial reports	Total remuneration	Ratio to net income after tax in financial reports
Director	2,136	(1.06)	2,022	(2.42)
President and Vice President	34,549	(17.18)	11,501	(13.76)

2. Remuneration policies, standards, combination, the procedure for determining the remunerations, and their relation to business performance

(1) Directors: The Board of Directors of the Company has resolved to approve the "Remuneration Method for Directors, Independent Directors, and Managers," and the director remuneration payment policy has been stipulated in the Articles of Incorporation. If the Company has profits for the year, the Board of Directors shall resolve to allocate no less than 5% as employee remuneration and no more than 2% as director remuneration. However, if the Company still has accumulated losses, it should reserve the amount for covering the losses first, and report to the shareholders' meeting.

(2) President and Vice President: The Company's policy for paying remuneration to the President and Vice President is based on their positions, educational and professional backgrounds, and with reference to salary levels at other companies, to provide reasonable compensation. The manager's salary is distributed after being resolved by the Remuneration Committee and then approved by the Board of Directors.

In summary, the remuneration of directors and managers of the Company takes into consideration the Company's operational situation, potential future operational risks and their responsibilities, providing competitive compensation to achieve a balance between the Company's risk management and sustainable operations.

3. Corporate Governance Implementation:

(1) Board of Directors Operations

In the most recent fiscal year (2025) and up to the printing date of this year, the Board of Directors has held 6 meetings (A), with directors' attendance as follows:

Title	Name	Actual Attendance (B)	Proxy Attendances	Actual Attendance Rate (%) (B/A)	Notes
Chairman	Cheng, Chen-Yu (Representative of Formosa Laboratories, Inc.)	6	0	100%	—
Director	Huang, Weng-Foung (Representative of Formosa Laboratories, Inc.)	6	0	100%	—
Director	Ma, Hai-Yi	6	0	100%	—
Director	Chang, Hung-Jen	3	0	100%	Resigned on June 30, 2025
Independent Director	Su,Yu-Hui	6	0	100%	—
Independent Director	Lo, Li-Chu	6	0	100%	—
Independent Director	Kang, Chao-Chou	5	1	83%	—

Other matters that should be recorded:

1. If any of the following circumstances occur in the operation of the Board of Directors, the date of the board meeting, session, content of the proposal, opinions of all independent directors, and the company's handling of independent directors' opinions should be specified:
   (1) Matters listed in Article 14-3 of the Securities and Exchange Act

Date of Board Meeting (Session)	Proposal item	Independent Director's Opinion	Company's Handling of Independent Director's Opinion
2025.03.11 (The 7th Meeting of the 6th Board)	Amendment of the Company's Rules and Regulations	Agree	No Special Circumstances
	Evaluation of Independence and Suitability of Certified Public Accountants and Approval of Their Remuneration	Agree	No Special Circumstances
	Leasing Case from Related Party	Agree	No Special Circumstances
	Commissioning Director Formosa Laboratories, Inc. to Provide Testing and Analysis Services	Agree	No Special Circumstances
	Signing a Supplementary Supply Agreement with Director Formosa Laboratories, Inc.	Agree	No Special Circumstances
2025.05.06 (The 8th Meeting of the 6th Board)	Acquisition of Right-of-Use Assets for Business Use from Related Parties	Agree	No Special Circumstances
	Amendment to the Agreement for Acquisition of APNT Patent Technology Signed with Japanese Subsidiary Activus Pharma Co., Ltd.	Agree	No Special Circumstances
2025.06.06 (The 9th Meeting of the 6th Board)	No matters listed under Article 14-3 of the Securities and Exchange Act	-	-

2025.08.12 (The 10th Meeting of the 6th Board)	Contract Manufacturing Agreement for TSY-310 Protein Intermediate Signed with EirGenix, Inc.	Agree	No Special Circumstances
	Contract Manufacturing Agreement for TSY-310 Drug Product (DP) Signed with Formosa Laboratories, Inc.	Agree	No Special Circumstances
	Commissioned Formosa Laboratories, Inc. to Produce TSY-120 (Enhertu) Drug Substance (DS) Samples	Agree	No Special Circumstances
2025.11.11 (The 11th Meeting of the 6th Board)	Appointment of the Company's Internal Auditor	Agree	No Special Circumstances
	Entrusting Director Formosa Laboratories, Inc. to Provide Patent and Intellectual Property Services	Agree	No Special Circumstances
	Lease Agreement with Related Party	Agree	No Special Circumstances
	Amendment to TSY-310 Protein Intermediate Contract Manufacturing Agreement Pricing and Addition of Pass-Through Costs with EirGenix, Inc.	Agree	No Special Circumstances
2026.03.10 (The 12th Meeting of the 6th Board)	Internal Adjustment of Signing Accountant at the Accounting Firm and Assessment of Independence, Competence, and Engagement Remuneration	Agree	No Special Circumstances
	Amendment of the Company's Rules and Regulations	Agree	No Special Circumstances
	Contract Manufacturing Agreement for TSY-110 Drug Product (DP) Signed with Formosa Laboratories, Inc.	Agree	No Special Circumstances
	Amendment of the contract with Formosa Laboratories, Inc. for the contract manufacturing of TSY-310 drug product	Agree	No Special Circumstances
	Signing of a supplemental contract with EirGenix, Inc. for TSY-310 Protein Intermediate	Agree	No Special Circumstances

(2) Apart from the aforementioned matters, other board resolutions that were objected to or had reservations expressed by independent directors, with records or written statements: None.

2. Implementation of recusal by directors for proposals with conflicts of interest, please specify the name of the director, content of the proposal, reason for recusal due to conflict of interest, and status of participation in voting:

Date of Board Meeting	Director Name	Proposal item	Reason for Recusal due to Conflict of Interest	Voting Participation Status
2025.03.11 (The 7th Meeting of the 6th Board)	Cheng,Chen-Yu Huang, Weng-Foung	Leasing Case from Related Party	Proposals related to the legal entity represented	After explaining the important content of their own conflict of interest to the board of directors, they recused themselves and did not participate in the voting
		Commissioning Director Formosa Laboratories, Inc. to Provide Testing and Analysis Services		
		Signing a Supplementary Supply Agreement with Director Formosa Laboratories, Inc.		
2025.05.06 (The 8th Meeting of the 6th Board)	Cheng,Chen-Yu Huang, Weng-Foung	Acquisition of Right-of-Use Assets for Business Use from Related Parties	Proposals related to the legal entity represented	After explaining the important content of their own conflict of interest to the board of directors, they recused themselves and did not
		Amendment to the Agreement for Acquisition of APNT Patent Technology Signed with Japanese		

		Subsidiary Activus Pharma Co., Ltd.		participate in the voting
2025.08.12 (The 10th Meeting of the 6th Board)	Cheng,Chen-Yu Huang, Weng-Foung	Contract Manufacturing Agreement for TSY-310 Protein Intermediate Signed with EirGenix, Inc. Contract Manufacturing Agreement for TSY-310 Drug Product (DP) Signed with Formosa Laboratories, Inc. Commissioned Formosa Laboratories, Inc. to Produce TSY-120 (Enhertu) Drug Substance (DS) Samples	Proposals related to the legal entity represented	After explaining the important content of their own conflict of interest to the board of directors, they recused themselves and did not participate in the voting
2025.11.11 (The 11th Meeting of the 6th Board)	Cheng,Chen-Yu Huang, Weng-Foung	Entrusting Director Formosa Laboratories, Inc. to Provide Patent and Intellectual Property Services Lease Agreement with Related Party Amendment to TSY-310 Protein Intermediate Contract Manufacturing Agreement Pricing and Addition of Pass-Through Costs with EirGenix, Inc.	Proposals related to the legal entity represented	After explaining the important content of their own conflict of interest to the board of directors, they recused themselves and did not participate in the voting
2026.03.10 (The 12th Meeting of the 6th Board)	Cheng,Chen-Yu Huang, Weng-Foung	Signing of a contract with Formosa Laboratories, Inc. for the contract manufacturing of TSY-110 drug product (DP) Amendment of the contract with Formosa Laboratories, Inc. for the contract manufacturing of TSY-310 drug product Signing of a supplemental contract with EirGenix, Inc. for TSY-310 Protein Intermediate	Proposals related to the legal entity represented	After explaining the important content of their own conflict of interest to the board of directors, they recused themselves and did not participate in the voting

3. TWSE/TPEx Listed companies should disclose information such as the evaluation cycle and period, scope, method, and content of the board of directors' self (or peer) evaluation, and complete the attached table on the implementation status of board evaluation:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Implemented once a year	2025/01/01~ 2025/12/31	Board of Directors, individual board members, and functional committees	Board of Directors, individual board members internal self-assessment questionnaire, and functional	<u>Board Performance Evaluation:</u> 1. Level of participation in company operations 2. Improving the quality of board decisions 3. Board composition and structure 4. Selection and continuing

			committees self-assessment questionnaire	education of directors 5. Internal controls <u>Individual Director Performance Evaluation:</u> 1. Understanding of company goals and mission 2. Awareness of director responsibilities 3. Level of participation in company operations 4. Internal relationship management and communication 5. Director's expertise and continuing education 6. Internal control <u>Performance evaluation of functional committees:</u> 1. Level of participation in company operations 2. Awareness of functional committee responsibilities 3. Improving the quality of functional committee decisions 4. Composition and member selection of functional committees 5. Internal controls

The Company has completed the board of directors' performance self-evaluation for 2025 and submitted the evaluation results to the first quarter board meeting of 2026 as a basis for review and improvement. The performance evaluation of the board of directors and board members shows that all directors (including independent directors) have given positive recognition to the efficiency and operation of the board of directors and functional committees.

4. Goals and implementation assessment for strengthening board functions for the current and most recent year (such as establishing an audit committee, enhancing information transparency, etc.):
   (1) The Company has established an Audit Committee, a Compensation Committee, and a Sustainability Committee to assist the Board of Directors in fulfilling its supervisory responsibilities.
   (2) At each board meeting, directors are provided with reports on the implementation status of previous meetings, important financial and business updates, and audit reports, to ensure the board has full understanding of the company's project progress and to implement business decisions effectively.
   (3) The Company has purchased "Directors and Officers Liability Insurance" to diversify the legal liability risks of directors and enhance corporate governance capabilities.
   (4) All directors of the Company continue to participate in corporate governance practical training courses.
   (5) The Company has established a spokesperson and deputy spokesperson system, and discloses significant financial and business information on the Market Observation Post System and company website as required.
5. In accordance with the Company's Board of Directors Performance Evaluation Procedures, the Board performance evaluation shall be conducted at least once every three years by an external professional independent institution or a team of external experts and scholars, and an annual performance evaluation shall be conducted at the end of each fiscal year. The Company has already reported at the Q1 Board of Directors meeting in 2026 that the external evaluation of Board performance will be conducted in mid-2026, and the evaluation results will be disclosed in the following year.

(2) Operation of the Audit Committee:

The Company has established an Audit Committee, currently composed of Independent Director Lo, Li-Chu, Independent Director Su, Yu-Hui, and Kang, Chao-Chou,

whose primary responsibilities are to strengthen corporate governance and assist the Board of Directors in overseeing financial reporting, internal controls, auditor independence, and regulatory compliance.

1. Audit Committee Member Information

Criteria / Capacity/Name		Professional Qualifications and Experience	Independence Status	Number of Other Public Companies' Audit Committees Served Concurrently
Independent Director (Convener)	Su,Yu-Hui	Independent Director Su Yu-Hui holds a Ph.D. in Business Administration from National Taiwan University. She previously served as Chair of the Department of Accounting at Soochow University, among other positions. She currently serves as Full-time Professor in the Department of Accounting at Soochow University, Independent Director of Makalot Industrial Co., Ltd., Independent Director of AnnJi Pharmaceutical Co., Ltd., and Supervisor of China Steel Security Corporation, among other positions. She possesses strong expertise in accounting and financial analysis, crisis management, and international market insight. Does not fall under any of the conditions stated in Article 30 of the Company Act.	All Audit Committee members comply with the following conditions: Compliance with the relevant provisions of Article 4 of the Financial Supervisory Commission's "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies". No remuneration has been received for providing commercial, legal, financial, accounting, or other services to the company or its affiliated enterprises in the past two years.	2
Independent Director	Lo, Li-Chu	Independent Director Luo Li-Chu holds a Ph.D. from the University of Massachusetts (UMass), USA. She previously served as Adjunct Professor in the Department of Food Science at National Taiwan Ocean University, President & General Manager of Orient Pharma Co., Ltd., and President & General Manager of the Pharmaceutical Industry Technology and Development Center (PITDC), among other positions. She currently serves as Independent Director of Lytone Enterprise, Inc., Independent Director of Anbogen Therapeutics, Inc., Director of Farma Technology		2

		Consulting Co., Ltd., Supervisor of Eiromics Biomedical Co., Ltd., and Advisor of the Asia Pacific Intellectual Property Association (APIPA), among other positions. She brings extensive industry experience and professional expertise. Does not fall under any of the conditions stated in Article 30 of the Company Act.		
Independent Director	Kang, Chao-Chou	Independent director Kang, Chao-Chou holds a Ph.D. from the Department of Chemistry at the University of California, San Diego. He previously served as the Director, the Food Safety Office of the Executive Yuan, Director-General of the Taiwan Food and Drug Administration, and Director, the Pharmaceutical Affairs Department of the Ministry of Health and Welfare. Currently, he serves as an adjunct professor at the College of Pharmaceutical Sciences at National Yang Ming Chiao Tung University, an independent director of AnnJi Pharmaceutical Co. Ltd., an independent director of Anxo Pharmaceutical Co. Ltd., and an independent director of Orient PHARMA Co., Ltd. He possesses extensive expertise in biotechnology-related fields. Does not fall under any of the conditions stated in Article 30 of the Company Act.		3

2. In the most recent fiscal year (2025) and up to the printing date, the Audit Committee has held 5 meetings (A), with Independent Directors' attendance as follows:

Title	Name	Actual Attendance (B)	Proxy Attendances	Actual Attendance Rate (%)(B/A)	Notes
Independent Director (Convener)	Su,Yu-Hui	5	0	100%	—
Independent Director	Lo, Li-Chu	5	0	100%	—
Independent Director	Kang, Chao-Chou	5	0	100%	—

Other matters that should be recorded:

1. If any of the following circumstances occur in the operation of the Audit Committee, the date and session of the Audit Committee meeting, the content of the proposal, the contents of Independent Directors' dissenting opinions, reservations, or significant recommendations, the resolution of the Audit Committee, and the company's response to the Audit Committee's opinions shall be specified
   (1) Matters listed in Article 14-5 of the Securities and Exchange Act

Audit Committee Date (Session)	Proposal item	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Audit Committee Resolution Results	Company's Handling of Audit Committee's Opinion
2025.03.11 (The 2nd Meeting of 5th Session)	Issuance of the 2024 Internal Control Statement	None	Agree	No Special Circumstances
	Approval of the 2024 Financial Statements	None	Agree	No Special Circumstances
	Evaluation of Independence and Suitability of Certified Public Accountants and Approval of Their Remuneration	None	Agree	No Special Circumstances
	Lease Agreement with Related Party	None	Agree	No Special Circumstances
	Commissioning Director Formosa Laboratories, Inc. to Provide Testing and Analysis Services	None	Agree	No Special Circumstances
	Signing a Supplementary Supply Agreement with Director Formosa Laboratories, Inc.	None	Agree	No Special Circumstances
2025.05.06 (The 6th Meeting of 2nd Session)	Acquisition of Right-of-Use Assets for Business Use from Related Parties	None	Agree	No Special Circumstances
	Amendment to the Agreement for Acquisition of APNT Patent Technology Signed with Japanese Subsidiary Activus Pharma Co., Ltd.	None	Agree	No Special Circumstances
2025.08.12 (The 7th Meeting of 2nd Session)	Contract Manufacturing Agreement for TSY-310 Protein Intermediate Signed with EirGenix, Inc.	None	Agree	No Special Circumstances
	Contract Manufacturing Agreement for TSY-310 Drug Product (DP) Signed with Formosa Laboratories, Inc.	None	Agree	No Special Circumstances
	Commissioned Formosa Laboratories, Inc. to Produce TSY-120 (Enhertu) Drug Substance (DS) Samples	None	Agree	No Special Circumstances
2025.11.11 (The 8th Meeting of 2nd Session)	Appointment of the Company's Internal Auditor	None	Agree	No Special Circumstances
	Entrusting Director Formosa Laboratories, Inc. to Provide Patent and Intellectual Property Services	None	Agree	No Special Circumstances
	Lease Agreement with Related Party	None	Agree	No Special Circumstances
	Amendment to TSY-310 Protein Intermediate Contract Manufacturing Agreement Pricing and Addition of Pass-Through Costs with EirGenix, Inc.	None	Agree	No Special Circumstances
2026.03.10 (The 9th	Issuance of the 2025 Internal Control Statement	None	Agree	No Special Circumstances

Meeting of 2nd Session)	Approval of the 2025 Financial Statements	None	Agree	No Special Circumstances
	Internal Adjustment of Signing Accountant at the Accounting Firm and Assessment of Independence, Competence, and Engagement Remuneration	None	Agree	No Special Circumstances
	Proposal for the Company to enter into a Drug Product (DP) commissioned manufacturing agreement for TSY-110 with Formosa Laboratories, Inc.	None	Agree	No Special Circumstances
	Proposal for the Company to amend the Drug Product commissioned manufacturing agreement for TSY-310 with Formosa Laboratories, Inc.	None	Agree	No Special Circumstances
	Proposal for the Company to enter into a supplemental agreement for TSY-310 Protein Intermediate with EirGenix, Inc.	None	Agree	No Special Circumstances

(2) Apart from the aforementioned matters, other resolutions not approved by the Audit Committee but approved by more than two-thirds of all directors: None.

2. Implementation of recusal by independent director for proposals with conflicts of interest, please specify the name of the independent director, content of the proposal, reason for recusal due to conflict of interest, and status of participation in voting: None.

3. Communication between independent directors, the internal audit supervisor, and the accountants (should include significant matters, methods, and results of communication regarding the company's financial and operational status):

(1) Communication between independent directors, internal auditor and accountants:

Starting from fiscal year 2026, the independent directors of the company will communicate with the certified public accountants (CPAs) and head of internal audit through face-to-face tripartite meetings at least once a year, and may convene meetings at any time as needed to discuss significant or unusual matters.

(2) Communication between independent directors and the internal audit supervisor:

The internal audit supervisor of the company regularly completes the audit report every month and submits it to the independent directors for review in the following month, and routinely reports at board meetings. The Audit Committee, composed of all independent directors, reviews the company's internal control, internal audit operations, and the results of the company's self-inspection, regularly examines financial statements, and issues review reports.

(3) Communication between independent directors and accountants:

For the company's semi-annual and annual financial reports, the certifying accountants attend the Audit Committee meetings regularly to explain and communicate about the audit status; in case of major, special matters or requirements under relevant laws and regulations, they attend the Audit Committee meetings on an irregular basis for explanation and communication

(3) Corporate governance operations and the differences and reasons compared to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies:

Evaluation Items	Operation Status			Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
1. Has the company established and disclosed corporate governance principles based on the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?			The Company has established its "Corporate Governance Best Practice Principles" based on the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies," which has been approved by the Board of Directors and disclosed on the Market Observation Post System and the Investor Relations section of the Company's website.	No significant difference.
2. Company's shareholding structure and shareholders' rights				No significant difference.
(1) Has the company established internal operating procedures to handle shareholder suggestions, doubts, disputes, and litigation matters, and implemented them according to these procedures?			(1)The Company has appointed a spokesperson and deputy spokesperson to handle shareholder-related issues for the Company and its subsidiaries, supported by stock affairs and legal personnel. Shareholders can contact the company through various channels including inquiries, corporate website mailbox, and dedicated email, which are used to address shareholder suggestions, doubts, disputes, and litigation matters.	No significant difference. No significant difference.
(2) Does the company maintain a list of major shareholders who actually control the company and the ultimate controllers of these major shareholders?			(2) Monthly reporting data is obtained from directors who are major shareholders and disclosed on the Market Observation Post System as required by law. Information on all shareholders is managed through the shareholder register provided by the Taiwan Depository & Clearing Corporation. Information regarding the top ten major shareholders is obtained annually and disclosed in the annual report for the shareholders' meeting.	No significant difference.
(3) Has the company established and implemented risk control mechanisms and firewalls between the company and its			(3) The Company has established control mechanisms including the "Management Regulations for Transactions with Related Parties, Specific Companies, and Group Enterprises," "Operating Regulations for Financial and Business Interactions between Affiliated Enterprises," and	

Evaluation Items	Operation Status			Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
affiliated enterprises? (4) Has the company established internal regulations prohibiting insiders from trading securities using undisclosed market information?			"Regulations for Supervision and Management of Subsidiaries. (4) The Company has established "Procedures for Handling Material Internal Information" and "Management Regulations for the Prevention of Insider Trading" to regulate the securities trading behavior of insiders. When new directors and managers take office, the Company also provides relevant regulatory information for their education and reminds them of matters requiring attention regarding insider trading.	
3. Composition and Responsibilities of the Board of Directors (1) Has the Board of Directors formulated a diversity policy, specific management objectives, and implemented them effectively?			(1) Diversity of the Board of Directors' members 1 Diversity policy for directors: The Company, by resolution of the shareholders' meeting, has established five to eleven directors. The Company's "Articles of Incorporation," "Director Election Procedures," and "Corporate Governance Best Practice Principles" clearly stipulate that the diversity guidelines for the composition of the Board of Directors are disclosed on the Market Observation Post System. Board members should be diverse, have different professional backgrounds, emphasize gender equality, and generally possess the knowledge, skills, and qualities necessary to perform their duties. It is also clearly stipulated that among the above-mentioned number of directors, the number of independent directors shall not be less than three. 2. Specific management objectives and implementation of the diversity policy: As of the printing date, there are six directors in total. The objectives and implementation are as follows: (1) Diverse professional backgrounds: Among the director members, there are those with professional backgrounds in the biotech industry, at least one with financial and accounting expertise, and at least one with a management background; the Company's Board of	No significant difference. In the future, the establishment of other functional committees will be considered based

Evaluation Items	Operation Status			Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
			Directors already meets this diversity objective. (2) Implementing gender equality: Each gender should constitute at least one-third of the director seats; the Company's Board of Directors already meets this diversity objective. (3) Professional qualifications for performing duties: At least one seat should be filled by someone with professional accounting qualifications; the Company's Board of Directors already meets this diversity objective.	on development needs. No significant difference.
(2) In addition to establishing the Remuneration Committee and Audit Committee as required by law, has the Company voluntarily established other types of functional committees?			(2) As of the printing date, the functional committees established by the Company's Board of Directors include the Remuneration Committee, the Audit Committee, and the Sustainable Development Committee. In the future, the necessity of establishing other functional committees will be evaluated based on operational development needs.	No significant difference.
(3) Has the Company established regulations and methods for evaluating the performance of the Board of Directors, conducting regular performance evaluations annually, submitting the evaluation results to the Board of Directors, and using them as a reference for individual directors' remuneration and nomination for reappointment?			(3) The Company has established the "Board of Directors Performance Evaluation Measures" and has completed the performance evaluations of the Board of Directors, board members, Audit Committee, Remuneration Committee, and Sustainability Development Committee for the year 2025. The results were reported to the Board of Directors on March 10, 2026, and the performance evaluation results have also been duly filed with the competent authority on March 31, 2026 in accordance with regulations.	
(4) Does the Company regularly evaluate the independence of			(4) The Company regularly evaluates the independence of its signing accountants. On March 10, 2026, the Board of Directors approved the	

<table>
<tr><th rowspan="2">Evaluation Items</th><th colspan="3">Operation Status</th><th rowspan="2">Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary explanation</th></tr>
<tr><td>its certifying accountants?</td><td></td><td></td><td>accountant independence evaluation case for the year 2026, assessed based on the following criteria:
1. Independence statement of the accountants.
2. All audit or non-audit services provided by the accountants must be reviewed in advance by the Audit Committee to ensure that non-audit services do not affect the results of the audit.
3. The same accountant has not continuously performed signing services for more than seven years.
4. Each year, through the accountant independence evaluation questionnaire and with reference to the Audit Quality Indicators (AQIs) issued by the Financial Supervisory Commission, the evaluation results regarding accountant independence are compiled across the following dimensions: financial interests, financing and guarantees, business relationships, family and personal relationships, employment relationships, gifts and special favors, rotation of signing accountants, and non-audit services.
5. Accountant independence and competency evaluation form.
<table>
<tr><th>Evaluation Items</th><th>Evaluation Result</th><th>Whether Independence is Met</th></tr>
<tr><td>1. The signing accountant has no direct or significant indirect financial interest relationship with the Company.</td><td>Yes</td><td>Yes</td></tr>
<tr><td>2. The signing accountant has no significant close business relationship with the Company.</td><td>Yes</td><td>Yes</td></tr>
<tr><td>3. The signing accountant has no potential employment relationship when auditing the Company.</td><td>Yes</td><td>Yes</td></tr>
<tr><td>4. The signing accountant has not</td><td>Yes</td><td>Yes</td></tr>
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Evaluation Items	Operation Status					Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation			
			engaged in any monetary lending with the Company.			
			5. The signing accountant has not received gifts or presents of significant value (whose value exceeds the standard of general social courtesy) from the Company or the Company's directors or managers.	Yes	Yes	
			6. The signing accountant has not continuously provided audit services to the Company for seven consecutive years.	Yes	Yes	
			7. The signing accountant does not hold shares of the Company.	Yes	Yes	
			8. The signing accountant, their spouse or dependents, or their audit team has not served as a director, manager, or in a position with significant influence over audit matters of the Company during the audit period or within the most recent two years, and it has been confirmed that they will not assume the aforementioned related positions during future audit periods.	Yes	Yes	
			9. Whether the signing accountant has complied with the independence requirements set	Yes	Yes	

Evaluation Items	Operation Status			Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
			forth in Statement No. 10 of the Accountants' Professional Ethics Standards, and whether an 'Independence Declaration' issued by the signing accountant has been obtained.	
4. Has the TWSE/TPEx Listed companies company assigned a sufficient number of qualified personnel for corporate governance and designated a corporate governance officer responsible for corporate governance-related matters (including but not limited to providing directors and supervisors with necessary information for performing their duties, assisting directors and supervisors in complying with laws and regulations, legally handling matters related to board meetings and shareholders' meetings, and			The Company, pursuant to a Board of Directors resolution, appointed Financial and Accounting Manager Tsao, Nai-Hsien as the concurrent Corporate Governance Officer, responsible for corporate governance-related matters, including Board of Directors, Audit Committee, Remuneration Committee, Sustainability Committee, and shareholders' meetings, assisting directors with their assumption of office and continuing education, providing directors with necessary information for performing their duties, and helping directors comply with laws and regulations. As the highest-ranking corporate governance officer, he has more than three years of experience in finance, shareholder services, and meeting proceedings. 2025 Business Operations: 1. Assist independent directors and general directors in formulating annual training plans and arranging courses based on the company's industry characteristics and directors' academic and professional backgrounds. 2. Periodically convene communication meetings between accountants, independent directors, and the internal audit supervisor to implement the internal audit and control system. 3. Handle matters related to Board of Directors and committee meetings in	No significant difference.

Evaluation Items	Operation Status			Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
preparing minutes of board meetings and shareholders' meetings)?			accordance with laws and regulations: notify all directors and committee members of attendance seven days before Board and committee meetings and provide sufficient meeting materials to help directors understand the content of agenda items; if directors have conflicts of interest with meeting matters, either personally or representing a legal entity, provide advance reminders about interest recusal; distribute meeting minutes to all directors within twenty days after the meeting. 4. Responsible for publishing material information or announcements regarding major resolutions on the same day after Board of Directors and shareholders' meetings, ensuring the legality and accuracy of disclosed information to protect equal access to information for investors. 5. Periodically provide directors with information on newly promulgated laws and regulations related to business execution, corporate governance, or business operations. 6. Handle matters related to shareholders' meetings in accordance with laws and regulations: prepare and file meeting notices, procedural manuals, and minutes within the statutory timeframe and before deadlines, and process registration changes when amending the Articles of Incorporation or re-electing directors.	
5. Has the company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up a stakeholder section on the company website, and appropriately responded to important corporate social responsibility issues of			The company has established a unified point of contact for initial engagement with stakeholders. After understanding the situation, this is transferred to various professional units for further communication with stakeholders. We provide sufficient information to financial institutions and creditors we work with, and maintain good communication channels with employees. In accordance with regulations, relevant information is disclosed on the Market Observation Post System, enabling stakeholders to have adequate information to make judgments and protect their interests. Furthermore, we have designated spokespersons and external contact windows for stakeholders as additional communication channels. The company's website has established a stakeholder section to build good	No significant difference.

Evaluation Items	Operation Status			Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
concern to stakeholders?			communication channels with investors, enabling the company to appropriately respond to important corporate social responsibility issues of concern to stakeholders.	
6. Has the company appointed a professional stock affairs agency to handle matters related to shareholders' meetings?			The company has appointed a professional and independent stock affairs agency, the stock agencies of KGIS Securities, to handle shareholders' meetings and various stock affairs matters.	No significant difference.
7. Information Disclosure (1) Has the company established a website to disclose financial, operational, and corporate governance information? (2) Has the company adopted other methods of information disclosure (such as establishing an English website, designating specific personnel responsible for the collection and disclosure of company information, implementing a spokesperson system, posting institutional investor conference proceedings on the company website, etc.)? (3) Does the company announce and file its annual financial reports within two months			(1) The Company's corporate website (https://www.formosapharma.com/zh) is available in both Chinese and English, with content including: company introduction, research and development projects, cooperation and licensing, investor relations, sustainability and corporate governance information, etc. (2) The company has designated personnel responsible for the collection and disclosure of information, and has appointed a spokesperson and deputy spokesperson. Regarding the implementation of the spokesperson system, the spokesperson frequently interacts with investors and is invited to participate in institutional investor conferences. Such information and materials are announced on the Market Observation Post System. (3) The company has announced and filed its annual financial reports within two months after the end of the fiscal year, and has announced and filed its first, second, and third quarter financial reports and monthly	No significant difference. No significant difference. No significant difference.

Evaluation Items	Operation Status			Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
after the end of the fiscal year, and announce and file its first, second, and third quarter financial reports and monthly operating results before the required deadlines?			operating results ahead of the required deadlines.	
8. Does the company have other important information that helps understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, implementation of risk management policies and risk measurement standards, implementation of customer policies, and the purchase of liability insurance for directors and supervisors, etc.)?			1. Employee rights: The company pursues harmonious labor-management relations and values employees' right to express their opinions, protecting employees' legal rights in accordance with the Labor Standards Act. 2. Employee care: Through a comprehensive employee welfare system and a good education and training system, we establish mutually dependent and good relationships with employees. 3. Investor relations: The company convenes shareholders' meetings in accordance with relevant laws and regulations, giving shareholders ample opportunity to ask questions and make proposals. Additionally, a spokesperson is designated to handle shareholder suggestions, questions, and disputes. The company also handles information disclosure and reporting matters in accordance with the regulations of the competent authorities, providing timely information that may affect investors' decisions. 4. Supplier relations: Due to the nature of our industry, the company does not have any procurement activities. In the future, if there are relevant business needs, the company will, based on the principle of ethical management, select reputable suppliers to cooperate with in a fair and transparent manner to protect the rights and interests of both parties. 5. Rights of stakeholders: The company has a spokesperson and provides multiple channels for stakeholders to communicate with and provide suggestions to the company, in order to protect the legitimate rights and interests of both parties.	No significant difference.

Evaluation Items	Operation Status			Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
			6. Director's continuing education: All directors of the company have professional backgrounds and continue to take relevant courses. The course schedule is listed in the company's annual report. 7. Implementation of risk management policies and risk measurement standards: The company has established various internal management regulations according to law, and conducts various risk analyses and assessments in accordance with these regulations. 8. Implementation of customer policy: The company adheres to the principles of ethical management and maintains open communication channels with customers to maintain good relationships. 9. Company's purchase of liability insurance for directors and supervisors: Liability insurance has been purchased for all directors, and important details such as the insured amount, coverage, and premium rates are reported to the board of directors annually.	
9. Please explain the improvements made based on the results of the corporate governance evaluation released by the TWSE's Corporate Governance Center in the most recent year, and prioritize items and measures for improvement for those not yet improved: The company's stock was listed on August 13, 2024, and has only just been included as an evaluated company in the 2025 corporate governance evaluation; therefore, this is not applicable.				

The continuing education status of the Company's corporate governance officer in 2025:

Organizer	Course Name	Training Date	Hours
Taiwan Corporate Sustainability Association / Taiwan Stock Exchange / World Business Council for Sustainable Development Global Network	Sustainability Knowledge Empowerment Advocacy Course - Financial and Service Industries: Building a New Carbon Era with Sustainability Knowledge Advocacy Session	2024.09.19	6 Hours
Securities and Futures Institute	2024 Insider Trading Prevention Advocacy Session	2024.10.18	3 Hours
Taiwan Corporate Governance Association	Practical Analysis of M&A Equity Investment Planning and Joint Venture Agreement	2024.11.08	3 Hours
Taiwan Institute of Directors	2025 New Perspectives on Corporate Governance: An Essential Guide for Directors	2024.11.21	3 Hours
Accounting Research and Development Foundation	Practical Tax and Financial Planning for International Diversified Operations and Case Analysis	2025.02.24	3 Hours

<Note> The Company's Corporate Governance Officer, Mr. Tsao, Nai-Hsien, assumed the position on August 28, 2024. Pursuant to Article 24 of the "Taiwan Stock Exchange Corporation Rules Governing the Board of Directors of Listed Companies," a newly appointed Corporate Governance Officer is required to complete 18 hours of initial training within one year of assuming the position. If the training period spans across two calendar years, the continuing education requirement of 12 hours for the following year may be waived.

(4) Composition and Operation of the Remuneration Committee:

The Company has established a Remuneration Committee, which currently consists of Independent Director Lo, Li-Chu, Independent Director Su, Yu-Hui, and Kang, Chao-Chou. The primary responsibilities of the Committee are to establish and review policies, systems, standards, and structures for performance evaluation and compensation of directors and managers.

1. Remuneration Committee Member Information

Capacity/Name \ Criteria		Professional Qualifications and Experience	Independence Status	Number of Other Public Companies' Remuneration Committee in Which the Member Concurrently Serves
Independent Director (Convener)	Lo, Li-Chu	Independent Director Luo Li-Chu holds a Ph.D. from the University of Massachusetts (UMass), USA. She previously served as Adjunct Professor in the Department of Food Science at National Taiwan Ocean University, President & General Manager of Orient Pharma Co., Ltd., and President & General Manager of the Pharmaceutical Industry Technology and Development Center (PITDC), among other positions. She currently serves as Independent Director of Lytone Enterprise, Inc., Independent Director of Anbogen Therapeutics, Inc., Director of Farma Technology Consulting Co., Ltd., Supervisor of Eiromics Biomedical Co., Ltd., and Advisor of the Asia Pacific Intellectual Property Association (APIPA), among other positions. She brings extensive industry experience and professional expertise. Does not fall under any of the conditions stated in Article 30 of the Company Act.	All Remuneration Committee members comply with the following conditions: Comply with the relevant provisions of Article 14-6 of the Securities and Exchange Act and the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange. No remuneration has been received for providing commercial, legal, financial, accounting, or other services to the company or its affiliated enterprises in the past two years.	2
Independent Director	Su,Yu-Hui	Independent Director Su Yu-Hui holds a Ph.D. in Business Administration from National Taiwan University. She previously served as Chair of the Department of Accounting at Soochow University, among other positions. She currently		1

		serves as Full-time Professor in the Department of Accounting at Soochow University, Independent Director of Makalot Industrial Co., Ltd., Independent Director of AnnJi Pharmaceutical Co., Ltd., and Supervisor of China Steel Security Corporation, among other positions. She possesses strong expertise in accounting and financial analysis, crisis management, and international market insight. Does not fall under any of the conditions stated in Article 30 of the Company Act.		
Independent Director	Kang, Chao-Chou	Independent director Kang, Chao-Chou holds a Ph.D. from the Department of Chemistry at the University of California, San Diego. He previously served as the Director, the Food Safety Office of the Executive Yuan, Director-General of the Taiwan Food and Drug Administration, and Director, the Pharmaceutical Affairs Department of the Ministry of Health and Welfare. Currently, he serves as an adjunct professor at the College of Pharmaceutical Sciences at National Yang Ming Chiao Tung University, an independent director of AnnJi Pharmaceutical Co. Ltd., an independent director of Anxo Pharmaceutical Co. Ltd., and an independent director of Orient PHARMA Co., Ltd. He possesses extensive expertise in biotechnology-related fields. Does not fall under any of the conditions stated in Article 30 of the Company Act.		3

2. Remuneration Committee Operation Information

(1) The current Remuneration Committee consists of 3 members.

(2) Term of the current members: May 23, 2024 to May 22, 2027

(3) During the most recent fiscal year (2025) and up to the date of printing, the Remuneration Committee has held 3 meetings (A), and the attendance of members is as follows:

Title	Name	Actual Attendance (B)	Proxy Attendances	Actual Attendance Rate (%)(B/A)	Notes
Convener	Lo, Li-Chu	3	0	100%	—
Member	Su,Yu-Hui	3	0	100%	—
Member	Kang, Chao-Chou	3	0	100%	—

1. The following is the information regarding meetings, reviews, and evaluations of remuneration-related matters conducted by the Company's Remuneration Committee in the most recent year:

Remuneration Committee Date (Session)	Proposal item	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Remuneration Committee Resolution Results	Company's Handling of Remuneration Committee's Opinion
2025.03.11 (The 4th Meeting of 2nd Session)	The Company's Employee Remuneration and Director Remuneration for 2024	None	Agree	No Special Circumstances
	Formulation of Employee Incentive Plan	None	Agree	No Special Circumstances
2025.11.11 (The 2nd Meeting of 5th Session)	Year-End Bonus for Managers	None	Agree	No Special Circumstances
	Salary Adjustment for Managers	None	Agree	No Special Circumstances
2026.03.10 (The 6th Meeting of 2nd Session)	The Company's Employee Remuneration and Director Remuneration for 2025	None	Agree	No Special Circumstances
	Amendment of the Company's Rules and Regulations	None	Agree	No Special Circumstances

Apart from the aforementioned matters, other resolutions not approved by the Sustainability Committee but approved by more than two-thirds of all directors: None.

2. Other matters that should be recorded:
   1. If the Board of Directors does not adopt or modifies the recommendations of the Remuneration Committee, the date and session of the Board meeting, content of the proposal, resolution of the Board of Directors, and the company's response to the Remuneration Committee's opinions should be specified (if the remuneration approved by the Board of Directors is better than that recommended by the Remuneration Committee, the differences and reasons should be described): Not applicable.
   2. For resolutions made by the Remuneration Committee, if any committee member expresses objection or reservation and it is recorded or stated in writing, the date of the Remuneration Committee meeting, session, proposal content, opinions of all members, and the handling of such opinions should be specified: Not applicable.

3. Information on the members and operations of the Nomination Committee: The Company has not yet established a Nomination Committee; therefore, this is not applicable.

(5) Operation of the Sustainability Committee:

1. Sustainability Committee Member Information

Criteria / Capacity/Name		Professional Qualifications and Experience	Independence Status	Number of Other Public Companies' Sustainability Development Committee Memberships Held Concurrently
Independent Director (Convener)	Kang, Chao-Chou	Independent director Kang, Chao-Chou holds a Ph.D. from the Department of Chemistry at the University of California, San Diego. He previously served as the Director, the Food Safety Office of the Executive Yuan, Director-General of the Taiwan Food and Drug Administration, and Director, the Pharmaceutical Affairs Department of the Ministry of Health and Welfare. Currently, he serves as an adjunct professor at the College of Pharmaceutical Sciences at National Yang Ming Chiao Tung University, an independent director of AnnJi Pharmaceutical Co. Ltd., an independent director of Anxo Pharmaceutical Co. Ltd., and an independent director of Orient PHARMA Co., Ltd. He possesses extensive expertise in biotechnology-related fields. Does not fall under any of the conditions stated in Article 30 of the Company Act.	All Sustainability Committee members comply with the following conditions: Complies with the relevant provisions of the Taiwan Stock Exchange's reference template for the "Organizational Rules of the Sustainability Development Committee of Stock Companies." No remuneration has been received for providing commercial, legal, financial, accounting, or other services to the company or its affiliated enterprises in the past two years.	0
Independent Director	Su,Yu-Hui	Independent Director Su Yu-Hui holds a Ph.D. in Business Administration from National Taiwan University. She previously served as Chair of the Department of Accounting at Soochow University, among other positions. She currently serves as Full-time Professor in the Department of Accounting at Soochow University, Independent Director of Makalot Industrial Co., Ltd., Independent Director of AnnJi Pharmaceutical		1

		Co., Ltd., and Supervisor of China Steel Security Corporation, among other positions. She possesses strong expertise in accounting and financial analysis, crisis management, and international market insight. Does not fall under any of the conditions stated in Article 30 of the Company Act.		
Independent Director	Lo, Li-Chu	Independent Director Luo Li-Chu holds a Ph.D. from the University of Massachusetts (UMass), USA. She previously served as Adjunct Professor in the Department of Food Science at National Taiwan Ocean University, President & General Manager of Orient Pharma Co., Ltd., and President & General Manager of the Pharmaceutical Industry Technology and Development Center (PITDC), among other positions. She currently serves as Independent Director of Lytone Enterprise, Inc., Independent Director of Anbogen Therapeutics, Inc., Director of Farma Technology Consulting Co., Ltd., Supervisor of Eiromics Biomedical Co., Ltd., and Advisor of the Asia Pacific Intellectual Property Association (APIPA), among other positions. She brings extensive industry experience and professional expertise. Does not fall under any of the conditions stated in Article 30 of the Company Act.		0

2. Information on the Operations of the Sustainability Development Committee Members

(1) The current Sustainability Committee consists of 3 members.

(2) Term of current members: August 12, 2025 to May 22, 2027

(3) In the most recent fiscal year (2025) and up to the printing date, the Sustainability Development Committee has held 2 meetings (A), and the attendance of members is as follows:

Title	Name	Actual Attendance (B)	Proxy Attendances	Actual Attendance Rate (%)(B/A)	Notes
Independent Director (Convener)	Kang, Chao-Chou	2	0	100%	—
Independent Director	Lo, Li-Chu	2	0	100%	—
Independent Director	Su,Yu-Hui	2	0	100%	—

1.The following is the information regarding meetings, reviews, and evaluations of sustainability development-related matters conducted by the Company's Sustainability Development Committee in the most recent year:

Sustainability Development Committee Date (Session)	Proposal item	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Sustainability Committee Resolution Results	Company's Handling of Sustainability Committee's Opinion
2025.05.06 (The 1st Meeting of 1st Session)	Results of Key Stakeholder Identification and Material Topic Assessment for the Company's 2024 Sustainability Report	None	Agree	No Special Circumstances
	Implementation Progress and Future Planning for the Company's 2024 Sustainability Report	None	Agree	No Special Circumstances
2025.08.12 (The 2nd Meeting of 1st Session)	Approval of the 2025 Sustainability Report	None	Agree	No Special Circumstances

Apart from the aforementioned matters, other resolutions not approved by the Sustainability Committee but approved by more than two-thirds of all directors: None.

2. Other matters that should be recorded:

1. If the Board of Directors does not adopt or modifies the recommendations of the Sustainability Development Committee, the date and session of the Board meeting, the agenda item, the resolution of the Board, and the Company's handling of the Sustainability Development Committee's opinions, including the differences and reasons, shall be stated: Not applicable.
2. For resolutions made by the Sustainability Committee, if any committee member expresses objection or reservation and it is recorded or stated in writing, the date of the Sustainability Committee meeting, session, proposal content, opinions of all members, and the handling of such opinions should be specified: Not applicable.

(6) Implementation status of promoting sustainable development and the differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons:

1. Implementation status of promoting sustainable development and the differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons:

Implementation Items	Implementation status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons Thereof
	Yes	No	Summary explanation	
1. Has the company established a governance structure to promote sustainable development, set up a dedicated (or concurrent) unit to promote sustainable development, authorized senior management to handle relevant matters under the Board's supervision, and how does the Board oversee these efforts?			In order to implement energy conservation and carbon reduction, fulfill corporate social responsibility, and strengthen corporate governance, the company established a Sustainability Development Committee through a resolution of the Board of Directors on March 11, 2025. The President leads the promotion of sustainable development, addressing matters related to corporate governance, stakeholder relations, and charitable participation in accordance with the Sustainable Development Best Practice Principles, making necessary amendments as needed. The President guides employees in jointly promoting sustainable operations, with work plans including various advocacy initiatives and educational training, dedicated to maintaining a sustainable environment and supporting charitable causes. To date, there have been no disputes involving violations of the Sustainable Development Best Practice Principles.	No significant difference.
2. Has the company conducted risk assessments on environmental, social, and corporate governance issues related to company operations in accordance with the materiality principle, and established relevant risk management policies or strategies?			The company has held meetings to identify key stakeholders and has distributed questionnaires to stakeholders to investigate the material issues they are concerned about, which will serve as an important foundation for the subsequent preparation of the sustainability report. In addition, the company will also identify key topics through GRI2021 and SASB standards, combined with internal discussions among senior executives, to define the material issues of concern to the company and formulate policies and target indicators. Detailed information will be disclosed in the 2026 Sustainability Report.	No significant difference.

Implementation Items	Implementation status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons Thereof
	Yes	No	Summary explanation	
3. Environmental Issues				
(1) Has the company established an appropriate environmental management system based on the characteristics of its industry?			(1) The company follows initiatives and policies of global organizations, striving for water conservation, electricity saving, emission reduction, and waste sorting, implementing environmental management in daily operations under safe conditions.	No significant difference.
(2) Has the company devoted efforts to improving energy efficiency and using recycled materials with low environmental impact?			(2) The company adopts the principle of necessity for all resource usage, avoiding waste, and promotes waste sorting and recycling to reduce environmental impact.	No significant difference.
(3) Has the company assessed the potential risks and opportunities that climate change presents to the enterprise now and in the future, and taken corresponding measures in response?			(3) The company continues to focus on energy conservation, carbon reduction, and greenhouse gas reduction issues, incorporating potential impacts of climate change into overall operational considerations. We promote energy-saving and carbon-reduction policies, encourage employees to develop habits of turning off lights and air conditioning when not in use, promote paper recycling and reuse, and comply with resource recycling policies by sorting recyclable items and reusing recyclable papers. In addition, we have identified the following climate-related issues and formulated corresponding strategies: 1. Risks: Carbon reduction regulations, reputation damage, low-carbon product research and development, extreme events, increase in average annual temperature, sea level rise; 2. Opportunities: Products and services, markets, resilience, energy use efficiency.	No significant difference.
(4) Has the company calculated its greenhouse gas emissions, water consumption, and total waste weight for the past two			(4) The company is not classified as a high-pollution industry. The energy conservation, carbon reduction, and greenhouse gas reduction strategies are formulated as follows: (1) Encouraging colleagues to use public transportation, take stairs more often, and use elevators less; (2) Using	

Implementation Items	Implementation status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons Thereof
	Yes	No	Summary explanation	
years, and formulated strategies for greenhouse gas reduction, water reduction, or other waste management?			energy-efficient lighting and requiring colleagues to turn off lights when not in use; (3) Central air conditioning system in the office is centrally controlled and only operated during working hours, while lighting and computer equipment, unless necessary, are turned off after work hours in response to energy conservation policies; (4) Promoting paperless operations to reduce the use of paper and related consumables; (5) Encouraging colleagues to use non-disposable dining utensils, and implementing garbage sorting and resource recycling.	
4. Social Issues (1) Has the company established relevant management policies and procedures in accordance with relevant regulations and international human rights conventions? (2) Has the company established and implemented reasonable employee welfare measures (including compensation, leave, and other benefits), and reflected its operating performance or results in employee compensation? (3) Does the company provide employees with a safe and healthy working environment, and regularly implement safety and health education for employees?			(1) The company has not yet established human rights protection policies and specific management programs. However, the company complies with relevant regulations, protects the legal rights of employees, and properly provides labor and health insurance, and contributes to the labor pension fund to ensure workers' rights. And has purchased group accident insurance for all employees. (2) The company provides employees with various welfare policies. Apart from labor insurance, health insurance, pension contributions, and parental leave as required by regulations, the company annually evaluates individual performance contributions as the basis for salary adjustments, bonuses, employee stock ownership, employee stock options and other rewards. The company has also established a complete job grade and level system to promote labor-management harmony. (3) The company values employee safety and health, providing employees with a warm, safe, and comfortable office environment, and annually implements employee health examinations, group insurance, birthday parties, and other activities to help employees understand their health status, take care of themselves, and rest their bodies and minds at appropriate times. Additionally, as of the printing date of the annual report,	No significant difference. No significant difference. No significant difference. No significant difference. No significant

Implementation Items	Implementation status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons Thereof
	Yes	No	Summary explanation	
			the company has not experienced any occupational accidents, fires, or incidents resulting in personnel injuries or deaths.	difference.
(4) Has the company established an effective career development training program for employees?			(4) To encourage employees to continue learning and further education during their work, the company subsidizes the costs of external education and training courses, encouraging employees to pursue further education and enhance their personal capabilities.	
(5) Regarding issues such as customer health and safety, customer privacy, marketing and labeling of products and services, does the company comply with relevant regulations and international standards, and has it established relevant policies and grievance procedures to protect consumer or customer rights?			(5) The company is engaged in new drug development, and its products are not sold to general consumers. For the marketing and labeling of products and services, the company complies with relevant regulations and international standards.	No significant difference.
(6) Has the company established supplier management policies requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor rights, and what is the implementation status?			(6) The company has established "Supplier Management Operations," "Corporate Sustainability Development Practice Guidelines," and "Ethical Management Guidelines," which not only regulate internal personnel but also apply these requirements to the suppliers, businesses, or individuals that the company deals with. Regular assessments are conducted on major suppliers. If any supplier is found to be in violation of corporate sustainability policies and has a significant impact on the environment and society, the company will, depending on the severity of the situation, terminate or dissolve the cooperation agreement.	
5. Does the company refer to internationally accepted			The Company's '2025 Corporate Sustainability Report' adopts the latest GRI Standards to disclose ESG non-financial information and performance, and	No significant difference

Implementation Items	Implementation status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons Thereof
	Yes	No	Summary explanation	
reporting standards or guidelines to prepare sustainability reports or other reports that disclose the company's non-financial information? Has the aforementioned report obtained assurance or guarantee opinions from a third-party verification organization?			has commissioned a third-party verification body, Sharp Sustainability Consulting Co., Ltd., to identify material topics based on the five principles of AA1000. The management strategies, implementation status, and short-, medium-, and long-term objectives for each material topic are disclosed one by one, serving as a basis for tracking the Company's sustainable development goals and formulating strategies, so that stakeholders and intended users of the report can fully obtain the information they need. The '2025 Corporate Sustainability Report' has been uploaded and published in August 2025.	
6. If the company has established its own sustainability principles based on the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," please describe any differences between its operation and the established principles: No significant differences.				
7. Other important information that helps to understand the implementation of sustainability initiatives: 1. The company has drafted the "Sustainability Report Preparation and Assurance Operating Procedures," "Sustainability Development Committee Organization Regulations," and "Risk Management Policy and Procedures," which were approved by the Board of Directors on March 11, 2025, to facilitate the promotion of various sustainability development initiatives. 2. Our company helps colleagues understand the disclosure details of ESG reports and greenhouse gas inventory implementation through ESG knowledge sharing and educational training. 3. In 2025, the Company promoted greenhouse gas inventory and designed methodologies for collecting various Scope 3 data, including employee commuting, business travel, and purchased goods and services, and assessed the feasibility of collecting data from various greenhouse gas emission sources. Detailed information will be disclosed in the 2025 Sustainability Report. 4. In 2025, the company has also begun to design its various activities from a sustainability and shared well-being perspective, arranging sustainable activities related to social care, charitable initiatives, and climate action as the core philosophy for team building. 5. In response to Commonwealth Magazine's initiative, the company has joined as a partner in the "Do One Thing for Tamsui River" project, helping all employees gain a renewed understanding of water resources, and calling on suppliers to work together for the cleanliness of the Tamsui River.				

2. Implementation status of climate-related information:

<table>
<tr><th>Item</th><th>Implementation status</th></tr>
<tr><td>1. Describe the board of directors' and management's supervision and governance of climate-related risks and opportunities.</td><td>Climate change-related discussions and management are conducted and evaluated by the Sustainability Development Committee, with climate change-related resolutions approved by the board of directors. The Sustainability Development Committee has established a task force (Sustainability Development Group) to coordinate with various working groups to collect relevant data and surveys, jointly review the phenomena of climate change and global warming, evaluate the various risks that will affect the company, prioritize them according to their significance, formulate response strategies, management approaches, and implementation plans for these risks, and regularly review the results.</td></tr>
<tr><td>2. Describe how the identified climate risks and opportunities impact the company's business, strategy, and finances (short-term, medium-term, long-term).</td><td>The following are the climate-related risks and opportunities, potential financial impacts, and strategies:
<table>
<tr><th>Type</th><th>Climate-related risk/ opportunity</th><th>Impact period</th><th>Potential financial impact</th><th>Strategy</th></tr>
<tr><td>Transition risk</td><td>Carbon reduction related regulations</td><td>Short-term</td><td>Due to the requirements of climate change response legislation, there is a need to increase human resource costs and consulting fees for conducting greenhouse gas inventories.</td><td>Through educational training, employees can keep track of the progress of related policy implementation, which serves as a basis for formulating work items that should be met at each stage,achieving the goal of legal compliance.</td></tr>
<tr><td>Physical risks</td><td>Extreme weather events</td><td>Short-term</td><td>Extreme weather causing damage to operational sites or suppliers.</td><td>Diversify supply chain risks by selecting geographically dispersed suppliers to reduce the impact of climate disasters in a single region</td></tr>
<tr><td>Opportunity</td><td>Obtain subsidies or market</td><td>Medium-term</td><td>After accumulating sustainability achievements, there are opportunities to apply for relevant government incentives and subsidies, and even compete for sustainability-related</td><td>Closely monitor government subsidy policies for sustainable development and low-carbon technologies, actively apply for relevant funding to support the company's environmental protection projects and</td></tr>
</table></td></tr>
</table>

				collaboration opportunities.	innovative research and development.
3. Describe the financial impacts of extreme climate events and transition actions.	1. If extreme climate events occur frequently, affecting suppliers' ability to produce or deliver shipments normally, this will increase the possibility of operational disruptions where factories cannot produce smoothly, resulting in decreased company revenue. Therefore, the Sustainability Development Committee will promptly identify the financial impacts of extreme climate events and transition actions. 2. In response to the requirements of the Ministry of Environment's Climate Change Response Act and the FSC's sustainability development roadmap for listed companies, engaging consultants for carbon inventory, TCFD, and IFRS S2 compliance has increased labor costs and consulting fees for conducting greenhouse gas inventories. 3. The expenses associated with purchasing renewable energy and installing renewable energy equipment represent potential financial impacts of future climate events.				
4. Describe how the process of identifying, evaluating, and managing climate risks is integrated into the overall risk management system.	The existing risk management process will be integrated with the future TCFD risk management process through the following steps: Step 1: The Sustainability Development Implementation Team members will complete the collection of climate environmental background data and assessment of climate risks and operational scope. Step 2: Establish a list of climate risks and opportunities and develop an internal operational impact survey questionnaire. Step 3: The Sustainability Development Implementation Team will conduct climate risk opportunity and operational impact analysis, and determine significant risk items. Step 4: Establish implementation strategies and set targets. Step 5: Review the effectiveness of implementation strategies and targets quarterly through Sustainability Development Committee meetings.				
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used should be explained.	1. Scenarios: NZE and STEPS are used for transition risks; SSP1-2.6 and SSP5-8.5 are used for physical risks. 2. Parameters: Domestic and international carbon fee rates; the Company's 2025 greenhouse gas emissions. 3. Assumptions: It is assumed that the carbon fee rates do not deviate significantly from the research referenced by the Company. 4. Analysis Factors: The Company's location and expected carbon fee expenditure. 5. Primary Financial Impact: No potential financial impact at this time.				
6. If there is a transition plan for managing climate-related risks, explain the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	Currently, there is no transition plan for managing climate-related risks.				

7. If internal carbon pricing is used as a planning tool, the basis for pricing should be explained.	Currently, no carbon pricing planning tools are being used.
8. If climate-related targets have been set, information should be provided on the activities covered, greenhouse gas emission scopes, planned timeline, annual progress toward achievement, etc.; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related targets, the source and quantity of carbon reduction credits or the quantity of Renewable Energy Certificates (RECs) should be explained.	Currently, no climate-related targets have been set.
9. Greenhouse gas inventory and verification status, along with reduction targets, strategies, and specific action plans.	A greenhouse gas inventory has been conducted in 2025. The assurance schedule will be arranged in accordance with the FSC's sustainability development roadmap requirements for listed companies, and preliminary emission reduction targets, strategies, and specific action plans have been planned for implementation.

3. Greenhouse Gas Inventory and Assurance Status of the Company for the Most Recent Two Years

Scope		**Year**	
The Company	Total Emissions (Metric Tons CO2e)	2024	2025
	Scope 1	2.3363	3.8934
	Scope 2	328.3755	252.1972
	Scope 3	77.6447	86.7378
	Subtotal	408.3565	342.8284
Assurance Body		N/A	N/A
Assurance Level Description		Data is based on the company's own inventory and has not yet been externally verified	Data is based on the company's own inventory and has not yet been externally verified

Note 1: The Scope 2 energy indirect emissions in the table above are calculated using the electricity carbon emission factors for the years 2024 and 2025, respectively.

Note 2: The scope of data covering direct emissions and energy indirect emissions shall be handled in accordance with the schedule stipulated in the order under Article 10, Paragraph 2 of these Standards; other indirect emissions information may be voluntarily disclosed.

Note 3: The greenhouse gas inventory standard adopts the Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization (ISO).

Note 4: The company has not yet conducted third-party verification and assurance for its carbon inventory. In the future, carbon inventory data will be submitted to an external third-party organization for verification, in order to enhance the credibility and transparency of the data.

4. Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

(1) Reduction Targets:

Working toward the net-zero emissions target by 2050.

(2) Strategy

A. Short-term target: Introduce greenhouse gas inventory to understand the company's total carbon emissions and their distribution hotspots. Since Scope 2 electricity consumption is the company's primary source of carbon emissions, an initial target has been set to keep electricity consumption within the baseline year (currently 2024). Through this relative target, electricity use is managed to achieve Scope 2 greenhouse gas reductions, with results already observed in 2025.

B. Medium-term target: Reassess and set emission intensity targets, taking into account factors such as business expansion.

C. Long-term target: Establish reduction targets and implement specific reduction strategies, moving toward a net-zero emissions vision for sustainable business operations.

(3) Specific Action Plans

A. Initiated greenhouse gas inventory in 2024 to enhance employees' awareness of carbon management.

B. Continue conducting greenhouse gas inventory in 2025, perform comparative analysis of emissions over the two years, and establish a baseline year and reduction targets.

C. Management or board members participate in TCFD/TNFD-related courses or net-zero forums to establish strategies and guidelines related to net-zero emissions.

D. Implement reduction strategies in line with medium- and long-term targets, working toward net-zero emissions.

(7) Implementation of Ethical Corporate Management and Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons:

Evaluation Items	Operation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
1. Establishment of Ethical Management Policies and Programs				No significant difference.
(1) Does the company formulate an ethical corporate management policy approved by the board of directors, and clearly state the policy and practices of ethical corporate management in its regulations and external documents, as well as the commitment of the board of directors and senior management to actively implement the management policy?			(1) The Company has established "Ethical Corporate Management Best Practice Principles" which have been reported to the shareholders' meeting. The Board of Directors and management exercise their authorities with prudence when conducting business operations. The Board of Directors fulfills its duty of care as good administrators, supervises the company's senior management in preventing unethical conduct, regularly reviews the implementation effectiveness and makes continuous improvements, ensuring the implementation of ethical management policies. Additionally, the directors themselves adhere to the principle of conflict of interest avoidance.	No significant difference.
(2) Does the company establish a risk assessment mechanism for unethical behavior, regularly analyze and evaluate business activities with higher risk of unethical behavior within its business scope, and accordingly formulate programs to prevent unethical behavior, which at least cover the preventive measures for various acts specified in Paragraph 2, Article 7 of the			(2) In addition to communicating the ethical management philosophy, the Company also achieves preventive effects through internal control design and contract signing, and prevents unethical business activities through the audit mechanism of the internal audit unit and the company's grievance mechanism.	No significant difference.

Evaluation Items	Operation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
"Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies"? (3) Does the company specify operating procedures, behavioral guidelines, disciplinary and grievance systems for violations within its unethical behavior prevention program, implement them effectively, and regularly review and revise the aforementioned program?			(3) The Company has established the "Code of Ethical Conduct," "Ethical Corporate Management Best Practice Principles," "Procedures and Behavioral Guidelines for Ethical Management," and "Regulations for Preventing Insider Trading," which include prohibitions on unethical behavior, whistleblowing systems, penalties for violations, etc., and regularly reviews and revises these documents.	
2. Implementation of Ethical Corporate Management (1) Does the company evaluate the integrity records of its business counterparties, and include terms of ethical conduct in the contracts it signs with them? (2) Does the company have a dedicated unit responsible for promoting ethical corporate management that reports directly to the Board of Directors, and does this unit regularly (at least once a year) report to the Board on its ethical management policies, programs to prevent unethical conduct, and			(1) The Company conducts business activities in a fair and transparent manner, considers the legality of its business counterparties, and explicitly specifies ethical conduct in its contracts. (2) The Company has designated the Finance and Administrative Management Division as the dedicated unit, which reports directly to the Board of Directors, to maintain sound ethical management practices and senior management leadership, guiding employees to jointly promote corporate ethical operations, staying attentive to domestic and international developments in ethical management regulations, and considering recommendations from all directors to review and improve implementation measures for effective results. Assist the Board of Directors and management in verifying and assessing whether the preventive measures established for	No significant difference. No significant difference. No significant difference.

Evaluation Items	Operation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
supervision of implementation?			implementing ethical management are operating effectively, and regularly report to the Board of Directors.	
(3) Has the company established policies to prevent conflicts of interest, provided appropriate channels for disclosure, and effectively implemented these policies?			(3) The Company has established "Ethical Corporate Management Principles" which clearly stipulate that directors, managers, and employees shall not disclose material internal information they are aware of to others, shall not inquire about or collect non-public material internal information unrelated to their personal duties from those who are aware of such information, and shall not disclose non-public material internal information obtained outside of their professional duties to others. The principles prohibit directors, employees, and other insiders from profiting from information that is not available to the market.	No significant difference.
(4) Has the company established effective accounting systems and internal control systems to implement ethical corporate management, and has the internal audit unit developed relevant audit plans based on the results of risk assessments for unethical behavior, and accordingly verified compliance with the unethical behavior prevention programs, or appointed a CPA to conduct such audits?			(4) The Company has established effective accounting systems and internal control systems, and internal audit personnel regularly inspect relevant matters and prepare audit reports for submission to the Board of Directors. There has been no necessary circumstance requiring the engagement of accountants to conduct special audits in the past three years.	No significant difference.
(5) Does the company regularly conduct internal and external training on ethical corporate			(5) The Company promotes regulations related to ethical management through various meetings, ensuring that employees thoroughly	

Evaluation Items	Operation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
management?			understand their definitions and comply with them, in order to strengthen employees' firm commitment to following ethical management standards.	
3. Operation of the Company's Whistleblowing System				No significant difference.
(1) Has the Company established specific whistleblowing and reward systems, created convenient whistleblowing channels, and designated appropriate personnel responsible for handling reports against accused parties?			(1) Specific reporting of illegal and unethical behaviors by employees, shareholders, and stakeholders can be made through reporting channels provided on the company website and are handled by designated personnel, with the identity of whistleblowers and the content of reports kept strictly confidential.	No significant difference.
(2) Has the Company established standard operating procedures for investigating reported matters, follow-up measures to be taken after investigations are completed, and relevant confidentiality mechanisms?			(2) The Company emphasizes confidentiality in whistleblowing matters and conducts careful verification, ensuring that reported issues are clarified while protecting whistleblowers, and implements appropriate handling mechanisms in a confidential manner.	No significant difference.
(3) Has the Company adopted measures to protect whistleblowers from being subjected to inappropriate treatment as a result of their whistleblowing?			(3) Regardless of the scale of the reported issue, protecting whistleblowers is a responsibility that the Company must fulfill. Under appropriate confidentiality measures, there have been no cases where whistleblowers have been subjected to inappropriate treatment as a result of their whistleblowing.	
4. Enhancing Information Disclosure Has the Company disclosed the content of its Ethical Corporate			The Company has established Chinese and English corporate websites to provide information to the public. The websites also include dedicated	No significant difference

Evaluation Items	Operation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary explanation	
Management Best Practice Principles and the results of its implementation on its website and the Market Observation Post System?			sections maintained by designated personnel for announcements. Additionally, the implementation status of ethical corporate management is disclosed in the annual report/prospectus. (https://www.formosapharma.com/zh/elementor-3584/)	
5. If the Company has established 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 differences between the operation and the established principles: The Company has established the "Ethical Corporate Management Best Practice Principles" and "Procedures and Guidelines for Ethical Corporate Management" based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," and there are no significant differences between their operation and the established principles.				
6. Other important information that helps to understand the Company's ethical corporate management operations (such as the Company's promotion of its commitment and policies on ethical corporate management to business partners, inviting them to participate in education and training, and reviewing and amending the Company's ethical corporate management principles): None.				

(8) Other important information that enhances understanding of the Company's corporate governance operations:

(1) The Company continues to strengthen its corporate governance operations and promptly discloses material information and corporate governance information on the Market Observation Post System.

(2) The Company holds at least one Board of Directors meeting per quarter, with the Chief Financial Officer and relevant personnel in attendance to respond to inquiries, and the Internal Auditor attends and reports audit findings to the Board of Directors and the Audit Committee.

(9) Implementation Status of Internal Control System:

1. Statement of Internal Control: Please refer to the Company's internal control statement announcement on the Market Observation Post System (https://mopsov.twse.com.tw/mops/web/t06sg20)

2. If the Company has commissioned CPAs to conduct a special audit of the internal control system, the CPA audit report should be disclosed: None.

(10) Major resolutions of the shareholders' meeting and board of directors in the most recent year and up to the date of printing:

1.Major resolutions of the shareholders' meeting

Shareholders' Meeting	Date	Major Resolutions
Annual Shareholders' Meeting	2025.05.27	1. Matters for Recognition: (1) Recognition of the Company's 2024 financial statements and business report. (2) Recognition of the Company's 2024 deficit compensation plan. 2. Matters for Discussion: (1) Approval of the amendments to the Company's "Articles of Association". (2) Proposal to Release the Non-Compete Restrictions on the Company's Directors (including Independent Directors). 3. Election Matters: None. 4. Other Matters: None. 5. Extraordinary motions: None. Shareholder account No. 3382 speaks: Please have the Company explain the progress of TSY-110. Chairman's response: TSY-110 has been developed to the clinical stage. Currently, taking into account the market environment and based on a conservative principle, the Company will seek strategic partners to join before submitting for clinical trials.

2.Major Resolutions of the Board of Directors

Board of Directors	Date	Major Resolutions
Board of Directors	2025.03.11	1. Approval of the resolutions of the Company's Remuneration Committee 2. Approval of the Company's "Statement of Internal Control System" for the year 2024 3. Approval of the Company's financial statements and business report for the year 2024 4. Approval of the Company's deficit compensation plan for the year 2024 5. Approval of the report on directors' remuneration for the Company's year 2024 6. Approval of amendments to partial articles of the "Articles of Association" 7. Approval of removing the non-competition restrictions for the Company's directors (including independent directors) 8. Approval of the time, location, and reasons for convening the Company's 2025 Annual General Meeting of Shareholders 9. Approval of matters related to accepting shareholder proposals for

Board of Directors	Date	Major Resolutions
		the Company's 2025 Annual General Meeting of Shareholders 10. Approval of additions and amendments to the Company's regulations and procedures 11. Approval of the assessment of the independence, suitability, and remuneration for the appointment of the certifying accountants 12. Approval of the Company's proposal to lease from related parties 13. Approval of the Company's proposal to engage director Formosa Laboratories, Inc. to provide testing and analysis services 14. Approval of the Company's proposal to sign a supplementary supply contract with director Formosa Laboratories, Inc. 15. Approval of the Company's proposal to sign a supplementary joint development agreement with AimMax Therapeutics, Inc. 16. Approval of the proposal to establish a Sustainability Development Committee
Board of Directors	2025.05.06	1. Approval of the Company's 2025 First Quarter Financial Report 2. Approved the proposal for credit facilities with correspondent banks 3. Approval of the Company's proposal to sign a supplementary joint development agreement with AimMax Therapeutics, Inc. 4. Approved the Company's proposal to in-license and acquire the ALM-401 R&D project 5. Approved the amendment to the licensing agreement between the Company's APP13007 and APOTEX INC. 6. Approved the Company's proposal to acquire right-of-use assets for business operations from related parties 7. Approved the Company's proposal to sign a supplemental agreement with its Japanese subsidiary Activus Pharma Co., Ltd. for the acquisition of APNT patent technology
Board of Directors	2025.06.06	1. Approved the termination of the licensing agreement between the Company's APP13007 and Eyenovia 2. Approved the licensing agreement between the Company's APP13007 and Harrow
Board of Directors	2025.08.12	1. Approval of the Company's 2025 Second Quarter Financial Report 2. Approved the 2024 Sustainability Report 3. Approved the change of the Company's registered address. 4. Approved the proposal to lift the non-compete restrictions on the Company's managers 5. Approved the additional investment budget for the second supplier of APP13007 pharmaceutical products in Vietnam 6. Approved the Company's proposal to commission a CRO company to conduct animal studies for TSY-310 7. Approved the Company's proposal to sign a contract manufacturing agreement with EirGenix, Inc. for TSY-310 Protein Intermediate 8. Approved the Company's proposal to sign a contract manufacturing agreement with Formosa Laboratories, Inc. for TSY-310 Drug Product (DP) 9. Approved the proposal for the Company to engage Formosa Laboratories, Inc. to manufacture samples of TSY-120 (Enhertu) Drug Substance (DS)
Board of Directors	2025.11.11	1. Approval of the resolutions of the Company's Remuneration Committee 2. Approval of appointment of the Company's internal auditor 3. Approval of the Company's audit plan for 2026 4. Approval of the Company's 2025 third Quarter Financial Report

Board of Directors	Date	Major Resolutions
		5. Approval of the Company's 2026 budget 6. Approved the proposal for the change of the Company's registered address 7. Approved the proposal for the Company's organizational restructuring 8. Approval of the Company's proposal to appoint its director, Formosa Laboratories, Inc., to provide patent and intellectual property consulting services 9. Approval of the Company's proposal to lease from related parties 10. Approved the proposal for the Company to amend the contract quotation for the commissioned manufacturing of TSY-310 Protein Intermediate with EirGenix, Inc. and to add pass-through fees
Board of Directors	2026.03.10	1. The resolutions of the Company's Remuneration Committee 2. Approval of the Company's "Statement of Internal Control System" for the year 2025 3. Approval of the Company's financial statements and business report for the year 2025 4. Approval of the Company's deficit compensation plan for the year 2025 5. Approval of the report on directors' remuneration for the Company's year 2025 6. Proposal to amend the definition of 'entry-level employees' in the Compensation Management Policy 7. Approved the proposal for bank credit facilities for 2026 8. Internal Adjustment of Signing Accountant at the Accounting Firm and Assessment of Independence, Competence, and Engagement Remuneration 9. Proposal to pre-approve the signing accountant, their firm, and the firm's affiliated entities and alliance firms to provide non-assurance services to the Company and its subsidiaries 10. Approval of additions and amendments to the Company's regulations and procedures 11. Proposal to Release the Non-Compete Restrictions on the Company's Directors (including Independent Directors). 12. Proposal of the time, location, and reasons for convening the Company's 2026 Annual General Meeting of Shareholders 13. Approval of matters related to accepting shareholder proposals for the Company's 2026 Annual General Meeting of Shareholders 14. Proposal for the Company to enter into a Drug Product (DP) commissioned manufacturing agreement for TSY-110 with Formosa Laboratories, Inc. 15. Proposal for the Company to amend the Drug Product commissioned manufacturing agreement for TSY-310 with Formosa Laboratories, Inc. 16. Proposal for the Company to enter into a supplemental agreement for TSY-310 Protein Intermediate with EirGenix, Inc.

(11) The main content of any recorded or written statements made by directors or supervisors who had dissenting opinions on major resolutions passed by the Board of Directors in the most recent year and up to the printing date of the annual report: There were no such occurrences.

4. Information on fees paid to Certified Public Accountants:

(1) Information on fees paid to Certified Public Accountants:

Unit: NT$ thousand; %

Name of Accounting Firm	CPA Name	Audit Period	Audit Fees	Non-Audit Fees	Subtotal	Notes
PricewaterhouseCoopers	Yen, Yu-Fang Teng, Sheng-Wei	2025/1/1~2025/12/31	2,000	200	2,200	
Please specify the content of non-audit fee services: 1. Business income tax audit certification						

(2) When changing accounting firms, if the audit fee paid in the year of change is less than the audit fee in the year before the change, the amounts of audit fees before and after the change and the reasons should be disclosed: Not applicable.

(3) If the audit fee has decreased by 10% or more compared to the previous year, the amount of the decrease, the percentage, and the reason should be disclosed: Not applicable.

5. Information on change of accountants: Not applicable.

6. The company's chairman, president, or managers responsible for financial or accounting affairs who have worked in the accounting firm of the certifying accountant or its affiliated enterprises within the last year: Not applicable.

7. Changes in equity transfer and equity pledge of directors, supervisors, managers, and shareholders with shareholding ratio exceeding 10% in the most recent year and up to the printing date of the annual report:

(1) Status of equity changes for directors, managers, and major shareholders:

Unit: Share

Title	Name	2025		As of March 27, 2026	
		Increase (Decrease) in Shares Held	Increase (Decrease) in Pledged Shares	Increase (Decrease) in Shares Held	Increase (Decrease) in Pledged Shares
Chairman	Formosa Laboratories, Inc.	0	0	0	0
	Representative: Cheng,Chen-Yu	0	0	0	0
Director	Formosa Laboratories, Inc.	0	0	0	0
	Representative: Huang, Weng-Foung	0	0	0	0
Director	Ma, Hai-Yi	0	0	0	0
Director	Chang, Hung-Jen (Note 1)	0	0	0	0
Independent Director	Su,Yu-Hui	0	0	0	0
Independent Director	Lo, Li-Chu	0	0	0	0
Independent Director	Kang, Chao-Chou	0	0	0	0
President	Erick Co	0	0	0	0
Director, Nanotechnology Department	Chen,Yu-Chi	0	0	0	0
Chief Business & Strategy Officer	Wei, Ching-Cheng	0	0	0	0
Director, Finance Division and Corporate Governance Officer	Tsao, Nai-Hsien	(10,000)	0	0	0
Shareholders holding more than five percent of the total shares	Formosa Laboratories, Inc.	0	0	0	0

Note 1: Chang, Hung-Jen resigned as Director on June 30, 2025.

(2) Information regarding stock transfers to related parties: Not applicable.

(3) Information regarding stock pledges to related parties: Not applicable.

8. Information on relationships between the top ten shareholders, including related parties, spouses, or relatives within the second degree of kinship:

Unit: Shares; % Date: March 27, 2026

Name	Shares Held by the Individual		Shares Held by Spouse and Minor Children		Shares Held in the Name of Others		Names and relationships of top ten shareholders who are related parties, spouses, or relatives within the second degree of kinship to each other		Notes
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relationship	
Formosa Laboratories, Inc. Representative: Cheng,Chen-Yu	61,387,653	40.66	0	0.00	0	0.00	None	None	
	86,274	0.06	197,865	0.13	0	0.00	Moraga Inc. Representative: Li, Hsiu-Hui	Spouse	
CDIB Capital Healthcare Ventures II Limited Partnership Representative: CDIB Capital Innovation Advisors Corporation	6,003,653	3.98	0	0.00	0	0.00	None	None	
	0	0.00	0	0.00	0	0.00	None	None	
Shanshui Biotech Venture Capital Limited Partnership Representative: Xiang Yong Biotech Management Consultant Co.,Ltd.	2,436,000	1.61	0	0.00	0	0.00	None	None	
	0	0.00	0	0.00	0	0.00	None	None	
Fubon Financial Holding Venture Capital Co., Ltd. Representative: Tsai Ming-Chung	2,400,000	1.59	0	0.00	0	0.00	None	None	
	0	0.00	-	-	-	-	-	-	
Lo, Lun-Yu	1,926,164	1.28	-	-	-	-	-	-	
Eastpharm Investment Co., Ltd. Representative: Chen, Tse-Min	1,823,316	1.21	0	0.00	0	0.00	None	None	
	0	0.00	-	-	-	-	-	-	
Huang, Yung-Lai	1,663,000	1.10	-	-	-	-	-	-	
Moraga Inc. Representative: Li, Hsiu-Hui	1,522,021	1.01	0	0.00	0	0.00	None	None	
	197,865	0.13	86,274	0.06	0	0.00	Cheng,Chen-Yu	Spouse	
UMC CAPITAL Representative: Hung, Chia-Tsung	1,497,000	0.99	0	0.00	0	0.00	None	None	
	0	0.00	-	-	-	-	-	-	
Cathay Venture Inc. Representative: Chang, Jen-Ho	1,248,365	0.83	0	0.00	0	0.00	None	None	
	0	0.00	-	-	-	-	-	-	

9. Number of shares held by the Company, by directors, supervisors, managers, and by enterprises directly or indirectly controlled by the Company in the same investee company, and the combined calculation of the comprehensive shareholding ratio:

March 27, 2026 Unit: shares; %

Reinvestment Business (Note)	Company's Investment		Investment by directors, supervisors, managers and directly or indirectly controlled enterprises		Comprehensive Investment	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
Activus Pharma Co., Ltd.	1,942	99.23%	0	0.00%	1,942	99.23%

Note: Investments accounted for using the equity method.

III. Fundraising Status

1. Capital and Shares

(1) Source of Capital Stock

1. Types of Shares

Unit: Shares Date: March 27, 2026

Types of Shares	Authorized Capital			Notes
	Outstanding Shares	Unissued Shares	Subtotal	
Common Stock	150,977,100	49,022,900	200,000,000	The Company's stock is not listed on any stock exchange or over-the-counter market

2. Source of Capital Stock:

Unit: Thousand Shares; NT$ Thousand

Year/Month	Issue Price	Authorized Capital		Paid-in Capital		Notes		
		Number of shares	Amount	Number of shares	Amount	Source of Capital Stock	Capital Contributed by Assets Other than Cash	Others
2010.12	10	5,000	50,000	2,500	25,000	Establishment Investment of NT$25,000 Thousand	None	Note 1
2012.07	10	5,000	50,000	5,000	50,000	Cash Capital Increase of NT$25,000 Thousand	None	Note 2
2013.02	10	8,500	85,000	8,500	85,000	Cash Capital Increase of NT$35,000 Thousand	None	Note 3
2014.12	10	12,000	120,000	12,000	120,000	Cash Capital Increase of NT$35,000 Thousand	None	Note 4
2016.09	10	15,800	158,000	15,800	158,000	Cash Capital Increase of NT$38,000 Thousand	None	Note 5
2017.06	10	19,800	198,000	19,800	198,000	Cash Capital Increase of NT$40,000 Thousand	None	Note 6
2017.08	10	34,921	349,208	31,381	318,708	Cash Capital Increase of NT$120,708 Thousand	None	Note 7
2017.12	10	80,000	800,000	36,821	368,208	Cash Capital Increase of NT$49,500 Thousand	None	Note 8
2017.12	12.5	80,000	800,000	49,861	498,608	Cash Capital Increase of NT$130,400 Thousand	None	Note 9
2018.12	20	80,000	800,000	64,860	648,608	Cash Capital Increase of NT$150,000 Thousand	None	Note 10
2020.05	20	120,000	1,200,000	72,832	728,321	Cash Capital Increase of NT$79,713 Thousand	None	Note 11
2021.05	24	200,000	2,000,000	98,832	988,321	Cash Capital Increase of NT$250,000 Thousand	None	Note 12
	10					Employee Stock Options of NT$10,000 Thousand	None	
2022.08	34	200,000	2,000,000	113,642	1,136,421	Cash Capital Increase of NT$148,100 Thousand	None	Note 13
2023.08	49	200,000	2,000,000	134,142	1,341,421	Cash Capital Increase of	None	Note

Year/Month	Issue Price	Authorized Capital		Paid-in Capital		Notes		
		Number of shares	Amount	Number of shares	Amount	Source of Capital Stock	Capital Contributed by Assets Other than Cash	Others
						NT$205,000 Thousand		14
2024.08	39.7	200,000	2,000,000	134,162	1,341,621	Employee Stock Options Conversion of NT$200 Thousand	None	Note 15
2024.09	36	200,000	2,000,000	150,962	1,509,621	Cash Capital Increase of NT$168,000 Thousand	None	Note 16
2024.11	38.5	200,000	2,000,000	150,977	1,509,771	Employee Stock Options Conversion of NT$150 Thousand	None	Note 17

Note 1: Approved by Letter No. 09932923460 from the Ministry of Economic Affairs on December 6, 2010.

Note 2: Approved by Letter No. 10132239400 from the Ministry of Economic Affairs on July 10, 2012.

Note 3: Approved by Letter No. 10233135470 from the Ministry of Economic Affairs on February 1, 2013.

Note 4: Approved by Letter No. 10333923030 from the Ministry of Economic Affairs on December 2, 2014.

Note 5: Approved by Letter No. 10590805170 from the Municipal Economic Affairs Bureau on September 8, 2016.

Note 6: Approved by Letter No. 10690870560 from the Municipal Economic Affairs Bureau on June 7, 2017.

Note 7: Approved by Letter No. 10690965210 from the Municipal Economic Affairs Bureau on August 24, 2017.

Note 8: Approved by Letter No. 10691101390 from the Municipal Economic Affairs Bureau on December 20, 2017.

Note 9: Approved by Letter No. 10691120940 from the Municipal Economic Affairs Bureau on December 29, 2017.

Note 10: Approved by Letter No. 1071149620 from the Ministry of Economic Affairs on December 4, 2018.

Note 11: Approved by Letter No. 10901072840 from the Ministry of Economic Affairs on May 13, 2020.

Note 12: Approved by Letter No. 11001065820 from the Ministry of Economic Affairs on May 3, 2021.

Note 13: Approved by Letter No. 11101158090 from the Ministry of Economic Affairs on August 18, 2022.

Note 14: Approved by Letter No. 11230135150 from the Ministry of Economic Affairs on August 10, 2023.

Note 15: Approved by Letter No. 11330132700 from the Ministry of Economic Affairs on August 2, 2024.

Note 16: Approved by Letter No. 11330156910 from the Ministry of Economic Affairs on September 13, 2024.

Note 17: Approved by Letter No. 11330206650 from the Ministry of Economic Affairs on November 28, 2024.

3. Information related to the comprehensive reporting system: None.

(2) List of Major Shareholders:

Unit: Shares; % Date: March 27, 2026

Name of Major Shareholders	Number of Shares Held (Shares)	Shareholding Percentage (%)
1.Formosa Laboratories, Inc.	61,387,653	40.66
2.CDIB Capital Healthcare Ventures II Limited Partnership	6,003,653	3.98
3.Shanshui Biotech Venture Capital Limited Partnership	2,436,000	1.61
4.Fubon Financial Holding Venture Capital Co., Ltd.	2,400,000	1.59
5.Lo, Lun-Yu	1,926,164	1.28
6.Eastpharm Investment Co., Ltd.	1,823,316	1.21
7.Huang, Yung-Lai	1,663,000	1.10
8.Moloca Investment Co., Ltd.	1,522,021	1.01
9.UMC CAPITAL	1,497,000	0.99
10.Cathay Venture Inc.	1,248,365	0.83
Subtotal	81,907,172	54.26

(3) Company Dividend Policy and Implementation Status:

1. Company Dividend Policy

The Company shall, after paying all taxes and covering previous losses from its annual net profit, allocate 10% as legal reserve. However, this restriction does not apply when the legal reserve has reached the total amount of the Company's paid-in capital. After setting aside or reversing special reserve in accordance with relevant laws and regulations, and adding the undistributed earnings from previous periods to the shareholders' accumulated distributable earnings, the Board of Directors shall prepare a profit distribution proposal and submit it to the shareholders' meeting for resolution on distribution or retention as deemed necessary for business operations.

In alignment with current and future development plans, considering the investment environment, capital requirements, domestic and international competition, and shareholder interests, the accumulated distributable earnings to shareholders may be appropriately retained or distributed in the form of stock dividends, cash dividends, or a combination of both. The cash dividends shall not be less than 10% of the total shareholders' dividends distributed, with the remainder being stock dividends.

2. Implementation Status: The Company has accumulated losses as of 2025, therefore there is no distribution of earnings.

(4) Impact of the proposed stock dividends without compensation on the Company's business performance and earnings per share at this shareholders' meeting: None.

(5) Employee, Director, and Supervisor Compensation

1. Percentage or Range of Employee and Director Compensation as Stipulated in the Company's Articles of Association:

If the Company has profits for the year, the Board of Directors shall resolve to allocate no less than five percent as employee compensation and no more than two percent as

directors' compensation. However, if the Company still has accumulated losses, it shall first reserve the amount for offsetting such losses, and report to the shareholders' meeting. Employee compensation may be distributed in the form of stock or cash, and the recipients may include employees of controlling or subsidiary companies who meet certain conditions, with the method to be determined by the Board of Directors.

2. Basis for Estimating Employee and Director Compensation for the Current Period, Calculation Basis for Number of Shares for Employee Compensation Distributed in Stock, and Accounting Treatment for Discrepancies Between Actual Distribution Amount and Estimated Amount

   The Company has accumulated losses as of 2025, therefore the estimated and actual amounts of employee and director compensation are both NT$0. There is no calculation basis for the number of shares for employee compensation distributed in stock, and no discrepancy between the actual distribution amount and the estimated amount. If in the future, after deducting accumulated profits and losses based on the annual profit status, if there is still a balance, the estimated basis will be the amount of current year's pre-tax net profit before deducting employee and director compensation multiplied by the distribution percentage specified in the Articles of Association, and this will be recognized as operating expenses for the current year. If, after the end of the fiscal year, there is a significant change in the amount resolved by the Board of Directors for distribution, resulting in a discrepancy between the actual distribution amount and the estimated amount, it will be treated as a change in accounting estimate.

3. Status of Compensation Distribution Approved by the Board of Directors:

   (1) Amount of employee compensation and director/supervisor compensation distributed in cash or stock. If there is a discrepancy between this amount and the estimated amount recognized as an expense for the year, the difference, reason, and handling method should be disclosed: The Company has accumulated losses as of 2025, therefore this is not applicable.

   (2) The ratio of employee compensation distributed in stock to the sum of current after-tax net income and total employee compensation: The Company has accumulated losses as of 2025, therefore this is not applicable.

4. Actual distribution of employee and director compensation in the previous year (including number of shares distributed, amount, and share price), and if there is a discrepancy between this and the recognized employee and director compensation, the difference, reason, and handling method should be explained:

   The Company has accumulated losses as of 2025, therefore this is not applicable.

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

2. Status of Corporate Bonds (Including Overseas Corporate Bonds): None.

3. Status of Preferred Shares: None.

4. Status of Global Depository Receipts: None.

5. Status of Employee Stock Options:

(1) Status of Employee Stock Options:

March 27, 2026

Types of Employee Stock Options	2021 Second Employee Stock Options
Date of Effective Registration and Total Units	January 7, 2022, 600 units
Issuance Date	First Phase: March 9, 2022
Duration	5 years.
Number of Units Issued (Note)	600 units
Number of Units Available for Issuance	0 units
Ratio of Subscribable Shares to Total Issued Shares (%)	0.45%
Exercise Period	From the second anniversary of issuance to the fifth anniversary of issuance
Exercise Method	Issuance of New Shares
Restricted Exercise Period and Ratio (%)	Upon the second anniversary of issuance: 50% Upon the third anniversary of issuance: 75% Upon the fourth anniversary of issuance: 100%
Number of Shares Acquired through Exercise	0 share
Amount of Exercise	NT$0
Number of Unexercised Stock Options (Note)	455,000 share
Exercise Price per Share for Unexercised Options	NT$38.5
Ratio of Number of Unexercised Stock Options to Total Issued Shares	0.30%
Impact on Shareholders' Equity	This stock option plan is designed to attract and retain necessary talent for the company, as well as to motivate employees and enhance their loyalty, with the aim of creating mutual benefits for the company and shareholders, thus having a positive impact on shareholders' equity.

Note: Unexercised stock options of 170,000 shares from departed employees have become invalid, and employees have exercised and converted a total of 35,000 shares, so the remaining exercisable amount is 395,000 shares.

(2) Names of Managers Who Have Acquired Employee Stock Options and the Top Ten Employees Who Have Acquired the Most Stock Options, Along with Their Acquisition and Subscription Status:

March 29, 2026 Unit: thousand shares; NT$ thousand; %

	Title	Name	Number of Shares Acquired (Note 1)	Percentage of Acquired Shares to Total Issued Shares	Exercised				Unexercised			
					Number of Shares Subscribed	Subscription Price	Subscription Amount	Percentage of Shares Subscribed to Total Issued Shares	Number of Shares Subscribed	Subscription Price	Subscription Amount	Percentage of Shares Subscribed to Total Issued Shares
Manager	Chief Executive Officer	Erick Co	150	0.10%	0	41.7	0	-	150	38.5	5,775	0.10%
	Director, Nanotechnology	Chen,Yu-Chi										
	Internal Auditor	Wang,Yu-Chi (Note 1)										
Employee	Employee 1	Wei ○ Cheng	450	0.30%	35	39.7 and 38.5	1,372	0.02%	415	38.5	15,978	0.28%
	Employee 2	Chan ○ Chun (Note 1)										
	Employee 3	Tsao ○ Hsien										
	Employee 4	Chung ○ Chia										
	Employee 5	Sung ○ Hsuan										
	Employee 6	Chen ○ En										
	Employee 7	Wu ○ Hsuan (Note 1)										
	Employee 8	Lee ○ Hsun										
	Employee 9	Chen ○ Ru (Note 1)										
	Employee 10	Chu ○ Qin (Note 1)										

Note 1: Former employees, a total of 170 thousand shares unexercised have become invalid.

Note 2: Managers and employees are listed according to their job titles at the time of obtaining employee stock options.

(3) Status of private placement of employee stock options in the last three years and up to the date of the annual report: Not applicable.

6. Status of restricted stock awards: None.

7. Status of new shares issuance in connection with mergers or acquisitions: None.

8. Status of capital allocation plan implementation:

As of the end of the quarter preceding the printing date of the annual report, there were no previous public offerings or private placements of securities that were either incomplete or completed within the last three years with benefits not yet realized: Not applicable.

IV. Operational Overview

1. Business Content

(1) Business Scope

(1) The registered business activities of the company are as follows

1. IG01010 Biotechnology Services.
2. IG02010 Research and Development Services.
3. F107200 Wholesale of Chemical Feedstock.
4. F107990 Wholesale of Other Chemical Products.
5. F108021 Western Pharmaceuticals Wholesale Industry.
6. F108040 Cosmetics Wholesale Industry.
7. F401010 International Trade.
8. C801030 Precision Chemical Materials Manufacturing.
9. C802100 Cosmetics Manufacturing Industry.
10. C802110 Cosmetic Pigments Manufacturing Industry.
11. C802990 Other Chemical Products Manufacturing.

(2) Main Product Categories and Business Proportion

The Company is engaged in new drug research and development, with its operating income primarily derived from licensing income, royalty income after drug launches, and revenue from supplying products to licensing partners. The Company's new drug APP13007 nano-suspension eye drops obtained U.S. drug approval in March 2024. The operating revenue and revenue proportion of major product categories for the most recent two fiscal years are as follows:

Unit: NT$1,000; %

Item	2024		2025	
	Operating Revenue	Operating Proportion	Operating Revenue	Operating Proportion
Licensing revenue	128,001	89.29	4,764	50.17
Service Revenue	7,534	5.25	3,820	40.23
Sales revenue	7,821	5.46	911	9.60
Subtotal	143,356	100.00	9,495	100.00

(3) Current major products (services), specifying product information (state whether self-developed or licensed), product indications, clinical (target patient) application groups and target markets, etc. For products that have reached commercial production and sales progress, explain the product sales model, sales targets, and sales channels

Following the successful development of the Company's first drug APP13007 and obtaining marketing authorization in the United States, the Company leverages its proprietary APNT® nanoparticle formulation platform and ADC R&D capabilities, adopting a "Double A" parallel approach as the core R&D strategy, spanning both large and small molecule drug fields. On one hand, the Company develops small molecule drugs applicable to APNT technology in the areas of ophthalmology, inhalation formulations, and local injectables; and on the other hand, focuses on ADC technology to develop ADC biosimilars and ADC innovative drugs as large molecule drugs.

Research and Development Products	Self-Developed or Licensed	Product Indications	Clinical (Target Patient) Application Group	Target Market	Product Sales Model, Sales Targets and Sales Channels
APP13007 Nanoparticle suspension eye drops	Acquisition and Co-development	Treatment of Post-ophthalmic Surgery Pain and Inflammation	Patients Receiving Cataract Surgery or Other Ophthalmic Surgeries	United States, Canada, China, other Asian countries, Brazil, European Union, Latin America, Middle East, Australia and New Zealand, etc.	Out-licensing, products are manufactured in Taiwan and exported to licensing partners, who sell them in local markets. To date, out-licensing agreements have been completed in nearly 90 countries: North America: United States, Canada, Mexico. Europe: Albania, Andorra, Austria, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Moldova, Monaco, Montenegro, Netherlands, North Macedonia, Norway, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Sweden, Turkey, United Kingdom, Portugal, Switzerland, Liechtenstein. East Asia, Australia and New Zealand: Mainland China, Hong Kong and Macau, South Korea, Australia, New Zealand. South Asia and Southeast Asia: Singapore, Thailand, Indonesia, Philippines, India, Nepal, Sri Lanka, Bangladesh, Malaysia, Myanmar. Middle East: Saudi Arabia, United Arab Emirates, Kuwait, Yemen, Oman, Bahrain, Qatar, Kurdistan Region

Research and Development Products	Self-Developed or Licensed	Product Indications	Clinical (Target Patient) Application Group	Target Market	Product Sales Model, Sales Targets and Sales Channels
					of Iraq, Lebanon, Jordan, Iraq, Syria. Latin America: Brazil, Argentina, Colombia, Chile, Bolivia, Costa Rica, Guatemala, El Salvador, Honduras, Paraguay, Peru, Panama. Africa: Algeria, Morocco, Kenya, Nigeria, South Africa.
APP13002 Nanoparticle suspension eye drops	Acquisition	Anterior Segment Eye Infections	Bacterial Conjunctivitis, Blepharitis, Lid margin inflammation, and Dry Eye Syndrome, etc.	United States, China, European Union Markets	Out-licensing, products are manufactured in Taiwan and exported to licensing partners, who sell them in local markets.
TSY-110 ADC Biosimilar	Technology Transfer and Co-development	HER2-Positive Breast Cancer	Early-Stage Breast Cancer and Metastatic Breast Cancer Patients	United States, Latin America, European Union, Asia-Pacific Markets	Co-developed with EirGenix Inc. Out-licensing will be adopted; products will be manufactured in Taiwan, exported to licensing partners, and sold by them in their respective licensed markets.
TSY-210 Novel Antibiotic	Technology Transfer	Infections Caused by Multidrug-Resistant Bacteria	Neisseria Gonorrhoeae Infection	US and EU Markets	Out-licensing, products are manufactured in Taiwan and exported to licensing partners, who sell them in local markets.
TSY-310 Bispecific ADC New Drug	Licensing Obtained	EGFR- and ROR1-positive solid tumors	Patients with solid tumors, such as non-small cell lung cancer.	United States, European Union, and other advanced regulatory markets	Out-licensing will be adopted; products will be manufactured in Taiwan, exported to licensing partners, and sold by them in their respective licensed markets.
APNT® nanoparticle formulation platform	Acquisition	Nanoscale Formulation Development Platform	Not applicable (technology platform is not for a specific drug)	US, China, Japan, and EU Markets	Provide formulation development services to partners and participate in future supply and profit-sharing rights through a co-development model.

APP13007 Nanoparticle suspension eye drops

APP13007 nano-suspension eye drops is the Company's lead R&D program. This drug is a new dosage form drug developed using clobetasol propionate as the active ingredient through the APNT® nanoparticle formulation platform, indicated for anti-inflammatory and analgesic treatment following ophthalmic surgery. APP13007 was acquired by the Company through the acquisition of Japan's Activus Pharma Co., Ltd. in 2017. In the United States, APP13007 underwent one Phase 2 clinical trial and two Phase 3 clinical trials, with a combined enrollment of 748 patients in the Phase 3 trials. Both Phase 3 trials were completed and unblinded successfully in 2022, demonstrating significantly superior efficacy over placebo ($p<0.001$). With only two eye drops per day throughout the 14-day treatment course, the drug can rapidly take effect and provide sustained anti-inflammatory and analgesic relief. Its clinical data is also superior to that of other steroid drugs with the same indication.

APP13007 was submitted to the U.S. Food and Drug Administration for New Drug Application (NDA) approval in May 2023, successfully obtained U.S. drug approval in March 2024, and was first commercially launched in September 2024 by the former licensing partner Eyenovia, Inc. Due to unexpected financial difficulties encountered by Eyenovia at the end of 2024, the company was unable to continue promoting and selling the product. After negotiations with multiple potential licensing partners by the company's team, Harrow, Inc. (NASDAQ: HROW; hereinafter referred to as Harrow), a U.S.-listed ophthalmic drug development and commercialization company, signed an exclusive licensing agreement for the U.S. territory in June 2025. Harrow is a leading ophthalmic pharmaceutical company in North America, possessing the largest ophthalmic product portfolio in the United States and a scalable commercialization platform covering therapeutics for dry eye disease, retinal diseases, ophthalmic surgery, and other areas, serving more than 15,000 eye care professionals. Harrow plans to launch BYQLOVI in the first quarter of 2026, leveraging its existing sales force to highlight its clinical advantages as the first new potent corticosteroid in 15 years: requiring only twice-daily dosing with a low risk of elevated intraocular pressure. The marketing strategy adopts a "beachhead" phased approach, initially targeting current branded drug and high-priced generic drug users, and subsequently replacing traditional drugs that have complex treatment regimens. To overcome pricing barriers, due to adjustments in the commercial collaboration between Harrow and Eyenovia, the subsequent sales and expansion in the U.S. market have been taken over by Harrow. The cooperation agreement has been finalized, and the "Access for All" program will be utilized to encourage physicians and patients to adopt this innovative branded drug to accelerate market penetration. In the meantime, the company has also completed the signing with Canadian commercial partner Apotex in August 2024, and is actively planning for the Canadian ophthalmic drug market, with commercialization expected to commence upon obtaining regulatory approval in 2026.

For the Mainland China, Hong Kong, and Macau markets, after the completion of Phase 2 clinical trials in 2021, the company licensed the development rights for this region to Grand Pharmaceutical Group Limited (hereinafter referred to as Grand Pharmaceutical). Grand Pharmaceutical leads the Phase 3 clinical trials and regulatory approval application. Patient enrollment for the Phase 3 clinical trial commenced in Q4 2023, and the unblinding was successfully completed in Q4 2024, further confirming the outstanding Phase 3 clinical trial results of APP13007, consistent with the U.S. Phase 3 clinical trial results in both efficacy and safety. Grand Pharmaceutical is one of the leading ophthalmic pharmaceutical companies in Mainland China, with nearly 30

ophthalmic products and multiple innovative ophthalmic drugs recently approved in the United States introduced through licensing. After APP13007 obtains regulatory approval in China, Grand Pharmaceutical plans to apply for inclusion of APP13007 in China's medical insurance system, compete for national and provincial public and private hospital tenders, and complete hospital formulary listings to gain market share.

The European Union market is also an important market for global ophthalmic innovation, with a high prevalence of ophthalmic surgeries. With the aging population, the number of cataract surgeries alone in the EU region exceeds 5 million per year. The company is collaborating with Adalvo, DÁVI, and Medvisis in this region to compete for entry into the top three ophthalmic drug markets.

In addition to the North American and Chinese markets, the company is also actively engaging with multiple specialty pharmaceutical companies and distributors in various global regions to discuss cooperation and seek licensing opportunities. The details of out-licensing arrangements are listed below in chronological order of signing:

Signing Date	Contracting Party	Licensed Territory
June 2021	Grand Pharmaceutical Group Limited	Mainland China, Hong Kong, and Macau.
May 2024	Tabuk	Saudi Arabia, United Arab Emirates, Kuwait, Yemen, Oman, Bahrain, Qatar, Kurdistan Region of Iraq, Lebanon, Jordan, Iraq, Syria, Algeria, Morocco.
July 2024	Tzamal	Israel.
August 2024	Apotex	Canada.
October 2024	DÁVI	Portugal.
November 2024	Medvisis	Switzerland, Liechtenstein.
March 2025	Cipla	India, Nepal, Sri Lanka, Bangladesh, Malaysia, Myanmar, Kenya, Nigeria, South Africa, Argentina, Colombia.
April 2025	Laboratorios Saval	Chile, Bolivia, Costa Rica, Guatemala, El Salvador, Honduras, Paraguay, Peru, Panama.
May 2025	Apotex	Mexico.
May 2025	Adalvo	Albania, Andorra, Austria, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Moldova, Monaco, Montenegro, Netherlands, North Macedonia, Norway, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Sweden, Turkey, United Kingdom, Brazil.
June 2025	Harrow	United States
December 2025	Rxilient Medical	Singapore, Thailand, Indonesia, Philippines.
January 2026	Samil Pharmaceutical	South Korea.
February 2026	Arrotex Pharmaceuticals	Australia, New Zealand

If market conditions and commercial terms are suitable, our company will continue to expand APP13007 licensing to other regions in the future.

APP13002 Novel Anti-infectious Disease Drug

APP13002 originates from the Japanese Activus Pharma Co., Ltd., which was acquired by the company in 2017. It is a new drug developed using the APNT® nanoparticle technology platform, utilizing a non-fluoroquinolone active pharmaceutical ingredient. This active ingredient has therapeutic potential for various anterior segment eye infections, including Bacterial Conjunctivitis, Blepharitis, Lid margin inflammation, and Dry Eye Syndrome, etc. After further confirmation of the clinical application population, Phase II clinical trials for this ophthalmic drug will be initiated via the 505(b)(2) pathway. In addition, this active pharmaceutical ingredient is also a first-line treatment for respiratory infections caused by various pulmonary diseases such as bronchiectasis, cystic fibrosis, non-tuberculous mycobacterial lung disease, and mycoplasma pneumonia. The company plans to apply this formulation via nebulizer to inhalation administration for respiratory infections, and to initiate clinical trials for pulmonary infections via the 505(b)(2) pathway.

TSY-110 ADC Biosimilar

Another key R&D focus of the company is Antibody-Drug Conjugate (ADC) drugs. The R&D team leverages its extensive experience and strengths in medicinal chemistry, combined with the successful R&D and commercialization experience of co-development partner EirGenix, Inc. in large-molecule drugs, and Formosa Laboratories, Inc.'s capabilities in highly potent drug manufacturing and ADC bioconjugation development, to develop Antibody-Drug Conjugate (ADC) drugs for the treatment of breast cancer. TSY-110 is a biosimilar of Kadcyla® (ado-trastuzumab emtansine), an ADC first approved and marketed by Roche in 2013, with target indications identical to those of Kadcyla® for the treatment of HER2-positive early breast cancer and metastatic breast cancer. After the company acquired TSY-110 via technology transfer from Formosa Laboratories, Inc. in 2018, the antibody EG12014 manufactured by EirGenix, Inc. was adopted (which has currently received EU approval and has been submitted to the U.S. FDA for review), with Formosa Laboratories, Inc. responsible for the antibody supply and leading the process development. The company and EirGenix, Inc. signed a co-development agreement in 2022, with both parties jointly planning clinical development and seeking external licensing partners.

Given that health authorities led by Europe and the United States have begun to encourage the commercialization of biosimilars of equivalent quality and efficacy in order to alleviate national healthcare burdens and continue to promote the simplification of regulatory requirements for biosimilars — for example, in 2025, both the EMA and the U.S. FDA approved Phase 3 clinical trial waivers for multiple biosimilars, meaning that biosimilars, upon completion of pharmacokinetic and bioequivalence studies, may qualify for such waivers — TSY-110 targets the U.S. and EU as its key markets and is actively evaluating and pursuing collaboration opportunities across various regions. Since the FDA proposed in 2025 to waive Phase 3 efficacy and safety trials, TSY-110 has subsequently resubmitted requests for scientific advisory meetings with both the EMA and the U.S. FDA in December 2025 and January 2026, respectively. It is anticipated that, by integrating the feedback from both regulatory bodies, a single pharmacokinetic and bioequivalence (PK/BE) study can be planned, after which marketing authorization

applications can be submitted to both the EMA and FDA without the need to conduct large-scale clinical trials to verify efficacy. This measure is expected to significantly accelerate the development timeline for the ADC biosimilar and reduce development costs. Currently, the company and EirGenix, Inc. are actively preparing for scientific advisory meetings with the EMA and the U.S. FDA, consolidating feedback from both regulatory bodies to plan the PK/BE clinical program and seek consultation on the waiver of efficacy clinical trials, with clinical trials to commence upon confirmation of the consultation outcomes.

Regarding the subsequent clinical trial plan, a new batch of products has already commenced manufacturing. Following submission of the Clinical Trial Application (CTA) to the EMA in 2026, the PK/BE clinical trial is expected to begin in the second half of the year.

TSY-210 Novel Antibiotic

In 2021, the company acquired the TSY-210 technology from Formosa Laboratories, Inc. TSY-210 is an antibiotic with broad-spectrum antimicrobial capabilities that can inhibit nearly half of the priority pathogens listed by the World Health Organization. Currently in the early stages of development, it is being planned for the treatment of Neisseria gonorrhoeae infections as its indication, and will be combined with the APNT® nanoparticle formulation platform to develop a dosage form with unique advantages.

TSY-310 Bispecific ADC New Drug

TSY-310 is an innovative bispecific Fc-fusion drug conjugate for which the company obtained a license from Almac Discovery in 2025. This drug targets the dual targets of EGFR and ROR1, aiming to address the challenging issues of drug resistance and side effects in the current treatment of non-small cell lung cancer (NSCLC) and solid tumors.

In terms of mechanism of action, TSY-310 binds strongly only when both EGFR and ROR1 are detected simultaneously on the surface of cancer cells, releasing MMAE toxin via endocytosis for cytotoxic killing; whereas in normal tissues expressing only EGFR (such as skin and intestines), the binding affinity is weaker, thereby significantly improving safety. This mechanism enables it to effectively combat tumors that have developed resistance to conventional TKIs, and to eliminate "tumor seeds" with stem cell-like properties by targeting ROR1, thereby reducing the risk of recurrence. In terms of molecular design, TSY-310 adopts a bispecific single-chain structure, featuring small molecular weight and good tumor penetration, with a relatively straightforward chemical conjugation manufacturing process that is conducive to scale-up production.

TSY-310's target indications are solid tumors with EGFR therapy failure or high ROR1 expression, and it has also demonstrated a significant bystander effect in non-clinical pharmacological studies, which is expected to provide better therapeutic efficacy. As there is currently no approved bispecific ADC on the market, TSY-310 demonstrates extremely high forward-looking potential. Future R&D plans will be dedicated to filling this significant medical gap, providing novel treatment options for patients with drug resistance who have no available therapies.

The Company has currently commissioned EirGenix, Inc. for cell line development and process development and scale-up of protein intermediates, and commissioned Formosa Laboratories, Inc. for product chemical process development and scale-up. Non-clinical pharmacology, pharmacokinetics, and toxicology studies are expected to commence in the second half of 2026.

APNT® nanoparticle formulation platform

The APNT® nanoparticle formulation technology was acquired by the company through the acquisition of Japanese Activus Pharma Co., Ltd. in 2017. APNT® Nanoparticle Formulation Technology is an innovative drug particle nanonization and formulation technology that helps improve the drug's permeability to the treatment site and bioavailability by reducing the particle size of poorly soluble drugs and increasing the total surface area of the drug. The druggability of APNT® Nanoparticle Formulation Technology has been demonstrated through the successful development of APP13007 nanoparticle suspension eye drops. In addition to the ophthalmic route of administration, this platform also has broad applicability and has been recognized by multiple biotechnology companies and R&D institutions for the development of various APNT formulations.

(4) Planned New Product Development

Our company will utilize the established proprietary APNT® nanoparticle formulation technology platform to continue developing other high-market-demand and high-profit-potential drugs through either independent research and development or collaborative development of nanoformulations with other biotech pharmaceutical companies. The clinical success of the company's APP13007 nanoparticle suspension eye drops validates the drug development potential of the APNT® nanoparticle formulation technology platform and its benefits for efficacy and safety. This has attracted attention and interest from multiple pharmaceutical companies and biotech firms, who have actively sought to establish collaborative relationships with the company. For example, in March 2022, the company signed a memorandum of cooperation with HCmed Innovations Co., Ltd. for joint collaboration on medical-grade nebulizer-delivered nanomedicines; in February 2023, the company signed a collaborative development agreement with US-based Eyenovia, whereby both parties will jointly develop new drugs for treating ophthalmic dry eye syndrome based on the company's APNT® nanoparticle formulation technology platform and Eyenovia's Optejet microdose drug delivery technology. In addition, a collaboration is underway with a national-level ophthalmic research institution of an advanced country on a project targeting ocular surface peripheral neuropathy, with the potential for application in multiple ocular surface diseases for which no dedicated medications currently exist. Concurrently, collaborative development is underway with overseas institutions on an eye drop formulation to be used as an adjunct to gene therapy for the posterior segment of the eye. The Company is currently also commissioned by domestic and international pharmaceutical research institutions, biotechnology companies, and pharmaceutical companies to carry out several APNT® formulation development projects for anterior ocular, posterior ocular, intra-articular, and nebulized inhalation routes of administration. It is anticipated that upon completion of the proof-of-concept (POC) studies for the APNT® formulations' therapeutic efficacy, these drug development projects will be advanced in the form of co-development and become the company's formal R&D projects.

(2) Industry Overview

(1) Current Status and Development of the Industry

With breakthroughs in medical technology and the global aging population, the pharmaceutical market is experiencing accelerated growth. According to IQVIA's statistics and forecasts, the global pharmaceutical market reached approximately USD 1.74 trillion in 2024; compared to USD 1.42 trillion in 2021, the growth rate over three years was approximately 22.5%, indicating that the pace of market expansion is significantly higher than pre-pandemic levels. IQVIA also estimates that the market size will reach USD 2.9 trillion by 2029.

Ophthalmic Drug Market

The eye is the most important sensory organ in the human body, with over 80% of external information being acquired through the visual system formed by the eyes. The structure of the eye is complex and precise; problems in any part of this structure could potentially cause disease and affect visual function. According to data published in The Lancet Global Health, approximately 1.1 billion people worldwide experienced varying degrees of vision impairment due to eye diseases in 2020, with 43 million suffering from blindness, the most severe form of visual impairment. With the influence of multiple factors such as global population growth, accelerating aging, and changing lifestyles, the number of eye disease patients worldwide will further increase in the future. Without effective intervention and treatment under current circumstances, the number of people suffering from vision impairment will continue to rise. It is predicted that by 2050, there will be approximately 1.7 billion patients with vision impairment globally, and the number of blindness patients will increase to 61 million. Cataracts are one of the most common causes of blindness. According to Frost & Sullivan's 2022 report, approximately 26.4 million people in the United States and about 192 million people in China are cataract patients.

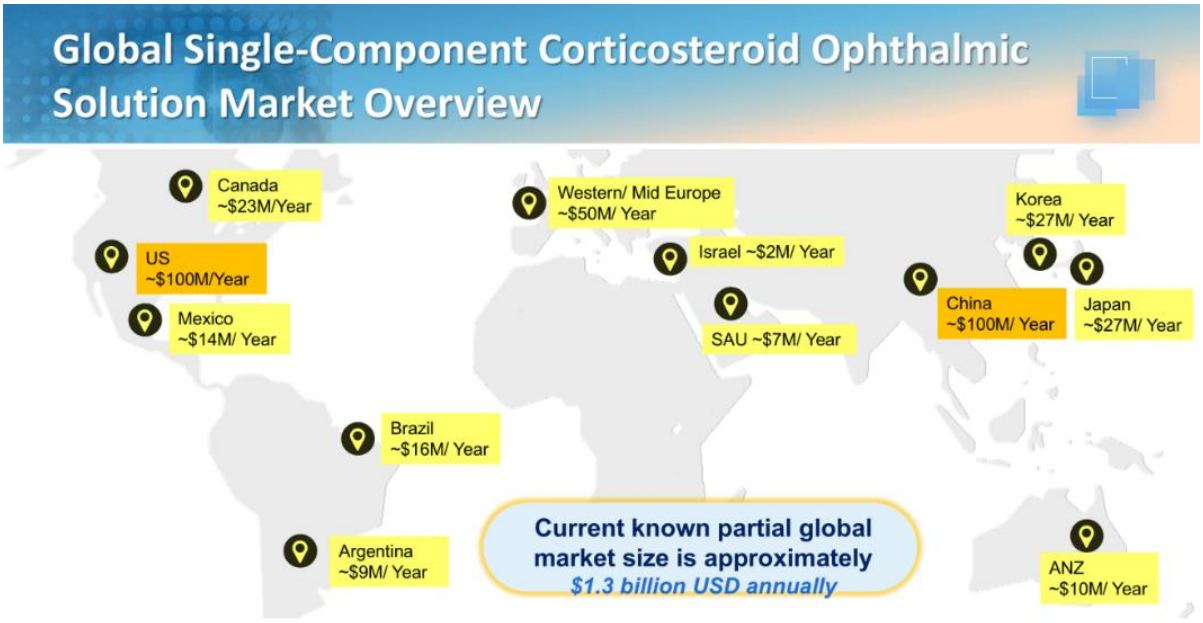
The Frost & Sullivan report also indicates that the global ophthalmic drug market size increased from $27.7 billion in 2016 to $32.7 billion in 2020, with a compound annual growth rate of 4.2%. With the future development and launch of more innovative ophthalmic drugs, the market is expected to reach $46.4 billion by 2025 and $73.9 billion by 2030. Due to technological advancement, high healthcare expenditure, and the presence of leading companies, the United States holds a dominant position in the ophthalmic drug market; the Asia-Pacific region, including the emerging Chinese market, represents the fastest-growing ophthalmic drug market due to its large patient population, increasing demand, and the development of healthcare technologies.

From the perspective of overall research and development competition in the global market, the current focus of ophthalmic drug R&D is primarily concentrated in four major areas: retinal diseases, eye inflammation (such as post-surgical inflammation and pain) and infections, dry eye syndrome, and glaucoma. Surgical treatment is the first-line therapy for certain ophthalmic diseases that still have no effective medications (such as cataracts or severe glaucoma). After ophthalmic surgery, it is standard practice for ophthalmologists to prescribe steroid eye drops to control post-operative inflammation and pain.

The United States is the world's largest single market. According to statistical data

provided by partner Harrow, there are approximately 7.5 million or more ophthalmic surgeries performed annually in the United States, of which approximately 5 million are cataract surgeries, while LASIK, refractive surgeries, advanced glaucoma, retinal surgeries, and others account for 40%. Nearly 100% of patients receive the same eye treatment regimen, including steroid eye drops and antibiotic eye drops or a combination of both, with end-distribution sales amounting to approximately $1.05 billion. The second largest market is China, where the market size is currently about $100 million due to the rapid popularization of cataract surgeries and myopia surgeries.

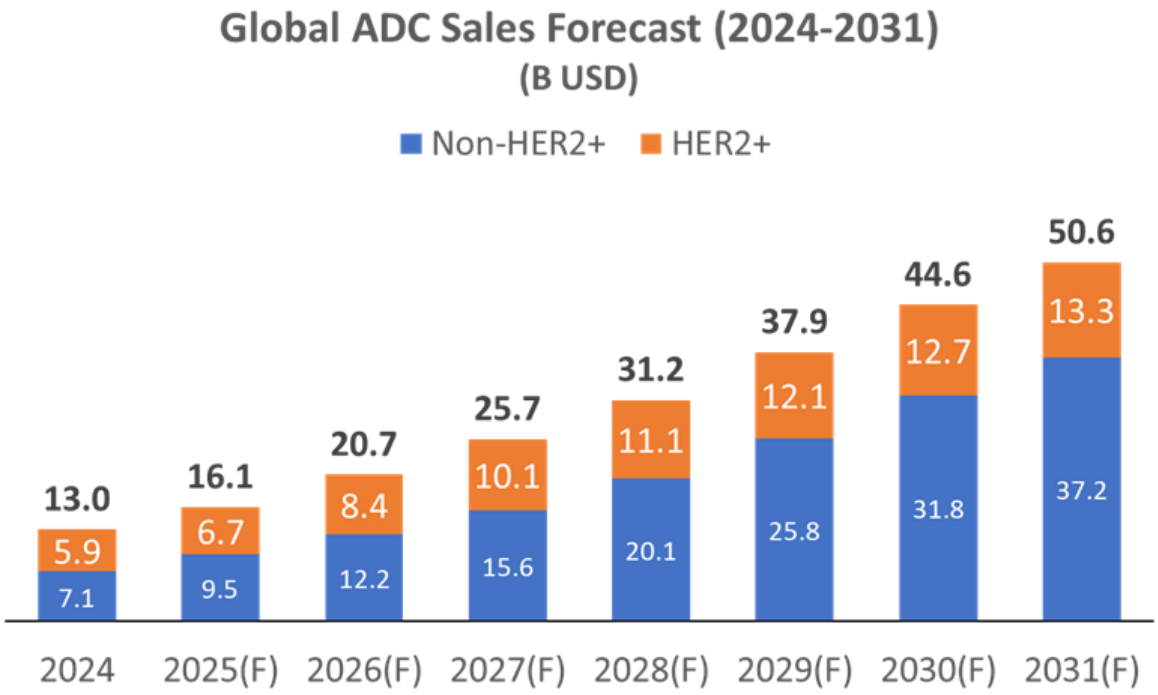
Based on market information provided by the Company's global partners, the combined estimate is approximately 234 million cataract patients within the licensed territories, with more than 30 million cataract surgeries performed annually. The current estimated global market for unilateral ophthalmic steroids is approximately USD 1.38 billion.



Data source: Source(s): IQVIA MIDAS, provided by negotiating partners (2019–2024)

Innovative ADC Biopharmaceutical Market

Biopharmaceuticals, with the advantages of high specificity, good efficacy, and lower side effects, have become the preferred medication option for physicians and cancer patients. Most biopharmaceuticals experience rapid sales growth after launch and often develop into blockbuster drugs within a short period. According to research conducted by Evaluate Pharma and IQVIA, among the top 100 best-selling drugs globally in 2024, more than 50 were biopharmaceuticals, accounting for approximately 57% of total sales. According to IQVIA's research, the global biopharmaceutical (Biotech) market is demonstrating strong growth momentum. By 2028, global biopharmaceutical spending is projected to reach approximately USD 890 billion, with a compound annual growth rate (CAGR) of approximately 9.5% to 12.5% over the five-year period (2024–2028), continuing to outpace the growth rate of the overall global pharmaceutical market. Furthermore, the share of biopharmaceuticals in the global pharmaceutical market is expected to increase from the previous 33% to 39% by 2028.



Over the past 25 years, the scale of biological drugs has grown rapidly. As the patents for these biological drugs expire, many best-selling biological drugs have also created market opportunities for biosimilars. The popularization of biosimilars can restrain the high prices of original drugs, helping to reduce medical expenditures. Health authorities in various countries are gradually improving the regulatory standards for biosimilar product market approval, and the number of globally approved biosimilars is increasing year by year.

According to IQVIA and the latest market research statistics, the global biosimilar market reached approximately USD 26.7 billion in 2023. As multiple blockbuster biologics reach their Loss of Exclusivity (LOE), the global market size is expected to expand to approximately USD 75–80 billion by 2030, with a Compound Annual Growth Rate (CAGR) of over 17% between 2024 and 2030—significantly outpacing the growth momentum of traditional generic drugs.

Biological antibody-drug conjugates (ADCs) have received significant attention in recent years. ADC cancer drugs are a type of targeted therapy that combines the specificity of monoclonal antibodies with the potency of cytotoxic drugs. By targeting specific proteins on the surface of cancer cells to directly deliver cytotoxic payloads to tumor cells, ADCs improve efficacy compared to traditional chemotherapy while reducing damage to normal tissues and decreasing side effects, thereby fundamentally changing the treatment prospects for cancer.

The ADC drug market has been expanding at a double-digit growth rate in recent years. According to GlobalData's 2025 sales forecast database, the market reached USD 13 billion in 2024, and the global market size for commercially launched ADC drugs is projected to exceed USD 50.6 billion by 2031.

Furthermore, Antibody-Drug Conjugates (ADCs) have in recent years become a highly contested frontier in the oncology pipeline strategies of major global pharmaceutical companies. From the recent list of licensing deals, ADC new drugs have become a

popular in-licensing option for major international pharmaceutical companies such as Takeda, Roche, Janssen, and Astellas.

The scale of these transactions is remarkable, with the total deal values of multiple transactions on the list exceeding USD 1 billion, reflecting the strong desire of pharmaceutical companies to acquire innovative ADC technologies. Among these, certain licensing deals have garnered significant market attention, with upfront payments alone reaching over USD 100 million. This phenomenon of 'high upfront payments and high total deal value' reflects the ability of ADC drugs to precisely target cancer cells, demonstrating enormous commercial potential in the field of oncology treatment, making them the most sought-after strategic assets in the current global biopharmaceutical industry.

近期總交易金額超過10億美元之新藥ADC授權案

新藥資產	授權人	被授權人	簽約時階段	分子類型	適應症	簽約金 (US$M)	交易總價值 (US$M)	簽約時間
IBI363 IBI343	Innovent Biologics Inc	Takeda Pharmaceutical	Phase I/II Phase III	PD-1/IL-2a-bias CLDN18.2 ADC	鱗狀非小細胞肺癌 胃癌、胰臟癌	***1,200***	***11,400***	Dec-2025
SYS6005	CSPC Megalith Biopharmaceutical	Radiance Biopharma, Inc.	IND	ROR1 ADC	Hematologic tumors, etc.	***15***	***1,165***	Feb-2025
XNW27011	Evopoint Bioscience Co Ltd	Astellas Pharma Inc	Phase II	CLDN18.2 ADC	實體瘤	***130+70***	***1,540***	May-2025
MRG007	Lepu Biopharma Co Ltd	Arrivent Biopharma Inc	Preclinical	ADC (標的未知)	消化道癌	***47***	***1,207***	Jan-2025
DB-1418	Duality Biotherapeutics Inc	Avenzo Therapeutics Inc	Preclinical	EGFR*HER3 ADC	實體瘤	***50***	***1,200***	Jan-2025
IBI3009	Innovent Biologics Inc	F. Hoffmann-La Roche Ltd	Phase I	DLL3 ADC	晚期小細胞肺癌	***80***	***1,080***	Jan-2025
MTX-13 (DAY-301)	MabCare Therapeutics	Day One Biopharmaceuticals	IND	PTK7 ADC	實體瘤	***55***	***1,207***	Jun-2024
BNT326	Suzhou Medilink Therapeutics Ltd	BioNTech SE	Phase II	HER3 ADC	三陰性乳癌/ 非小細胞肺癌	***25***	***1,825***	May-2024
YL211	Suzhou Medilink Therapeutics Ltd	Roche	Phase I	cMET ADC	實體瘤	***50***	***1,020***	Jan-2024
LCB84	LigaChem Biosciences Inc	Janssen Biotech Inc	Phase II	Trop2 ADC	晚期實體瘤	***100***	***1,700***	Dec-2023

HER2-Positive Breast Cancer Biologics Market

HER2-positive metastatic breast cancer accounts for approximately 20% of all breast cancer subtypes and is generally considered a breast cancer type with poor treatment outcomes and worse prognosis. In 1998, the FDA approved the first HER2-targeted therapy, Trastuzumab (Herceptin®), a monoclonal antibody, which has since changed the treatment paradigm for these HER2-positive patients. Trastuzumab not only increased the survival rate of HER2-positive metastatic breast cancer patients to over 30%, but also drove clinical transformation, bringing HER2-positive breast cancer treatment into the era of targeted and personalized therapy.

After the success of Herceptin®, Roche continued to launch biological drug products in the HER2 breast cancer market, including Perjeta® (pertuzumab), Herceptin® subcutaneous injection, Phesgo® (trastuzumab+pertuzumab subcutaneous injection), and the ADC drug Kadcyla® (T-DM1, Trastuzumab Emtansine) to meet various treatment approaches and needs in HER2+ breast cancer therapy. Taking early breast cancer as an example, we can see that Herceptin®, Perjeta®, and Kadcyla® almost completely cover all needs for surgical treatment, neoadjuvant therapy, and adjuvant therapy. The development target of TSY-110, Kadcyla® (T-DM1, Trastuzumab Emtansine), is the first

ADC drug targeting HER2-positive cancers, launched by Roche in February 2013. In the famous EMILIA study, compared to standard chemotherapy treatments, Kadcyla® significantly extended patient survival time, with a median overall survival (mOS) of 30.9 months. The breakthroughs in clinical research ultimately translated into changes in real-world treatment, with Kadcyla® becoming the internationally recognized standard second-line treatment for HER2-positive advanced breast cancer.

According to a specialized report by GlobalData on HER2-positive breast cancer, in 2021, there were approximately 145,000 cases of early-stage HER2+ breast cancer patients and about 120,000 cases of metastatic breast cancer patients at different stages across the 8 major pharmaceutical countries (United States, 5 Western European countries including UK, France, Germany, Italy, Spain, Japan, and China). The estimated compound annual growth rate for HER2+ breast cancer patients and the market size of HER2+ breast cancer drugs is approximately 1.5%.

Currently, HER2+ can be considered the most popular therapeutic target for ADCs. Roche's Kadcyla (First-in-class) and AstraZeneca and Daiichi Sankyo's Enhertu (Best-in-class) are the most representative HER2+ ADCs, and are also among the leading commercially successful ADC drugs. According to GlobalData's 2025 sales forecast database, these two HER2+ ADC drugs are expected to reach a combined market size of USD 13.3 billion by 2031.

(2) The Relationship Between Upstream, Midstream, and Downstream Industries

Our company focuses on preclinical and clinical stage drug development in therapeutic areas such as ophthalmology, oncology, and anti-infective medications, and is positioned as a Taiwan-based enterprise engaged in innovative drug discovery, research and development, manufacturing, and global marketing. The relationship between our company's upstream, midstream, and downstream industries can be represented by the following diagram:

	In-licensing →	FORMOSA PHARMACEUTICALS, INC. 台新藥股份有限公司 Formosa Pharmaceuticals, Inc.				→ Out-licensing
Upstream-Midstream-Downstream	**Upstream**	**Midstream**				**Downstream**
Phase	**Basic research/Starting materials**	**CMC/Formulation technology**	**Trial development**	**Manufacturing**	**Drug supply**	**Global marketing**
Key Activities	• Starting material supply • Basic research execution • Drug screening	• **Formulation Development** • **Process development** • **Analytical method establishment**	• Preclinical trials • Clinical trial	• Production scale-up • GMP-grade manufacturing	• **Order management** • **Shipment scheduling** • **International export**	• Regulatory registration • Market access • Channel establishment • Pharmaceutical marketing
Formosa Pharmaceuticals Strategies	Formosa Pharmaceuticals obtains all rights or development rights of new drugs from R&D units	**Formosa Pharmaceuticals leads with proprietary APNT technology and know-how**	Outsourced CROs or collaborative research partners	Contract Manufacturing Organizations (CMOs)	**Formosa Pharmaceuticals order acceptance**	Regional licensees
APP13007	Activus	**Formosa Pharmaceuticals, Inc.**	Clinical Research Organizations (CROs) AimMax	Formosa Laboratories, Inc. Bora Pharmaceuticals	**Formosa Pharmaceuticals, Inc.**	**United States: Eyenovia** **China: Grand Pharmaceutical Group Limited**
TSY-0110	Formosa Laboratories, Inc. EirGenix Inc.	**Formosa Pharmaceuticals, Inc.**	Clinical Research Organizations (CROs) EirGenix Inc.	Formosa Laboratories, Inc.	**Formosa Pharmaceuticals, Inc.**	Regional biosimilar manufacturers

As medications are used in the human body, their safety and efficacy must undergo strict regulation by government agencies in various countries, including pre-market review and post-market surveillance mechanisms. Therefore, the biotechnology and pharmaceutical industry differs from general industries, requiring more rigorous planning and execution of development and production activities to comply with the regulatory requirements of pharmaceutical regulatory authorities in various countries. In

today's fully developed biotechnology industry chain, drug development has moved toward a division of labor model. Our company initiates translational research by developing innovations or acquiring new drug assets through collaboration with academic and research institutions, advancing candidate drugs into clinical trial stages to verify their efficacy and safety. During this process, we may also engage in joint development with external pharmaceutical companies, technology transfer, or licensing arrangements to obtain marketing authorization and commercialize our products.

In addition to the vertical aspects mentioned above, the company also integrates horizontal aspects through outsourced collaborations with external CMOs (Contract Manufacturing Organizations) and CROs (Contract Research Organizations), outsourcing production, clinical trial supervision, and management to CMOs and CROs. Our company is responsible for overall strategic planning, detailed development planning, and project management across these stages, allowing the company's human resources and assets to focus on core technology development, thereby improving research and development efficiency.

Unlike other general new drug companies, mastering formulation technology or CMC process know-how is key to ensuring that drugs can achieve targeted therapeutic efficacy and safety, as well as enabling smooth production and cost advantages. For example, with APP13007 nanoparticle suspension eye drops and TSY-110 ADC biosimilar, the company contracts with highly reputable CMOs with international production capabilities, such as Formosa Laboratories, Inc., to scale up production for clinical stage supply and future commercial drug supply after product launch. Through the company's solid business development capabilities, we have successively completed international licensing for two products and secured our role in post-market drug supply, effectively implementing our strategy of accepting orders through the company, manufacturing drugs in Taiwan, and supplying them globally.

(3) Various Development Trends and Competitive Situations of Products

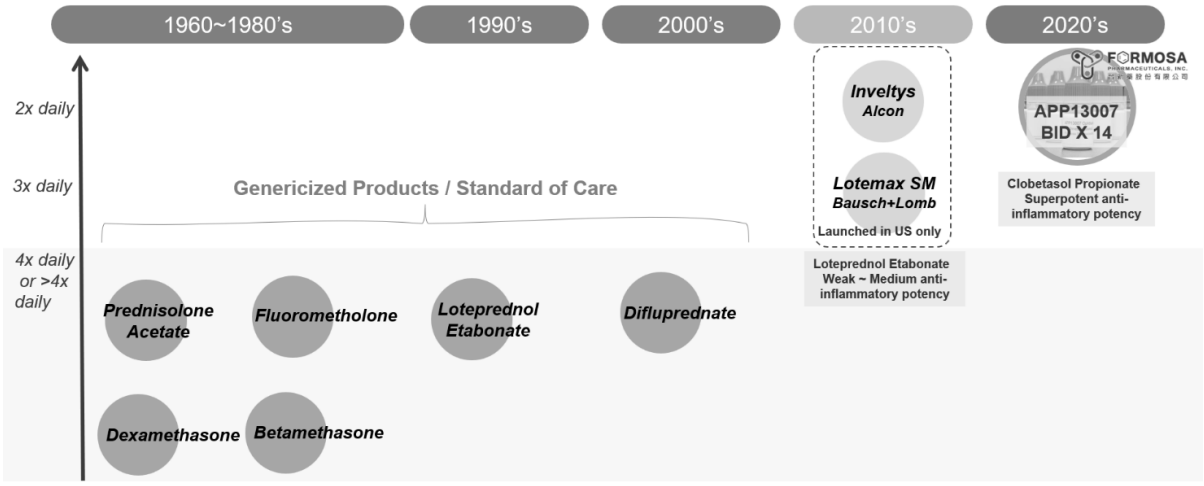
The Company has initiated various new drug development projects under the 'Double A' R&D strategy, simultaneously advancing both large molecule biologics and small molecule drugs. The projects furthest along in development are APP13007 nanosuspension ophthalmic solution for post-ophthalmic surgery anti-inflammatory and analgesic use, and TSY-110, an ADC Biosimilar targeting breast cancer. The following outlines the development trends and competitive landscape of these two drugs, as well as TSY-310, a newly in-licensed bispecific ADC new drug.

APP13007 Nanoparticle suspension eye drops

APP13007 is a corticosteroid ophthalmic solution that has been approved for marketing in the United States. The earliest drug in this category was MAXIDEX (dexamethasone ophthalmic suspension 0.1%), which was launched in the 1960s with a dosing regimen of 4–6 times per day for a 4-week treatment period. Another drug launched in the 1960s was Pred Forte (prednisolone acetate ophthalmic suspension 1%), with a dosing regimen of 4 times per day for the first two weeks, then 2 times per day from the third week onward, with 1–2 drops instilled each time. In the 1980s, eye drops containing Fluorometholone as the main ingredient began to appear, such as Flarex (fluorometholone acetate ophthalmic suspension 0.1%); in regions outside the United States, ophthalmic

corticosteroid suspensions with Betamethasone as the main ingredient emerged, still following the main dosing regimen of 4 drops per application over approximately a 4-week treatment course. Entering the 1990s, ophthalmic drug major Bausch+Lomb launched the Lotemax product series—a range of products based on loteprednol etabonate 0.5% in various dosages and formulations—with a dosing frequency of 4 times per day. Due to the lower potency of the active ingredient resulting in a lower incidence of intraocular pressure elevation, the series gained market share and overtook earlier competitors. After entering the 2000s, Alcon launched Durezol (difluprednate ophthalmic emulsion 0.05%), ushering in an era of treating post-ophthalmic surgery pain and inflammation with potent corticosteroids. Its therapeutic efficacy was widely recognized by ophthalmologists; however, its complex dosing regimen (4 times per day for the first two weeks, 2 times per day in the third week, followed by a slow taper) and high incidence of intraocular pressure elevation remained unmet treatment needs. In the 2010s, following the patent expiry of Lotemax 0.5%, two new formulation drugs based on loteprednol etabonate were launched in the United States: Inveltys (loteprednol etabonate ophthalmic suspension 1%) dosed twice daily, and Lotemax SM (loteprednol etabonate ophthalmic gel 0.38%) dosed three times daily. These products aimed to capitalize on the large market gap left by Durezol's patent expiry, leveraging the characteristic of low intraocular pressure incidence and reduced dosing frequency to dominate the ophthalmic corticosteroid market. However, these products were not substantially differentiated from other already-genericized products, and in the years following their launch, they failed to generate blockbuster sales comparable to Durezol's annual revenue of USD 100 million.

APP13007, developed by our Company, successfully completed Phase 3 clinical trials and unblinding in 2022, and obtained FDA marketing approval in early 2024. It demonstrates clear differentiation and advantages over these marketed drugs through its outstanding clinical efficacy and safety profile, its highly potent anti-inflammatory active ingredient, and its straightforward and convenient dosing regimen of twice daily for 14 days.



History of the Evolution of Corticosteroid Eye Drops

The active ingredient of APP13007 is Clobetasol propionate, a class I super-potent corticosteroid drug with extremely strong anti-inflammatory capabilities. The drug has been marketed globally for nearly forty years, with years of experience regarding its efficacy and safety. However, this drug has extremely low water solubility, and for many

years, only dermatological formulations such as ointments and shampoos have been available on the market. It cannot be developed into oral medications or aqueous formulations, and there have been no successfully marketed products in therapeutic areas outside of dermatology.

In terms of the United States, the world's largest market for ophthalmic medications, there were more than 7 million ophthalmic surgeries performed in 2022. Following over 90% of these surgeries, ophthalmologists prescribe corticosteroid eye drops to manage post-operative ocular inflammation and pain. Currently, the main medications in this field include branded drugs and generics such as Alcon's Durezol (difluprednate ophthalmic emulsion), Bausch + Lomb's Lotemax series (loteprednol etabonate ophthalmic suspension), and Allergan's Pred Forte (prednisolone acetate ophthalmic suspension).

From the perspective of post-ophthalmic surgery patients' needs, the aforementioned medications (collectively referred to as the standard of care) have four widely complained issues by physicians and patients that need improvement and represent unmet needs. APP13007 is precisely positioned to address these four requirements:

Issues/Needs	Standard of Care	APP13007
Frequent medication, complex regimens, low patient compliance	Typical treatment involves medication 4 times daily for one month; or 4 times daily for the first two weeks, followed by 2 times daily for the next two weeks.	Clinical trials have demonstrated that APP13007 requires only twice-daily dosing for two weeks, with significantly superior anti-inflammatory and pain relief effects compared to placebo.
Using corticosteroids with low anti-inflammatory activity, resulting in ineffective therapeutic outcomes	In clinical settings, patients frequently continue to exhibit significant inflammation and pain after one month of standard treatment, failing to achieve satisfactory therapeutic outcomes. Extended medication duration is required.	In comparative Phase III clinical results, after 2 weeks of treatment, APP13007 administered twice daily demonstrated approximately 40% greater efficacy in anti-inflammatory and pain relief effects than Durezol administered four times daily.
Raising safety concerns about increased intraocular pressure	Although ophthalmic corticosteroids rarely cause systemic side effects, prolonged and frequent exposure to higher concentrations of corticosteroids increases the probability of adverse reactions such as elevated intraocular pressure (approximately 4-12%).	According to clinical results from approximately 450 cataract clinical trial patients who received treatment in Phase II and III studies, APP13007 demonstrated an intraocular pressure elevation incidence rate of only about 1.4%, which is superior to mainstream therapies currently on the market.
Comfort and convenience	Traditional corticosteroid eye drops have large drug particles, often causing foreign body sensation and painful discomfort when administered. Furthermore, precipitation easily occurs after settling, requiring vigorous shaking before use to ensure uniformity, otherwise inadequate dosing may occur during administration, affecting therapeutic efficacy.	APP13007 utilizes proprietary APNT® technology, with drug particles smaller than 200 nanometers, giving the formulation a water-like consistency. When administered, patients do not experience any foreign body sensation, and the formulation maintains uniform dispersion for a long time without producing precipitation.

After completing Phase III clinical trials for APP13007, the company commissioned a professional pharmaceutical consulting firm to conduct interviews with several senior cataract surgeons and pharmacy directors from multiple national and regional large insurance companies in the United States. The interview results showed that 100% of physicians indicated that APP13007 is more convenient to use than standard treatment, and patient compliance is expected to be superior to standard treatment; 80% of physicians acknowledged that APP13007's therapeutic efficacy is significantly better than standard treatment and would actively recommend it to patients; 100% of insurance company pharmacy directors expressed willingness to add such innovative medication to their formularies for reimbursement.

Competitive Landscape of APP13007

Main Competitors	**Generic Drug**	**Generic Drug**	**Ocular Therapeutix**	**Bausch & Lomb**
Competing Drug Names	Prednisolone Acetate Ophthalmic Suspension 1%	Loteprednol etabonate ophthalmic suspension 0.05%	Dexamethasone Intracanalicular Insert	Loteprednol etabonate ophthalmic gel (LotemaxSM)
Marketed or in clinical trials	Marketed	Marketed	Marketed	Marketed
Market size in 2024	USD 186,600 thousand	USD 61,200 thousand	USD 60,600 thousand	USD 33,900 thousand
Market share	Generic Drug Market 58%	Generic Drug Market 19%	Branded Drug Market 31%	Branded Drug Market 17%

Note: Analysis based on IQVIA MIDS database 2025 information.

In addition to the U.S. market, China's ophthalmology market is also experiencing rapid growth, with a flourishing number of ophthalmic medical institutions, self-pay surgeries, and imported intraocular lenses increasing year by year. Since mainland China's steroid eye drop treatment options are still limited to products requiring 4 instillations per day, APP13007, with its differentiated features in efficacy, safety, and dosing regimen, holds a significant advantage in this market. In markets where APP13007 has successfully completed licensing agreements, including Europe, Latin America, and Asia, the competitive landscape is broadly similar to that of mainland China, where marketed products are generally dosed 4 times daily for 4 weeks. Therefore, licensing partners in each market are optimistic that APP13007 is expected to successfully penetrate the market or become a premium treatment option, with long-term prospects of becoming the new standard of care.

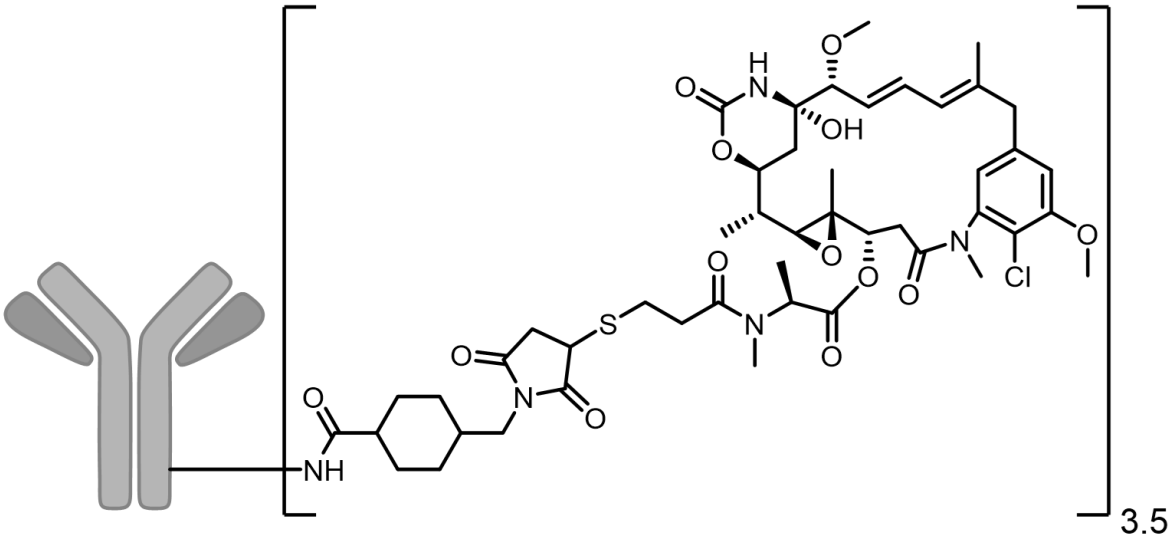
Looking forward to the future development plans of APP13007, which include completing licensing and marketing applications in the European Union, Latin America, the Middle East, Australia, and New Zealand. Currently, discussions are in progress with several specialized ophthalmological pharmaceutical companies or distributors in these regions regarding cooperation intentions and directions. Preliminary assessments indicate there may be an opportunity to waive additional clinical trials and directly apply for marketing authorization in the European Union using US clinical data.

US Market Indication Expansion Application: To increase clinical application opportunities, some ophthalmic steroid new drugs apply for additional eye inflammation indications after being marketed with post-operative anti-inflammatory and pain relief as their first indication, for example:

- Uveitis (current US market size of approximately USD 190 million, estimated to grow to USD 657 million by 2030)
- Allergic conjunctivitis (current US market size of USD 1.1 billion, estimated to grow to USD 1.35 billion by 2030)
- Dry eye syndrome (current US market size of USD 2.7 billion, estimated to grow to USD 8.3 billion by 2030).

TSY-110 ADC Biosimilar

TSY-110 (ado-trastuzumab emtansine biosimilar) is a biosimilar of Kadcyla® (T-DM1, Trastuzumab Emtansine), indicated for second-line treatment of metastatic breast cancer or early-stage HER2-positive breast cancer.



Antibody-Drug Conjugate Diagram

This antibody-drug conjugate primarily consists of (1) Humanized IgG1 antibody Trastuzumab, (2) N-succinimidyl 4-(N-maleimidomethyl)cyclohexane-1-carboxylate (SMCC) linker, and (3) microtubule polymerization inhibitor DM1. Its mechanism of action utilizes the antibody binding to HER2 receptors on cancer cells, entering HER2-positive breast cancer cells through endocytosis, where DM1 is released inside the cell, inhibiting cellular microtubule polymerization and causing cancer cell death. Antibody-drug conjugates possess both the high specificity of antibody drugs and the activity of small molecule anticancer drugs, which, compared to traditional chemotherapy drugs, can avoid killing normal tissue cells.

Kadcyla® is Roche's renowned later-line treatment in the HER2-positive breast cancer product line, used as an advanced therapy for patients who still have residual lesions after treatment with Herceptin® (Trastuzumab) or paclitaxel. Since its launch in 2013, it has maintained rapid growth, with global sales exceeding USD 1 billion in 2018 and USD 2 billion in 2021, making it a blockbuster drug.

As of January 2026, no other Kadcyla® biosimilar clinical trials are ongoing on the U.S. clinical trial registry ClinicalTrials.gov, and no biosimilars targeting Kadcyla® have entered clinical trials under the EU EMA either. Riding on the relaxation of biosimilar clinical trial requirements by regulatory authorities in Europe and the United States, TSY-110 is expected to become one of the first wave of Kadcyla® biosimilars to enter the European and American markets, capturing a significant share of the originator drug's global major market.

Competition Situation of TSY-110

Main Competitors	**Roche**	**AZ/Daiichi Sankyo**	**RemeGen Biosciences (China)**	**Byondis**
Competing Drug Names	Trastuzumab Emtansine (Kadcyla)	Enhertu	Aidexi	SYD-985
Marketed or in clinical trials	Marketed	Marketed	Marketed	US drug application failure
Approved indications	HER2-positive metastatic breast cancer and early breast cancer	HER2-positive metastatic breast cancer, non-small cell lung cancer, gastric cancer, HER2-low metastatic breast cancer	HER2-positive gastric cancer, urothelial carcinoma	None
Market size in 2024	Approximately 2.2 billion USD	Approximately 3.75 billion USD	Greater than 100 million USD	Not marketed, not applicable

Source: Global Data

TSY-310 Bispecific ADC New Drug

TSY-310 is a bispecific ADC drug targeting EGFR and ROR1. Although the epidermal growth factor receptor (EGFR) is a clinically validated therapeutic target that is highly expressed in multiple solid tumors, including lung cancer and triple-negative breast cancer, the clinical efficacy of EGFR-targeted therapies is often limited by intratumoral heterogeneity and acquired drug resistance. For example, current EGFR treatment regimens (TKI small molecule inhibitors, monospecific or bispecific antibodies) generally face resistance issues; while existing ROR1-related drugs have shown progress in hematologic malignancies, their efficacy in solid tumors remains relatively limited.

TSY-310 is a novel bispecific EGFR×ROR1 nanobody-Fc fusion Antibody-Drug Conjugate (BsADC), designed to overcome the aforementioned challenges by simultaneously targeting EGFR and receptor tyrosine kinase-like orphan receptor 1 (ROR1). TSY-310 has demonstrated significant tumor regression in multiple NSCLC PDX animal models representing different EGFR and ROR1 expression levels. By simultaneously targeting both EGFR and ROR1, it generates a 'dual-lock' effect that can effectively overcome the drug resistance barriers commonly associated with single-target approaches and enhances its ability to combat solid tumors. Given that there are currently no approved bispecific ADCs globally, TSY-310 demonstrates extremely high clinical value and has the potential to fill unmet medical needs that existing drugs have been unable to address.

APNT® nanoparticle formulation platform

Through years of development in drug milling techniques and nanotechnology, current methods for drug nanonization include bead milling, cryomilling, or technologies like NanoEdgeTM developed by Baxter, described as follows:

(A) Bead Milling (Beads-Milling)

This method is generally considered to be the most efficient, economical, and widely used grinding method. Under the state where the drug is mixed with a liquid dispersion medium that prevents drug aggregation, the grinding balls in a high-speed agitated beads mill are used to grind the drug. Although the process can meet pharmaceutical GMP standards, since the grinding balls are made of plastic or metal, there is a high risk of plastic or metal debris mixing into the nanonized drug during the grinding process. The liquid dispersion medium is usually irritating to the human body. These foreign substances are difficult to completely remove and often contaminate the medication, raising concerns about patient safety and adverse reactions. In addition, the high temperatures generated during the machine grinding process can adversely affect the efficacy and stability of certain heat-sensitive drug components.

(B) Cryomilling Method

The manufacturing process can meet pharmaceutical GMP requirements and does not use organic solvents; however, the process requires an extremely low temperature environment (-196°C), which is highly energy-consuming and produces small yields. Furthermore, at such low temperatures, the crystal form of the drug can easily be damaged, affecting the purity and efficacy of the drug.

(C)Gap-Milling/ Nanoedge Technology

Although the manufacturing process can comply with pharmaceutical GMP requirements and has a lower risk of foreign matter contamination compared to bead milling, it uses organic solvents in the process, which presents potential toxicity and sensitization risks. Additionally, the Nanoedge method has the disadvantage of large variations in particle size after grinding.

In summary, the nanonization technology of drugs is absolutely not just a simple consideration of reducing drug particle size. During the grinding process, it is also necessary to consider (1) how to minimize the risk of contamination to the drug from the nanonization process; (2) how to minimize the damage to the intrinsic properties of the drug caused by the nanonization process; (3) the consistency of particle size and stability maintenance of the powder after nanonization.

In addition, from an application perspective, the flexibility of the nanonization technology for subsequent processes should be considered. Due to the large variations in particle size after grinding with the aforementioned nanonization technologies, it is difficult to precisely control the particle size after grinding. If membrane filtration sterilization is used, most particles will remain on the filter membrane, making concentration control impossible.

Among all available techniques, only the company's APNT® nanoparticle formulation technology is currently applicable for sterile preparation production using 0.2 μm pore size filter membranes, such as eye drops and respiratory therapy nebulizers — an area that other milling methods are currently unable to achieve.

(3) Technology and R&D Overview

(1) Technological Level and Research Development of Business Operations

APP13007 Nanoparticle suspension eye drops

APP13007 has completed Phase II and Phase III clinical trials in the United States, with the Food and Drug Administration (FDA) as the regulatory authority. The Company designs and executes clinical trials in accordance with the Guideline for Good Clinical Practice (GCP) issued by The International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH). When applying for drug approval from the US FDA, submissions are made according to the Common Technical Document (CTD) format issued by ICH and the requirements of the US FDA. These include documents related to the Chemistry, Manufacturing, and Controls (CMC) of the drug substance and drug product, toxicological studies, and clinical trial reports. The US drug approval was obtained in March 2024. Below is an explanation of APP13007's clinical trial data, current research and development progress, and important communications with the US FDA:

Product Name	Current Progress	Clinical Trial Data	Estimated R&D Timeline	Regulatory Authority	Communication Items and Content
APP13007 Nanoparticle suspension eye drops	1.U.S. Phase III clinical trial report has been completed. 2.Application for new drug review and registration has been submitted to the U.S. FDA and has been approved.	1.Completed Phase II clinical trials in the U.S. in 2020, applying for drug approval through the 505(b)(2) pathway. 2.Completed two U.S. Phase III clinical trials in 2023. All are multi-center, randomized, double-blind, placebo-controlled trials. CPN-301： (1)Used to evaluate the efficacy and safety of APP13007 in treating inflammation and pain after eye surgery. (2)Enrolled 378 subjects, with inflammation suppression and pain relief effects significantly superior to placebo. Regarding safety, data from the treatment group and placebo group were comparable, with most adverse reactions being	U.S. marketing approval has been obtained. Phase III clinical trials in mainland China were completed in November 2024. In other markets where out-licensing has been completed, the process is either at the submission preparation stage or under regulatory review. As of March 2026, the Company and its partners have completed	US FDA	Clinical trial application, safety reporting, clinical trial protocol, submission of Clinical Study Reports (CSR), Pre-NDA Meeting, and technical documentation attached to the drug approval application.

Product Name	Current Progress	Clinical Trial Data	Estimated R&D Timeline	Regulatory Authority	Communication Items and Content
		related to cataract surgery. (3)Clinical results: On day 15, 58.6% of subjects in the treatment group had zero inflammatory cells in the anterior chamber, compared to 15.7% in the placebo group ($p<0.001$); 90.6% of subjects in the treatment group had zero eye pain, compared to 42.1% in the placebo group ($p<0.001$). CPN-302： (1)Used to evaluate the efficacy and safety of APP13007 in treating inflammation and pain after cataract surgery, as well as a sub-study tracking changes in corneal endothelial cells post-surgery. (2)Enrolled 370 subjects, with inflammation suppression and pain relief effects significantly superior to placebo. Regarding safety, data from the treatment group and placebo group were comparable, with most adverse reactions being related to cataract surgery. (3)Clinical results: On day 15, 57.8% of subjects in the treatment group had zero inflammatory cells in the anterior chamber, compared to 18.9% in the	submissions in Canada, Switzerland, Taiwan, Saudi Arabia, Israel, South Africa, and Chile. The general submission timeline is for regulatory approval to be obtained within 1–2 years after submission.		

Product Name	Current Progress	Clinical Trial Data	Estimated R&D Timeline	Regulatory Authority	Communication Items and Content
		placebo group (p<0.001); 86.5% of subjects in the treatment group had zero eye pain, compared to 49.7% in the placebo group (p<0.001). 3. According to ICH GCP regulations, clinical trial data and statistical results are the responsibility of the Sponsor. There is no requirement for statistical analysis to be performed by an external independent unit. Ultimately, during the drug application stage, the US FDA audits the accuracy of clinical and statistical data. Our company develops new drugs in the spirit of benefiting patients' welfare, and follows guidelines issued by regulatory authorities in carrying out all new drug development activities.			

Mechanism of action:

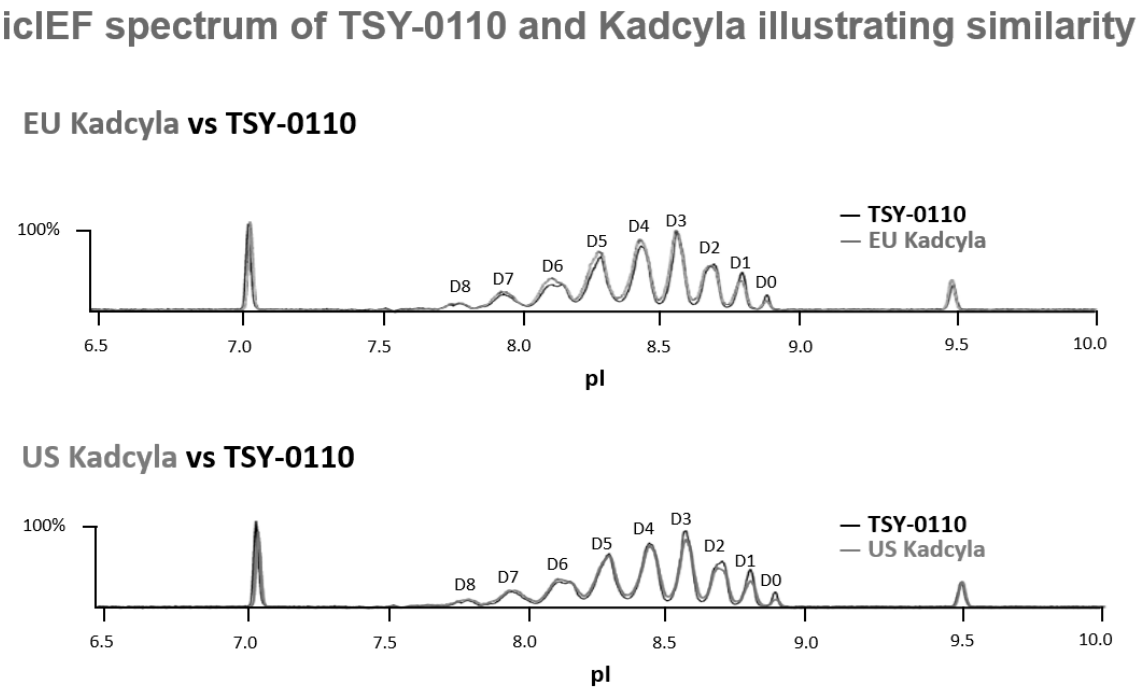
The active ingredient of APP13007, clobetasol propionate, is a steroid with powerful anti-inflammatory capabilities, having glucocorticoid effects and mild mineralocorticoid effects. For topical application, clobetasol propionate has anti-inflammatory, anti-pruritic, and vasoconstricting effects.

Steroids can on one hand induce the synthesis of anti-inflammatory factors such as lipocortin, angiotensin-converting enzyme (ACE), and leukocyte interleukin IL-10, while simultaneously inhibiting the synthesis of inflammatory factors such as TNFα and GM-CSF; they induce apoptosis of inflammatory cells, constrict blood vessels and inhibit the release of proteases, and inhibit the aggregation and phagocytic function of monocyte macrophages and neutrophils at the site of inflammation, thereby achieving suppression of inflammatory symptoms.

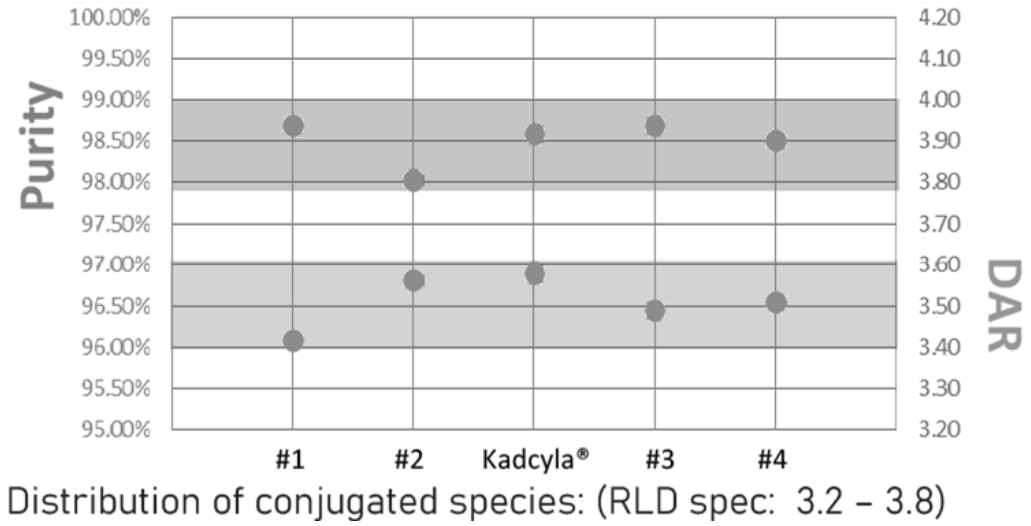
TSY-110 ADC Biosimilar

TSY-110 is a biosimilar of an Antibody-Drug Conjugate (ADC). The development core is focused on verifying the biosimilarity between TSY-110 and the reference drug Kadcyla®, as well as maintaining consistency in various characteristics and specifications of the drug during multi-batch production. The scope of research for ADC biosimilarity is far more complex than for simple antibody biosimilars or small molecule generic drugs. It includes the need to study and develop various analytical methods and specifications for three different drug characteristics: the entire ADC molecule itself, the antibody drug, and the small molecule cytotoxic drug. As a biosimilar of an ADC, TSY-110 needs to demonstrate a very high degree of similarity to Kadcyla® in all three aspects: the ADC molecule itself, the antibody drug, and the small molecule cytotoxic drug. The figure below shows the various biosimilarity aspects between TSY-110 and Kadcyla®:

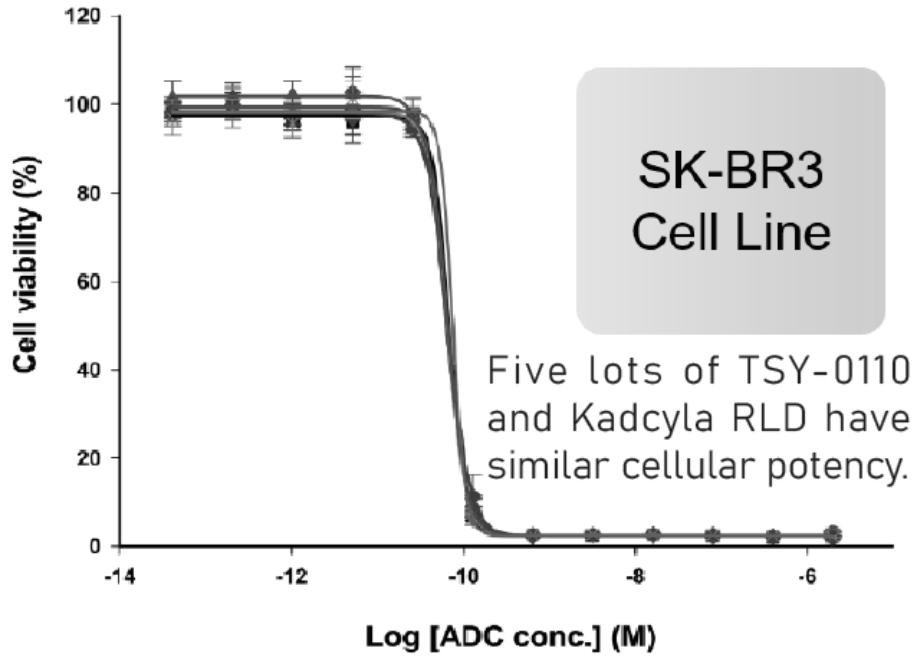
- icIEF spectrum (imaged capillary isoelectric focusing spectrum)



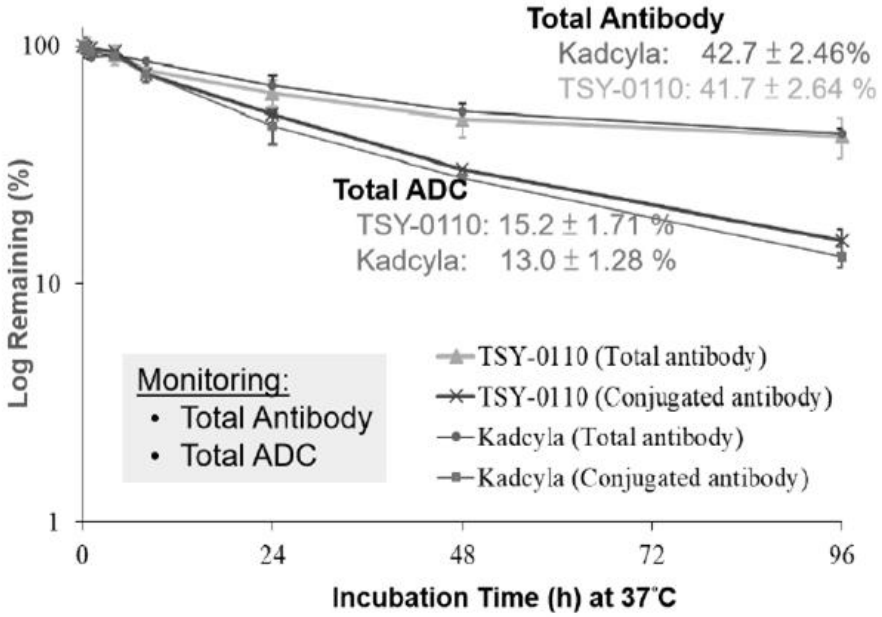
- Purity and Drug-Antibody Ratio (DAR)



- Killing activity against HER2+ cells



- Stability in human plasma (ADC molecule, antibody)



The Company submitted a scientific advisory document to the European Medicines Agency (EMA) for consultation in 2021; and held a BPD Type 2 Meeting with the U.S. FDA in February 2023, both of which received positive responses from the two major regulatory authorities. Since 2025, regulatory authorities in Europe and the United States have begun relaxing clinical requirements for biosimilars and have waived Phase III clinical trials for several biosimilars under development. Therefore, the Company and EirGenix Inc. are currently actively preparing for scientific advisory meetings with the EU EMA and U.S. FDA, and are integrating feedback from both parties to plan the PK/BE clinical program as well as consultation on efficacy clinical trial waivers. Clinical trials will subsequently commence after the advisory results are confirmed.

Product Name	Current Progress	Clinical Trial Data	Estimated R&D Timeline	Regulatory Authority	Communication Items and Content
TSY-110 ADC Biosimilar	Integrating feedback from both the EU EMA and U.S. FDA to plan the PK/BE clinical program is currently in progress.	Currently no clinical trial-related information is available	Clinical batch products were completed in early 2026, and PK/BE clinical trials are expected to commence in the second half of 2026 following the consolidation of advisory results.	European Union EMA US FDA	1. Biosimilar regulatory applicability 2. Physical, chemical, activity and other similarity assessment planning 3. Clinical trial design

Mechanism of action:

The Kadcyla® antibody-drug conjugate is primarily composed of (1) humanized IgG1 antibody Trastuzumab, (2) N-succinimidyl-4-(N-maleimidomethyl)cyclohexane-1-carboxylate (SMCC) linker, and (3) microtubule polymerization inhibitor DM1. Its mechanism of action utilizes the antibody binding to HER2 receptors on cancer cells, entering HER2-positive breast cancer cells through endocytosis, where DM1 is released within the cell, inhibiting cellular microtubule polymerization, causing cancer cell death. Antibody-drug conjugates possess both the high specificity of antibody drugs and the activity of small molecule anticancer drugs, which, compared to traditional chemotherapy drugs, can avoid killing normal tissue cells. Our company's TSY-110 has demonstrated a very high degree of similarity to Kadcyla® in all three components: the ADC molecule itself, the antibody drug, and the small molecule cytotoxic drug.

TSY-310 Bispecific ADC New Drug

Although the epidermal growth factor receptor (EGFR) is a clinically validated therapeutic target that is highly expressed in multiple solid tumors, including lung cancer and triple-negative breast cancer, the clinical efficacy of EGFR-targeted therapies is often limited by intratumoral heterogeneity and acquired drug resistance. For example, current EGFR treatment regimens (TKI small molecule inhibitors, monospecific or bispecific antibodies) generally face resistance issues; while existing ROR1-related drugs have shown progress in hematologic malignancies, their efficacy in solid tumors remains relatively limited.

TSY-310 is a novel bispecific EGFR×ROR1 nanobody-Fc fusion Antibody-Drug Conjugate (BsADC), designed to overcome the aforementioned challenges by simultaneously targeting EGFR and receptor tyrosine kinase-like orphan receptor 1 (ROR1). TSY-310 is positioned for patients with solid tumors who are unresponsive to EGFR-targeted therapy or with high ROR1 expression. It has demonstrated significant tumor regression in multiple NSCLC PDX animal models representing different EGFR and ROR1 expression levels, and there are currently no EGFR/ROR bispecific antibodies or their ADC drugs available on the market. After in-licensing from Almac Discovery in 2025, the Company has commissioned EirGenix Inc. for cell line development and process development and

scale-up of protein intermediates, and has commissioned Formosa Laboratories, Inc. for chemical process development and scale-up. Non-clinical pharmacology and toxicology studies are expected to commence in the second half of 2026.

APNT® nanoparticle formulation platform

The APNT® nanoparticle formulation technology platform uses patented grinding technology to configure drugs into nano-sized particles, which can improve the dissolution rate of poorly water-soluble drugs, enhance drug bioavailability, reduce heavy metal contamination, and eliminate concerns about organic solvent residues, thereby reducing drug dosage and the probability of side effects.

(3)Research and development expenses invested in the most recent fiscal year and up to the annual report printing date

Unit: NT$1,000; %

Year	2024	2025
Research and development expenses	225,998	121,379
Operating Revenue	143,356	9,495
Research and development expense ratio (%)	157.65	1278.35

(4) Successfully developed technologies or products

In 2024, the Company obtained U.S. marketing approval for APP13007 nanoparticle suspension eye drops. Below is a brief description of the development progress and research results of products under development that have entered the clinical stage in the past five years:

Research and Development Products	Development progress	Research results
APP13007 Nanoparticle suspension eye drops	U.S. marketing approval has been obtained.	1.Grand Pharmaceutical Group Limited has completed its Phase III clinical trial in China in November 2024, with results meeting the target endpoints. 2.The number of approved patents continues to increase across various countries. 3.Drug approval applications have been submitted in Canada, Switzerland, Taiwan, Saudi Arabia, Israel, South Africa, and Chile.
TSY-110 Biosimilar	Pre-clinical discussion meeting has been completed.	1. Scientific advisory meetings with the EU EMA and FDA BPD Type 2 meetings have been completed, receiving positive feedback. 2. Integrating feedback from the EU EMA and U.S. Food and Drug Administration regulatory agencies, a PK/BE clinical plan is currently being developed.

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

(1) Company Short-term Plans

A. Marketing Strategy

(A) Strengthen the sales promotion of APP13007 nanoparticle suspension eye drops in the United States, accelerate the drug registration application process in countries and regions where licensing agreements have been signed, and continue to expand new outbound licensing agreements to increase market coverage and create economic value for the drug.

(B) Actively introduce the research and development progress of TSY-110 ADC biosimilar through participation in domestic and international biotech exhibitions and partnering meetings, establish networks with internationally renowned pharmaceutical companies, seek collaboration partners, and execute outbound licensing.

(C) Working closely with co-development partner EirGenix, Inc. to proactively seek highly interested and capable global or regional biosimilar companies for TSY-110 to negotiate cooperation terms such as development cost sharing and future profit sharing, and to execute out-licensing agreements.

(D) Actively participating in various BIO partnering conferences, CPhI exhibitions, and other events to seek opportunities to showcase the Company's image, R&D capabilities, and pipeline products, and to create opportunities for early-stage out-licensing, contract APNT formulation development, co-development, and other collaborations.

B. Research and Development Aspect

(A) Focus on deepening the APNT® nanoparticle formulation platform and applying it to the development of proprietary drug projects.

(B) Based on unmet medical needs and market trends, the Company will expand the indications or application scope of existing products, such as APP13007.

(C) Through the APNT® technology platform and collaborative partnerships, the Company co-develops drugs with partner companies to mitigate and diversify development risks.

(D) Continuously advancing the R&D of TSY-310, completing CMC studies, scale-up manufacturing, preclinical pharmaceutical studies, and IND documentation preparation as early as possible.

C. Production Aspect

(A) Commissioning professional pharmaceutical manufacturers in Taiwan for production, focusing on cost structure and improving production efficiency, while collaborating with other biotech companies to create value for Taiwan's biotechnology industry.

(B) Strictly implement quality control.

(2) Long-term Business Development Plans

The Company has adopted a Double A R&D strategy focused on APNT® and ADC, capitalizing on business opportunities in small molecule improved new drugs, ADC biosimilars, and ADC innovative drugs. By leveraging different drug development models with varying development cycles, the Company aims to establish short-, medium-, and long-term revenue support and development goals while balancing the risks associated with new drug development.

In terms of the application of the APNT® nanoparticle formulation platform, this platform has been successfully demonstrated to overcome challenges in the formulation development of poorly water-soluble drugs, enhancing drug efficacy, reducing side effects, and expanding clinical applications to provide patients with more convenient, effective, and safe treatments. As a result, APNT® technology has attracted the interest of several domestic and international research institutions and biopharmaceutical companies, who have commissioned the development of APNT formulations. Through strategic in-licensing or co-development project models, the Company aims to expand its product portfolio, continuously enhance corporate value, and ensure sustainable business operations.

In terms of ADC development, the Company leverages its long-standing and stable collaborative relationships with EirGenix Inc. and Formosa Laboratories, Inc. to develop ADC biosimilars and ADC innovative drugs. Benefiting from the regulatory relaxation for biosimilars, ADC biosimilars are expected to be submitted for approval upon completion of PK/BE trials, significantly reducing development costs and time, while also attracting potential commercial partners to consider early participation. ADC innovative drugs have been an actively pursued therapeutic category by many major pharmaceutical companies in recent years, often presenting opportunities for global licensing and substantial upfront payments and milestone considerations even in early clinical or pre-clinical stages.

While adhering to relevant regulations and regulatory requirements, the company is planning a roadmap to enter the capital market and build a strengthened capital structure to lay the foundation for long-term development. At the same time, we will out-license our research and development outcomes at appropriate R&D stages. These two sources of funding will accelerate our research and development progress, allowing us to focus on long-term development without concerns about financial constraints.

(3) Long and Short-term Business Model Planning

Our company focuses on preclinical and clinical stage drug development, advancing candidate drugs into human clinical trials to verify their safety and efficacy. At appropriate times, we collaborate with domestic and international pharmaceutical companies through co-development, out-licensing, or technology transfer to obtain marketing authorization for these drugs. Our licensing partners are responsible for drug sales, while the company is responsible for drug supply, effectively achieving the strategy of manufacturing at domestic CMO pharmaceutical factories to supply the global market. After out-licensing our products, the company will continue to communicate and discuss product development, commercialization, market access, product promotion, post-marketing clinical requirements, and other needs with our licensing partners through video conferences and emails. This ongoing support helps our

licensing partners successfully complete development and facilitate product launch and promotion in the licensed territories. Taking APP13007 as an example, the Company has completed out-licensing agreements in nearly 90 countries, with 7 countries completing the submission of drug registration dossiers, while actively planning supply arrangements and advancing commercialization with customers in the United States and Canada.

The next phase will focus on out-licensing for ADC biosimilars. The Company has begun introducing the TSY-110 product to international biologics and biosimilar companies, seeking global or regional licensing opportunities.

(4) For successfully developed products, please explain the commercialization model and expected timeline:

APP13007 was submitted to the U.S. Food and Drug Administration for New Drug Application (NDA) approval in May 2023, successfully obtained U.S. drug approval in March 2024, and was first commercially launched in September 2024 by the former licensing partner Eyenovia, Inc. Due to unexpected financial difficulties encountered by Eyenovia at the end of 2024, the company was unable to continue promoting and selling the product. After negotiations with multiple potential licensing partners by our company's team, Harrow, Inc. (NASDAQ: HROW; hereinafter referred to as Harrow), a U.S.-listed ophthalmic drug development and commercialization company, signed an exclusive licensing agreement for the U.S. territory with us in June 2025. Harrow is a leading ophthalmic pharmaceutical company in North America, possessing the largest ophthalmic product portfolio in the United States and a scalable commercialization platform covering therapeutics for dry eye disease, retinal diseases, ophthalmic surgery, and other areas, serving more than 15,000 eye care professionals. Harrow plans to launch BYQLOVI in the first quarter of 2026, leveraging its existing sales force to highlight its clinical advantages as the first new potent corticosteroid in 15 years: requiring only twice-daily dosing with a low risk of elevated intraocular pressure. The marketing strategy adopts a "beachhead" phased approach, initially targeting current branded drug and high-priced generic drug users, and subsequently replacing traditional drugs that have complex treatment regimens. To overcome price barriers, Harrow will encourage physicians and patients to adopt this innovative branded drug through its "Access for All" program to accelerate market penetration.

In the Mainland China, Hong Kong, and Macau markets, following the completion of the Phase II clinical trial in 2021, the Company licensed the development rights for this region to Grand Pharmaceutical Group Limited (hereinafter referred to as Grand Pharmaceutical), which took the lead in conducting the Phase III clinical trial and applying for drug approval. The Phase III clinical trial began enrollment in Q4 2023 and successfully completed the unblinding in Q4 2024, once again confirming the outstanding therapeutic efficacy of APP13007. Grand Pharmaceutical is one of the leading ophthalmic pharmaceutical companies in Mainland China, with nearly 30 ophthalmic products and multiple innovative ophthalmic drugs recently approved in the United States introduced through licensing. After APP13007 obtains regulatory approval in China, Grand

Pharmaceutical plans to apply for inclusion of APP13007 in China's medical insurance system, compete for national and provincial public and private hospital tenders, and complete hospital formulary listings to gain market share.

The European Union market is also an important market for global ophthalmic innovation, with a high prevalence of ophthalmic surgeries. With the aging population, the number of cataract surgeries alone in the EU region exceeds 5 million per year. The company is collaborating with Adalvo, DÁVI, and Medvisis in this region to compete for entry into the top three ophthalmic drug markets.

As of February 2026, the Company has completed drug approval application submissions in Canada, Switzerland, Taiwan, Saudi Arabia, Israel, South Africa, and Chile, and expects that some of these countries will successfully obtain drug approvals within 2026. Over the next one to two years, the Company's team will continue to work with licensing partners in various regions to complete registration processes in other countries, striving for early commercialization and market launch.

2. Market and Production/Sales Overview

(1) Market Analysis

(1) Main Product (Service) Sales Regions

The major global pharmaceutical markets each have different characteristics. Given the varying attributes of each market region, the Company's target markets will license out our main products in appropriate ways according to each market's characteristics, drug pricing, and drug insurance reimbursement mechanisms to ensure profitability after market launch.

Regarding the post-ophthalmic surgery medication APP13007 nanosuspension eye drops, based on market information provided by our global partners, the combined estimated number of cataract patients in licensed territories is approximately 234 million, with over 30 million cataract surgeries performed annually. The current global market for single-agent ophthalmic steroids is estimated at approximately USD 1.38 billion.

The United States is the world's largest single market. According to statistical data provided by partner Harrow, there are approximately 7.5 million or more ophthalmic surgeries performed annually in the United States, of which approximately 5 million are cataract surgeries, while LASIK, refractive surgeries, advanced glaucoma, retinal surgeries, and others account for 40%. Nearly 100% of patients receive the same eye treatment regimen, including steroid eye drops and antibiotic eye drops or a combination of both, with end-distribution sales amounting to approximately $1.05 billion. The second largest market is China, where the market size is currently about $100 million due to the rapid popularization of cataract surgeries and myopia surgeries.

The target market for TSY-110 ADC biosimilar is the HER2-positive breast cancer market. According to a specialized report on HER2-positive breast cancer by GlobalData, in the 8 major pharmaceutical countries (United States, five Western European countries including UK, France, Germany, Italy, Spain, Japan, and China), there were approximately 145,000 cases of early-stage HER2+ breast cancer patients and about 120,000 cases of

metastatic breast cancer patients at different stages in 2021. The estimated compound annual growth rate for HER2+ breast cancer patients and the market size of HER2+ breast cancer drugs is approximately 1.5%. Following the success of Herceptin, Roche continued to launch biological drug products in the HER2 breast cancer market, including Perjeta (pertuzumab), Herceptin subcutaneous injection, Phesgo (trastuzumab+pertuzumab subcutaneous injection), and the ADC drug Kadcyla® (T-DM1, Trastuzumab Emtansine) to meet various treatment options and needs for HER2+ breast cancer treatment, and has achieved an extremely high market share. As Roche's only second-line biological treatment in this field, Kadcyla® has a stable market size supported by the product portfolio formed together with other products.

(2) Market Share

APP13007 nanosuspension eye drops received U.S. drug approval in March 2024. Although the product was sold in the U.S. market from September to November 2024, promotion was temporarily suspended and the product was withdrawn from the market due to financial difficulties encountered by the licensee Eyenovia. Harrow is currently planning to launch a trial sale in Q1 2026 and re-enter the market in Q2 2026. Therefore, the product is still in the pre-launch and promotional preparation stage, and no market share analysis data is yet available.

(3) Supply and demand and growth potential of the market in the future

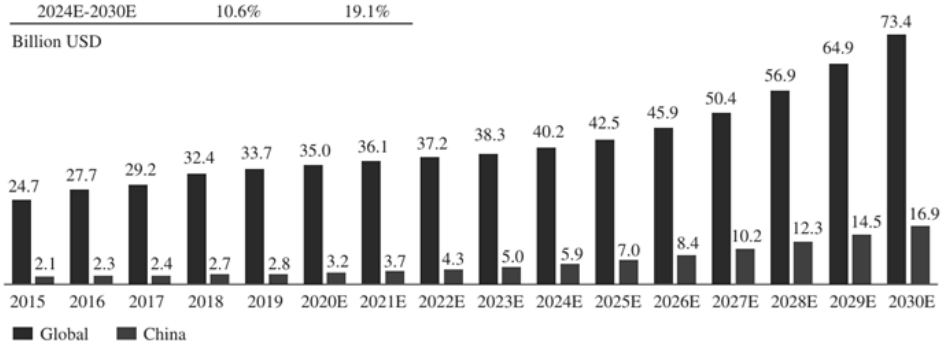
The rapid development of technology, increased eye usage by modern people, changing lifestyle habits, and the trend toward an aging society have led to the yearly growth of both the eye medication and cancer markets.

APP13007: Eye Medication Market/Ophthalmic Surgery Market

According to statistics from Frost & Sullivan, the global ophthalmic disease treatment

Global and China Ophthalmic Pharmaceutical Market, 2015-2030E

CAGR	Global	China
2015-2019	8.0%	8.0%
2019-2024E	3.6%	16.0%
2024E-2030E	10.6%	19.1%



market reached $33.7 billion in 2019, and is estimated to rapidly grow to $73.4 billion by 2030.

TSY-110: HER2 Positive Breast Cancer Market

TSY-110 is a biosimilar of Kadcyla®, and is expected to be launched in the European and American markets in 2032. According to Roche's 2024 annual report, Kadcyla®'s global sales reached approximately $2.2 billion. In August 2023, pharmaceutical company Seagen announced the successful completion of a Phase III clinical trial combining its targeted drug Tukysa® with Kadcyla® for the treatment of HER2-positive breast cancer with brain metastases. This enables Kadcyla® to be more widely used in cases of breast cancer with brain metastases in the future, strengthening Kadcyla®'s market position. In addition, Roche also released in 2023 the 7-year follow-up results of the KATHERINE trial (Kadcyla Phase 3 clinical trial for early-stage breast cancer), which showed that overall survival (OS) and invasive disease-free survival (iDFS) were superior to Herceptin, with a lower incidence of serious adverse events, demonstrating the benefits of Kadcyla treatment.

According to a 2025 Deutsche Bank research report, given the clinical success of Daiichi Sankyo's HER2-positive ADC drug Enhertu in early-stage breast cancer and first-line treatment of metastatic breast cancer, it may pose comprehensive competition to Roche's HER2+ product portfolio, and Kadcyla's revenue growth may face stagnation or decline in the future. Revenue is estimated to be approximately USD 1.1 billion around the time of TSY-110's target launch in 2029. However, due to the high manufacturing threshold for biosimilars of this drug and the absence of competitors with the same precision in biosimilar development as our company, the drug is expected to maintain stable revenue, with revenue projected to remain above USD 800 million in 2034, 20 years after its market launch.

(4) Competitive Advantage

A. Proprietary research and development technology with multiple patents

Our R&D team has many years of experience in new drug development, and the successful experience of completing Phase 3 clinical trials and obtaining U.S. drug approval represents a valuable asset and competitive advantage for our company.

Our proprietary APNT® formulation technology and its derived formulations are protected by multiple patents in various countries, securing our research and development achievements and ensuring the company's ability for sustainable operations. After the drugs developed using this technology are launched, we can also effectively protect the technology and ensure sufficient market exclusivity for our products in various regions through global patent family planning and licensing.

B. Insight into drug development trends, precise topic selection

Our company's core members have previously worked in major US pharmaceutical companies and biotech firms, and many team members also have experience working in Taiwan's leading local pharmaceutical companies. They possess extensive experience spanning innovative drugs, improved new drugs, generic drugs, and biosimilars, along with strong information gathering capabilities. Our company's topic selection has market strategy, focusing on areas with unmet medical needs, using development paths with higher R&D success rates and shorter development timelines to effectively reduce the uncertainties in development costs and timeframes in drug development.

For example, the unique selection of ADC biosimilar candidates, combined with high manufacturing barriers, makes it difficult for other biosimilar developers to enter the field. Additionally, biosimilars can rapidly capture market share from the originator drug after launch at a lower cost. Furthermore, our company precisely capitalizes on the trend of regulatory relaxation for biosimilars in clinical requirements by U.S. and European regulatory authorities. We will actively seek exemptions from Phase 3 clinical trials to expedite qualification for submissions in the U.S. and Europe, significantly reduce clinical expenditures, and secure more favorable licensing terms with commercial partners.

Furthermore, through comprehensive and efficient business development capabilities, the company actively participates in major biotech exhibitions and matchmaking events, proactively establishes relationships with potential partners, and keeps abreast of precise market trends corresponding to the new drugs under development.

C. Master production technology, possess integrated supply chain capabilities

Our company team has extensive experience in formulation development and CMC process development, which is integrated into our proprietary formulation technology. Regarding process scale-up and GMP-level manufacturing, the company contracts Taiwan's international-level CDMOs or CMOs with outstanding capacity and quality to produce our products, controlling the production costs and quality of new drugs. This ensures that the new drugs we develop can meet the needs of various partners in different markets with varying competitive environments, while also protecting our technology from leakage and integrating the supply chain so that Taiwan can receive orders and market globally.

D. Effectively utilize alliances to overcome overseas clinical research and regulatory barriers

Our company is adept at utilizing various resources and strategic partnerships, as well as joint development approaches, to gain the support of key partners at the right time to overcome challenges in overseas new drug development. The overseas markets led by Europe and the United States often provide more incentives than the Taiwanese market in terms of market size, government support for new drugs, or post-market drug pricing. However, different countries have different regulatory requirements or considerations, and there are also variations in clinical costs and the ability to rapidly recruit patients for trials. Our company is skilled at forming alliances with local drug development organizations or pharmaceutical companies, leveraging their local connections and regulatory understanding to systematically overcome various barriers in clinical development and regulatory registration.

E. Drug development projects have diversity and multiple collaboration models

The company's R&D projects include innovative drugs, 505(b)(2) new drugs, drug repurposing, ADC biosimilars, and ADC innovative drugs, encompassing those derived from proprietary technologies, technology transfers from affiliated companies, joint developments led by the company, and joint developments led by partners. Diversity helps diversify development risks and allows us to capture the benefits from future licensing or commercialization of multiple new drugs, helping the company obtain future revenue-generating opportunities with lower risk or reasonable investment costs.

(5) Favorable and Unfavorable Factors for Development Prospects and Response Strategies

A. Favorable Factors

(A) Our proprietary technology has versatility and unique advantages

Our company's APNT® nanoparticle formulation platform is a proprietary drug nanomilling technology platform with patents granted in multiple countries. It is applied to the milling and formulation development of drugs with poorly soluble active pharmaceutical ingredients. It is a composite technology that integrates drug particle size reduction and formulation development by using salts and sugars as milling media and as the base formulation. The currently validated routes of administration and dosage forms include dermatological topical medications, ophthalmic formulations, inhalants, and oral medications; the types of drugs tested include neurological, analgesic, antiallergic, antifungal, antiviral, antibiotic, steroid, gastrointestinal, oncology, and respiratory medications, etc. Suspension formulations using APNT® nanoparticle formulation technology can be filter-sterilized to achieve sterile formulation requirements, greatly simplifying the production process and costs, and avoiding the problem of foreign material contamination that occurs with traditional milling methods. The drug particles produced by APNT® nanoparticle formulation technology have very uniform particle size and good dispersibility, and the suspension can be directly sterilized through sterile filtration. Currently, the Phase 3 clinical trial in the United States for APP13007 nano-suspension eye drops developed through APNT® nanoparticle formulation technology has been successfully unblinded, confirming the proof of concept for this technology. This is expected to encourage other pharmaceutical companies to incorporate APNT® nanoparticle formulation technology into their research and development projects for co-development, thereby gradually increasing our company's R&D projects and generating revenue.

Our company's ADC development projects include both biosimilars and innovative drugs. Leveraging our R&D team's extensive experience in new drug development and project management, combined with EirGenix Inc.'s outstanding capabilities in large molecule drug research and manufacturing and Formosa Laboratories, Inc.'s comprehensive and professional ADC CDMO expertise, we have established a solid foundation for the development of these complex, high-barrier drug candidates.

(B)Patent Intellectual Property and Core Technology Protection

Our company has currently obtained 140 patents globally for the APNT® nanoparticle formulation technology platform and APP13007 nanoparticle suspension eye drops, covering major countries with pharmaceutical R&D capabilities and major global pharmaceutical markets. This will ensure the company's commercial interests are protected from third-party infringement, and also guarantee that the company and licensed partners can exclusively enjoy market benefits within their respective market regions. In addition, the formulations developed using the APNT® nanoparticle formulation technology platform have unique characteristics that can support each APNT® nanoparticle formulation in applying for independent formulation patents, helping new drugs strengthen their patent protection and extend their patent lifespan.

(C)Aligned with Domestic Industrial Policy Direction

The biotechnology industry has become an important technology sector where governments worldwide are investing substantial resources. In 1995, the Executive Yuan approved the "Promotion Program For Biotechnology Industry," which serves as an important guiding principle for promoting the development of Taiwan's biotechnology industry. In 2002, the biotechnology industry was further designated as one of the "Twin Stars" in the "Challenge 2008: National Development Plan" Two-Trillion Twin-Star Industries project, with full effort dedicated to promoting industrial development. Our company has also been approved and recognized as a biotech pharmaceutical company under the "Act for the Development of Biotech and Pharmaceutical Industry," entitling us to relevant incentive measures. Additionally, both APP13007 nanoparticle suspension eye drops and TSY-110 ADC biosimilar are produced and filled locally in Taiwan. In the future, as sales and production volumes increase, this is expected to create value for Taiwanese manufacturers in the production supply chain, thereby promoting industrial development. Furthermore, the localized supply chain can also enhance the company's supply capability assurance.

(D)Leading Projects with Multiple Disease Treatment Potential and Unique Market Niches

Traditionally, ophthalmic corticosteroids have also been widely used in various inflammatory acute and chronic pain conditions beyond surgery, including uveitis, allergic conjunctivitis, dry eye syndrome, and lid margin inflammation. Following the successful unblinding of APP13007 nanoparticle suspension eye drops for post-ophthalmic surgery anti-inflammation and pain relief, which demonstrated potential superior efficacy and safety compared to traditional corticosteroids, we now have a U.S. partner collaborating with us to develop applications for dry eye syndrome. Additionally, in regions outside the U.S. market, there have been few new corticosteroid eye drops launched in the past 20 years. APP13007 nanoparticle suspension eye drops have attracted attention and proactive inquiries from specialty pharmaceutical companies in these markets, who hope to enhance their competitiveness by acquiring innovative products.

B. Unfavorable Factors

(A)Drug development is a lengthy process with high risk of clinical trial failure.

Drug development requires an average of more than 10 years of development time, from preclinical research to various phases of human clinical trials, all of which require significant human and material resources. However, the success of clinical trials often involves high uncertainty, which significantly impacts the timeline for new drug launches and commercialization outcomes. Therefore, managing development risks is a major challenge for sustainable growth and development of pharmaceutical companies.

Response Strategy

a.Our company's APNT® nanoparticle formulation technology platform can enhance drug performance in terms of pharmacokinetics and bioavailability by modifying drug particle size, helping innovative drugs overcome formulation

development challenges. For drug repurposing or improved new drugs, pathways such as the U.S. 505(b)(2) NDA or similar application routes can be utilized. Through these expedited regulatory pathways, development timelines for new drugs can be shortened and development risks can be reduced.

b. The APP13007 nanoparticle suspension eye drops developed by the company through the APNT® nanoparticle formulation technology platform have completed and passed clinical trial phases and have been submitted for New Drug Application (NDA). The development risks and uncertainties for this product have been significantly reduced for the future.

c. Through the successful development of APP13007 nanoparticle suspension eye drops, we have validated the druggability, quality, and mass production feasibility of the APNT® nanoparticle formulation technology platform. Our company will also seek collaborative development opportunities with other biotechnology and pharmaceutical companies using the APNT® nanoparticle formulation technology platform, establishing long-term partnerships to enrich future research and development projects, and reducing the potential failure risks of independent R&D investments.

d. The company's TSY-110 ADC biosimilar adopts a collaborative development strategy, co-investing with EirGenix, Inc. and sharing future licensing benefits to reduce drug development costs and share the risks involved. The current development strategy for TSY-110 is to initiate licensing discussions with global and regional potential partners simultaneously while preparing for consultation meetings with the U.S. FDA and EMA. The plan is for the licensee to lead the regulatory submission following the successful completion of PK/BE clinical trials, as well as to manage patent litigation with the originator. Through professional division of labor and a relay-based collaborative development model, development risks are further mitigated.

e. During the research and development process and clinical design, the company closely consults with and confirms plans with drug regulatory authorities, while also integrating horizontally through outsourcing to external partners such as CMOs (Contract Manufacturing Organizations) and CROs (Contract Research Organizations). We control costs while complying with regulations and shortening development timelines.

(B) Market trends and competitive environment for products have uncertain risks

In addition to overcoming challenges in drug research technology and therapeutic efficacy, drug development companies must assess commercial viability and marketability from the early development stages. They also need to closely monitor competitors' R&D progress and market trends, such as regulatory changes, shifting market demands, technological iterations, or serious adverse events with similar products, all of which can impact the value of new drugs. Therefore, properly evaluating and keeping track of market information is also a crucial issue.

Response Strategy

Development targets through the APNT® nanoparticle formulation technology platform must all pass internal assessment to confirm that the improvements address specific needs and market potential. By developing multiple administration routes, we avoid being limited to a single administration route or single indication market issue.

Given the trend of governments worldwide promoting biosimilars to reduce original drug prices, and the high production threshold for ADC biosimilars—requiring capabilities in both biological preparations and high-activity manufacturing facilities—most biopharmaceutical companies cannot participate in the competition for Kadcyla® biosimilar development, which blocks other competitors. TSY-110 ADC biosimilar has the potential to become the first Antibody-Drug Conjugate (ADC) biosimilar to be launched in Europe and the United States, thereby ensuring the acquisition of market share for the drug.

(2) Major products' important applications and production processes

(1) Important applications of major products

APP13007 Nanoparticle suspension eye drops

The main ingredient of APP13007 nanoparticle suspension eye drops is Clobetasol propionate, a first-class ultra-potent steroid with extremely strong anti-inflammatory capabilities. It can induce the synthesis of anti-inflammatory factors and inhibit the synthesis of pro-inflammatory factors to help post-operative inflamed eye tissues, thereby achieving anti-inflammatory and pain-relieving effects. This active ingredient has accumulated many years of clinical experience in dermatology treatment. Despite its excellent anti-inflammatory and analgesic effects, its use has been limited to dermatological topical applications due to its low water solubility. The innovative eye drop formulation allows patients who have undergone eye surgeries such as cataract surgery to use it post-operatively, effectively alleviating discomfort caused by inflammation or pain after surgery, and accelerating their recovery period to normal activities.

TSY-110 ADC Biosimilar

Breast cancer can be broadly classified into HER2 (human epidermal growth factor receptor 2) positive over-expressed (HER2+ over-expressed) and negative expression (HER2-) types. While HER2 is commonly found in all types of cells and promotes cell growth, HER2-positive expression cells carry excessive HER2 protein, causing cancer cells to receive too many growth signals, leading to accelerated cancer cell growth and division. The TSY-110 ADC biosimilar targets these HER2 over-expressing breast cancer cells by using antibodies to bind with HER2 on the cell surface. After internalization, lysosomes degrade and separate the high-activity molecules from the antibody inside the cell. In the second phase, through the mechanism of the high-activity molecules, they bind with microtubules to inhibit cell division, arresting the cell cycle of breast cancer cells and ultimately causing cancer cell death.

TSY-310 Bispecific ADC New Drug

TSY-310 is a novel bispecific EGFR×ROR1 nanobody-Fc fusion Antibody-Drug Conjugate (BsADC) designed to simultaneously target EGFR and receptor tyrosine kinase-like orphan receptor 1 (ROR1), conjugated with a linker-payload to overcome intratumoral heterogeneity and acquired drug resistance, and to enhance therapeutic efficacy through the bystander effect.

(2) Production Process

The Company focuses on drug development in therapeutic areas such as ophthalmology, oncology, and anti-infective treatments at the preclinical and clinical stages. Our main product lines include both large and small molecule drugs. Since the capital expenditure required to establish our own facilities that comply with current Good Manufacturing Practice (cGMP) standards is substantial, the Company has not built its own manufacturing plants. The Company maintains its core technical know-how and contracts with cGMP-compliant Taiwanese pharmaceutical manufacturers (CMO, Contract Manufacturing Organization) for production, in order to balance production economies of scale while complying with international regulatory quality standards.

(3) Supply Status of Main Raw Materials:

The active pharmaceutical ingredient of APP13007 nanoparticle suspension eye drops is sourced from a European pharmaceutical manufacturer. For the TSY-110 ADC biosimilar, the antibody is provided by EirGenix, Inc., while the chemical drug (DM1) is sourced from an Asian pharmaceutical manufacturer. All relevant suppliers comply with PIC/S GMP standards.

(4) Names of customers accounting for more than 10% of total purchases (sales) in any of the last two years, their purchase (sales) amounts and proportions, and explanation of the reasons for any changes

(1) Names of suppliers accounting for more than 10% of total purchases in any of the last two years, their purchase amounts and proportions, and explanation of the reasons for any changes

Unit: NT$ thousand; %

	2024				2025			
Item	Name	Amount	Percentage of annual net purchases (%)	Relationship with the Issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the Issuer
Purchase	Formosa Laboratories, Inc.	3,057	100%	Parent company	Formosa Laboratories, Inc.	3,365	100%	Parent company

The Company's product was launched in the United States in September 2024, so there were purchases of semi-finished products in 2024.

(2) Names of customers who accounted for 10% or more of total sales in any of the past two years, along with their sales amounts and percentages, and explanation for changes

Unit: NT$ thousand; %

Item	2024 (Audited)				2025 (Audited)			
	Company name	Amount	Percentage of annual net sales (%)	Relationship with the Issuer	Company name	Amount	Percentage of annual net sales (%)	Relationship with the Issuer
1.	Company A	135,621	94.60	None	Company A	0	0.00	None
2.	Company B	7,164	5.00	None	Company B	3,226	33.98	None
3.	Company C	0	0.00	None	Company C	4,764	50.17	None
4.	Company D	0	0.00	None	Company D	911	9.59	None
5.	Others	571	0.40	None	Others	594	6.26	None
	Net revenue	143,356	100.00		Net revenue	9,495	100.00	

Reason for increase or decrease: The revenue for 2024 mainly comes from licensing income, with no significant abnormalities.

3. Workplace Diversity and Gender Equality

(1) Our company is committed to providing employees with a dignified and safe working environment. We implement diversity in hiring, fairness in compensation and promotion opportunities, and ensure that employees are not subjected to discrimination, harassment, or unequal treatment on the basis of race, gender, sexual orientation, religious belief, age, political affiliation, place of birth, disability, or any other status protected by applicable laws and regulations.

(2) Employee Ethnicity Indicators

Category	Percentage of Total Employees (%)	Percentage of Managerial Positions (%)
Republic of China (ROC) Nationals	95.24	85.71
Foreign Nationals	4.76	14.29
Indigenous People	0.00	0.00

(3) Female Diversity Indicators

Indicator	Percentage (%)
Female Percentage of Total Employees	52.38
Female Percentage of Managerial Positions	28.57
Female Employees in STEM (R&D) Related Positions	58.33

(4) Employee information for the past two years and up to the printing date of the annual report

Unit: person; age; year; %

Year		2024	2025	As of March 31, 2026
Number of Employees	President	1	1	1
	Technical and R&D personnel	11	12	14
	Management and other personnel	7	8	8
	Subtotal	19	21	23
Average Age		40.41	41.51	42.27
Average Years of Service		3.45	3.34	3.28
Education distribution ratio (%)	Doctoral Degree	21.05	23.81	21.74
	Master's Degree	52.63	57.14	60.87
	College/University Degree	26.32	19.05	17.39
	High School	0.00	0.00	0.00
	Below High School	0.00	0.00	0.00

(5) Pay Equity:

The Company has established a "Remuneration Committee" to provide employees with competitive remuneration, and uses a transparent and equitable remuneration policy to return business performance results to employees. For entry-level specialists in the same job category, the compensation upon hiring is identical. For personnel with relevant professional expertise and work experience, compensation is determined based on the candidate's educational background, work experience, specializations, and certifications, with no differentiation based on gender or ethnicity.

Regarding the Company's male-to-female compensation ratio in 2025, there is no significant difference in the annual compensation ratio between female and male employees, whether in managerial or general positions.

Annual Remuneration Ratio (Female/Male Ratio) (Note 1)		2025 (%)
Managerial Position	Monthly Salary "Mean"	85
	Monthly Salary "Median"	84
General Personnel	Monthly Salary "Mean"	114
	Monthly Salary "Median"	103

Note 1: Excluding foreign executives

4. Environmental Protection Expenditure Information

(1) According to legal requirements, if the company is required to apply for pollution facility installation permits or pollution discharge permits, pay pollution prevention fees, or establish dedicated environmental protection units or personnel, the status of such applications, payments, or establishments shall be explained: None.

(2) The company's investments in major equipment for preventing environmental pollution, their purposes, and potential benefits: None.

(3) Over the past two years and up to the printing date of the annual report, the company's efforts to improve environmental pollution: None.

(4) Over the past two years and up to the printing date of the annual report, losses suffered by the company due to environmental pollution (including compensation and violations of environmental regulations as a result of environmental protection inspections, which should specify the date of penalty, penalty reference number, violated regulation provisions, content of violation, and penalty content), and disclosure of current and future possible estimated amounts and countermeasures; if reasonable estimation cannot be made, the facts regarding why such estimation cannot be reasonably made should be explained: None.

(5) The current pollution status and its improvement impact on the company's profits, competitive position, and capital expenditure, as well as significant environmental protection capital expenditures expected in the next two years: None.

5. Labor Relations

(1) The company's various employee welfare measures, continuing education, training, retirement system and their implementation status, as well as agreements between labor and management and measures to safeguard employee rights:

1. Welfare measures: In addition to providing employees with basic protection through labor insurance and health insurance, the company also provides group insurance for employees. Employee benefits include three major holiday bonuses, birthday gifts, wedding gifts, funeral condolence payments, birthday parties, family day, and employee activity subsidies. The company has also established a music and reading room and provides freshly ground coffee and snacks, creating a relaxing and stress-free work environment for employees. Regarding health management, the company provides subsidies for periodic employee health examinations. Employees may choose from the company's contracted health examination centers or select other health examination centers on their own, in order to meet their individual needs. In addition to year-end bonuses, employee compensation packages also include employee stock options, employee stock ownership trusts, and employee profit sharing after the company achieves profitability.

2. Employee continuing education and training: After new employees report for duty, the HR department is responsible for explaining the company profile, relevant procedures, introducing the environment, supervisors, and colleagues. In terms of professional abilities and work efficiency of current employees, employees can participate in various professional technical training and research courses based on different job functions and business needs after approval, to enhance their academic and technical skills in their respective positions for better achievement of tasks. At the same time, to foster employees' identification with the corporate culture and to establish an organizational

culture with common values, general education courses are also provided for employee continuing education.

3. Employee-Friendly Leave System: In addition to the employee benefits mentioned above, the Company has established an employee-friendly leave system that exceeds statutory requirements in order to maintain employees' physical and mental well-being. In addition to ensuring that employees may exercise their various leave and vacation rights in accordance with labor laws and regulations (e.g., Labor Standards Act, Act of Gender Equality in Employment, Workers' Leave Regulations, etc.), the Company may, depending on employees' needs to care for family members, allow employees to flexibly adjust their work start and end times within a one-hour range without changing their daily normal working hours. The Company also has a Work From Home (WFH) policy, which employees may apply to use according to their own needs. In addition, for employees who have children under the age of two and must personally breastfeed (or express milk), beyond the designated rest periods, the Company shall provide an additional sixty minutes of breastfeeding (or milk expression) time per day; for those whose extended working hours beyond normal daily working hours reach one hour or more, an additional thirty minutes of breastfeeding (or milk expression) time shall be granted. Breastfeeding (or milk expression) time shall be regarded as working time. Furthermore, to ensure that employees can care for their family members or children with peace of mind, the Company provides half-pay family care leave. Employees who have been employed for more than one year shall be entitled to an additional birthday leave (full pay) of one day per year.
4. Retirement System and Its Implementation: Regarding employee retirement benefits, the Company complies with the Labor Standards Act and the Labor Pension Act, and has established relevant retirement regulations. The Company contributes 6% of each employee's monthly salary to their individual account at the Bureau of Labor Insurance, and employees may voluntarily contribute an additional amount ranging from 0% to 6% of their monthly salary. As of the end of 2025, the total retirement fund contributions made by the Company amounted to NT$1,440 thousand; the number of employees making voluntary labor pension contributions was 3, accounting for 14% of the Company's total workforce.
5. Labor-management agreement and measures for protecting employee rights: The company holds regular quarterly labor-management meetings as a good channel for communicating opinions. Employee rights can be fairly and reasonably addressed through the above-mentioned channels. To date, the company has never experienced any incidents that damaged employee rights.

(2) In the most recent year and up to the printing date of the annual report, losses incurred due to labor-management disputes (including labor inspection results that violated the Labor Standards Act, which should specify the date of the penalty, the penalty reference number, the violated legal provisions, the content of the violation, and the content of the penalty), and disclosure of current and potential future estimated amounts and countermeasures; if reasonable estimation is not possible, the facts explaining why reasonable estimation is not possible should be disclosed:

Since its establishment, the company has always viewed employees as its most valuable assets, attaches great importance to the future development of employees, maintains harmonious labor-management relations, has not experienced any major labor disputes,

and has not been found to violate the Labor Standards Act in labor inspections.

(3) Employee work environment and protection measures for personal safety:

1. Facility Safety: The Company upholds the philosophy of sustainable operations and places emphasis on corporate social responsibility, continuously striving for environmental protection as well as employee safety and health. The Company has established "Occupational Safety and Health Work Rules" that set out safety management requirements for employees to follow.

2. Environmental Hygiene: The office environment and laboratories are entrusted to vendors for regular maintenance to ensure cleanliness; drinking water hygiene is ensured by regularly arranging vendors to deliver bottled water for employees.

3. Fire Safety: The Company's offices and laboratories are leased premises, and fire safety-related measures are implemented by the lessor in accordance with the Fire Services Act. A complete fire protection system has been installed, including alarm systems, fire water systems, evacuation systems, fire extinguishers, etc., along with a regular inspection and maintenance mechanism.

4. Health Examinations and Health Promotion: All new employees are required to submit a physical examination form. The Company provides health examination subsidy programs annually for general staff, managerial-level and above staff, and laboratory staff. An employee activity subsidy is also provided to encourage employees to participate in various activities during their leisure time (including: aerobics, road running, ball sports, social gatherings, music-related activities, etc.), so as to facilitate cross-departmental interaction and communication among colleagues outside the office.

5. Workplace Unlawful Infringement and Response Measures for the Prevention of Workplace Unlawful Infringement: In order to create a friendly, respectful, and equal work environment, the Company has established a dedicated channel for sexual harassment prevention, allowing employees to file gender equality complaints in a confidential manner. An employee mental health care platform has also been established to protect employees' workplace safety.

   (1) In 2025, the Company conducted hazard identification for the prevention of workplace unlawful infringement, with 0 sexual harassment cases and 0 bullying incidents recorded. Based on the nature and severity of the impact, and taking into account internal company regulations, past cases and lessons learned, and the rights and interests of affected parties, the Company provides response measures such as employee assistance programs and disciplinary actions.
   (2) Employee assistance programs including psychological counseling were provided, with 0 utilizations recorded in 2025.
   (3) Depending on the severity of the circumstances, varying degrees of disciplinary actions, including job reassignment and dismissal, are imposed on employees who engage in misconduct; the number of employees disciplined in 2025 was 0.
   (4) Awareness campaigns on "Office Safety and Management" and "Workplace Sexual Harassment" are strengthened to deter similar incidents from occurring, in collaboration with the legal affairs department.

6. Group Insurance: The Company enrolls every employee in group insurance. In the event of an occupational injury, employees are entitled to reasonable compensation from both labor insurance and group insurance, allowing employees to work without worry.

(4) Employee Turnover Rate:

The Company regularly reviews employee turnover, and the overall turnover rate has remained stable over the past two years. Regarding employee turnover, the primary factors behind departures are personal career planning, which represents normal industry mobility. The Company continues to enhance employee retention and organizational stability through comprehensive onboarding training, career development systems, and employee care initiatives.

Turnover Rate (%) / (Number of Persons)	2024	2025
Male	23.53% (2 persons)	10.53% (1 persons)
Female	22.22% (2 persons)	28.57% (3 persons)
Overall	22.86% (4 persons)	20.00% (4 persons)

(5) Employee Opinion Survey:

The Company conducted the "2025 Global Employee Opinion Survey" in February 2026 to understand employees' perspectives, and to engage in in-depth communication and develop improvement plans for significant issues. This employee opinion survey covered five dimensions: Career Development, Managerial Leadership and Communication, Compensation and Benefits, Corporate Culture, and Sustainability. The employee coverage rate was 85%. The Company will propose improvement plans targeting the dimensions with the lowest satisfaction scores, and will continue to conduct employee opinion surveys in the future, striving toward the goal of improving overall employee satisfaction.

Target Respondents	All Staff Members
Topics	Career Development, Managerial Leadership and Communication, Compensation and Benefits, Corporate Culture, and Sustainability
Number of Survey Participants	17 persons
Coverage	85%
Responsible Investigation Unit	Human Resources Department
Survey Frequency	Once a year
Survey Period	2025/1/1~2025/12/31
Survey Results	The overall employee satisfaction score for the company is 4.20 (minimum 1, maximum 5)
Improvement Plans	Based on the survey results, the improvement plans to enhance employee satisfaction in 2026 are as follows: 1. To improve the transparency of company policy-making, we will further strengthen the explanation of policy backgrounds and objectives, and enhance communication and feedback mechanisms, enabling employees to better understand the direction of policies and the basis for decisions, thereby continuously improving organizational transparency and the foundation of trust. In addition, we will strengthen announcements and promotions (such as regular reminders), so that employees can more clearly be aware of what company policies and procedures exist and where they can access relevant information. 2. To maintain the physical and mental well-being of colleagues, the company will continue to monitor the workload of each unit, assist departments in properly allocating resources through workforce configuration reviews and task priority

	management mechanisms, and encourage colleagues to make good use of flexible working hours and compensatory leave systems, in order to balance operational efficiency and work-life balance. 3. The company has established a clear job grade and performance evaluation framework, with overall operations running stably. Going forward, we will continue to strengthen the explanation of promotion criteria and development pathways, and through regular career development discussions, help colleagues better understand their personal development directions and key areas for capability improvement, in order to further enhance the transparency and predictability of the system.

6. Information Security Management

(1) Describe the information security risk management structure, information security policies, specific management programs, and resources invested in information security management

The company values information security risk management and has established clear operational guidelines as the basis for implementation. The company's information security management measures are as follows:

(1) Only administrators and authorized personnel are allowed to enter the areas where servers, network equipment, and other related equipment used for the information system platform architecture are located.

(2) Data storage and backup equipment, combined with disk array and redundancy design, enhance data protection and availability.

(3) The antivirus software control console manages client hardware and software information and status, regularly connecting to the manufacturer to update antivirus applications and signature files; clients regularly connect to the server for updates; this prevents the operating system from external threats such as viruses or malicious websites.

(4) System users are required to set passwords of 6-8 characters, which must comply with complexity principles.

(5)Backup schedules are established for data and systems, with regular restoration drills conducted to verify the integrity of data, systems, and storage media.

(2) List any losses, potential impacts, and response measures due to major information security incidents in the past two years and up to the printing date of the annual report. If a reasonable estimate cannot be made, the fact of inability to reasonably estimate should be explained: No such incidents have occurred.

7. Important Contracts

Contract Nature	Parties Involved	Contract Start and End Dates	Main Content	Restrictive Clauses
Joint Development Agreement	AimMax Therapeutics	September 1, 2017 - 25 years after market launch in various regions or the last effective claim period for sales in that region (whichever is later)	Joint Cooperation to Develop APP13007, Complete and Obtain US FDA Approval	Confidentiality Clause
	Contract Extension	Effective Date: November 9, 2021	Revision of Development Timeline and Partial Payment Terms	
	Supplementary Agreement One	Effective Date: October 1, 2022	Revision of Development Timeline and Partial Payment Terms and Amounts	
	Supplementary Agreement Two	Effective Date: August 22, 2023	Revision of Service Scope	
	Supplementary Agreement Three	Effective Date: November 1, 2023	Revision of Partial Payment Terms	
	Supplementary Agreement Four	Effective Date: March 11, 2025	Extension of Development Timeline and Addition of Service Scope and Amount	
Technology Transfer	Formosa Laboratories, Inc.	From August 17, 2018	Transfer of TSY-110 technology to Formosa Pharmaceuticals, Inc.	None
Licensing Agreement	Grand Pharmaceutical Group Limited	From June 3, 2021 to 20 years from the date of first sale	Exclusive license for the development and commercialization of APP13007 in China, Hong Kong, and Macau	Confidentiality Clause
Technology Transfer	Formosa Laboratories, Inc.	From August 20, 2021	Transfer of TSY-210 technology to Formosa Pharmaceuticals, Inc.	Confidentiality Clause
New Drug Development Agreement	EirGenix, Inc.	From April 18, 2022 to 15 years from the date of first sale	TSY-110 New Drug Development	Confidentiality Clause
Licensing Agreement	Tabuk	From April 8, 2024 to 10 years from the date of first sale	APP13007 Exclusive Commercialization License for Parts of the Middle East and North Africa	Confidentiality Clause
Licensing Agreement	Tzamal	10 years from July 17, 2024	APP13007 Exclusive Commercialization License for Israel	Confidentiality Clause
Licensing Agreement	Apotex (Canada)	10 years from August 5, 2024	APP13007 Exclusive Commercialization License for Canada	Confidentiality Clause
Licensing Agreement	DAVI	From October 31, 2024 to 10 years from the date of first sale	APP13007 Exclusive Commercialization License for Portugal	Confidentiality Clause
Licensing Agreement	Medvisis	From November 28, 2024 to 10 years from the date of first sale	APP13007 Exclusive Commercialization License for Switzerland and Liechtenstein	Confidentiality Clause
Licensing Agreement	Cipla	From March 17, 2025 to 10 years from the date of first sale	APP13007 Exclusive Commercialization License for India and Neighboring	Confidentiality Clause

Contract Nature	Parties Involved	Contract Start and End Dates	Main Content	Restrictive Clauses
			Countries, South Africa, and Parts of South America	
Licensing Agreement	Saval	From April 25, 2025 to 10 years from the date of first sale	Exclusive commercialization license for APP13007 in most Latin American countries	Confidentiality Clause
Technology Licensing	Almac Discovery	From May 6, 2025 to 10 years from the date of first sale, or until patent expiration, whichever is later	Exclusive license of TSY-310 (ALM-401) technology to Formosa Pharmaceuticals, Inc.	Confidentiality Clause
Licensing Agreement	Apotex (Mexico)	From May 6, 2025 to August 5, 2033	Exclusive commercialization license for APP13007 in Mexico	Confidentiality Clause
Licensing Agreement	Adalvo	From May 28, 2025 to 10 years from the date of first sale	Exclusive commercialization license for APP13007 in the EU and the United Kingdom	Confidentiality Clause
Licensing Agreement	Harrow	From June 8, 2025 until patent expiration or the emergence of generic drugs	Exclusive Supply Agreement for APP13007 in the United States	Confidentiality Clause
Licensing Agreement	Rxilient Medical	10 years from December 3, 2025	Exclusive commercialization license for APP13007 in selected Southeast Asian countries	Confidentiality Clause
Licensing Agreement	Samil Pharmaceutical	From January 12, 2026 to 10 years from the date of first sale	Exclusive commercialization license for APP13007 in South Korea	Confidentiality Clause
Licensing Agreement	Arrotex Pharmaceutical	From February 23, 2026 to 10 years from the date of first sale	Exclusive commercialization license for APP13007 in Australia and New Zealand	Confidentiality Clause

V. Review and Analysis of Financial Status, Financial Performance, and Risk Issues

1. Financial Status (IFRS):

(1) Main reasons and effects of significant changes in assets, liabilities, and equity over the past two years; if the impact is significant, future response plans should be explained

Unit: NT$ thousand; %

Item \ Year	2024	2025	Difference	
			Amount	%
Current Assets	1,727,790	1,515,929	(211,861)	(12.26)
Financial assets at fair value through other comprehensive income - non-current	5,151	1,540	(3,611)	(70.10)
Property, Plants, and Equipment	4,458	17,081	12,623	283.15
Right-of-use Assets	25,428	26,482	1,054	4.15
Intangible Assets	342,391	462,313	119,922	35.02
Other Assets	7,054	47,889	40,835	578.89
Total assets	2,112,272	2,071,234	(41,038)	(1.94)
Current Liabilities	197,951	166,417	(31,534)	(15.93)
Non-Current Liabilities	365,749	447,647	81,898	22.39
Total liabilities	563,700	614,064	50,364	8.93
Share capital	1,509,771	1,509,771	0	0.00
Capital Surplus	2,278,738	2,279,093	355	0.02
Retained earnings	(2,152,937)	(2,236,504)	(83,567)	3.88
Other equity	(87,594)	(95,741)	(8,147)	9.30
Non-controlling interests	594	551	(43)	(7.24)
Total shareholders' equity	1,548,572	1,457,170	(91,402)	(5.90)

1. Main reasons and effects of significant changes in assets, liabilities, and shareholders' equity over the past two years (items with changes of 20% or more between periods, and absolute change amounts reaching NT$10 million or more):
   (1) Increase in property, plant and equipment: mainly due to the purchase of research and development equipment in 2025.
   (2) Increase in intangible assets: mainly due to the acquisition of the exclusive license for TSY-310 (ALM-401) in 2025.
   (3) Increase in other assets: mainly due to the addition of prepaid rent in 2025.
   (4) Increase in non-current liabilities: mainly due to the increase in other payables arising from the acquisition of the exclusive license for TSY-310 (ALM-401) in 2025.

2. If there are significant impacts, please explain future response plans: There are no significant impacts.

2. Financial Performance:

(1) Main reasons and effects of significant changes in operating revenue, operating profit, and pre-tax profit for the last two years

Unit: NT$ thousand; %

Item \ Year	2024	2025	Increase (decrease) amount	Change percentage %
Operating Revenue	143,356	9,495	(133,861)	(93.38)
Gross profit	118,990	(1,598)	(120,588)	(101.34)
Operating profit (loss)	(175,629)	(170,611)	5,018	(2.86)
Non-operating income and expenses	(3,945)	86,607	90,552	(2,295.36)
Earnings before tax	(179,574)	(84,004)	95,570	(53.22)
Net profit (loss) for the period	(200,933)	(83,573)	117,360	(58.41)
Other comprehensive income (loss) for the period (net of tax)	(57,715)	(8,184)	49,531	(85.82)
Total comprehensive income (loss) for the period	(258,648)	(91,757)	166,891	(64.52)

Main reasons for significant changes in operating revenue, operating profit, and pre-tax profit for the last two years (changes exceeding 20% between periods, and the absolute change amount exceeding NT$10 million):

1. Decrease in operating revenue and gross profit: mainly because APP13007 obtained U.S. drug approval in 2024, resulting in the recognition of licensing revenue from Eyenovia, Inc., whereas no significant licensing revenue was recognized in 2025.
2. Decrease in non-operating income and expense losses: mainly due to the recognition of foreign exchange gains and tax refund benefits in 2025.
3. Decrease in pre-tax loss and net loss for the period: mainly due to the recognition of foreign exchange gains and tax refund benefits in 2025.
4. Decrease in other comprehensive loss for the period (net of tax): mainly due to the phased transition in the research and development cycle, with current R&D projects being in the pre-clinical stage, as well as the recognition of foreign exchange gains and tax refund benefits in 2025.
5. Decrease in total comprehensive loss for the period: mainly due to the phased transition in the research and development cycle, with current R&D projects being in the pre-clinical stage; as well as the recognition of foreign exchange gains and tax refund benefits in 2025, and a reduction in valuation losses arising from changes in the market value of Eyenovia, Inc. shares.

(2) Expected sales volume and its basis, possible impacts on the company's future financial and business operations, and response plans

1. Expected sales volume and its basis: The Company's APP13007 nanoparticle suspension eye drops just launched in the US market in September 2024. Other regions where licensing agreements have been signed are still in the process of product registration or preparing for product registration, with no sales expected in the near term. Regarding the US market, this product is still in the initial launch and promotion phase. Eyenovia, Inc. is currently conducting market testing and sample promotion, and has not yet provided information on expected sales volumes for nationwide distribution. Therefore, no relevant information is available at this time.

2. Possible impacts on the company's future financial and business operations, and response plans: The Company's R&D achievements have successively completed out-licensing, registration, and market launch in the United States over the past year, all of which have positive impacts on future financial and business operations.

3. Cash Flow

(1) Analysis and explanation of cash flow changes in the most recent year

Unit: NT$ thousand; %

Item \ Year	2024	2025	Increase (decrease) amount	Change percentage %
Net cash inflow (outflow) from operating activities	(128,682)	(95,643)	33,039	(25.67)
Net cash inflow (outflow) from investing activities	(475,292)	(68,290)	407,002	(85.63)
Net cash inflow (outflow) from financing activities	624,402	(6,126)	(630,528)	(100.98)
Effect of exchange rate changes	20,652	(13,941)	(34,593)	(167.50)
Net cash inflow (outflow)	41,080	(184,000)	(225,080)	(547.91)

Analysis of cash flow changes:

1. Decrease in cash outflows from operating activities: mainly due to the phased transition in the research and development cycle, with current R&D projects being in the pre-clinical stage, and the recognition of foreign exchange gains and tax refund benefits in 2025.
2. Decrease in cash outflows from investing activities: mainly because the amount of newly placed financial assets measured at amortized cost – current (time deposits) in 2025 was lower than that in 2024.
3. Decrease in cash inflows from financing activities: mainly due to the absence of cash capital increases in 2025.

(2) Improvement plan for liquidity insufficiency in the most recent year:

Based on the cash position at the end of 2025, the Company's funds are still sufficient and there is no situation of liquidity insufficiency.

(3) Cash flow liquidity analysis for the coming year (2026)

Unit: NT$ thousand

Beginning cash balance Balance (1)	Expected net cash flow from operating activities for the whole year (2)	Expected net cash flow from investing activities for the whole year (3)	Expected net cash flow from financing activities for the whole year (4)	Expected cash Remaining (insufficient) amount (1)+(2)+(3)+(4)	Cash surplus/deficit response measures
1,441,785	(215,239)	214,120	(10,670)	1,429,996	None

Note: Cash balance includes financial assets measured at amortized cost - current

Analysis:

1. Analysis of cash flow changes for the coming year:
   Operating activities: This mainly refers to the net cash outflow generated by the company based on the progress of new drug product development and the estimated related income from the APP13007 licensing agreement.
   Investing activities: mainly cash inflows generated from the reduction of financial assets measured at amortized cost – current (time deposits).
   Financing activities: This mainly refers to the net cash outflow generated from the repayment of lease principal.
2. Improvement plan for insufficient liquidity and cash flow analysis for the coming year: Not applicable.

4. Impact of major capital expenditures in the most recent year on financial operations

The Company has no major capital expenditures in 2025, so there is no significant impact on financial operations.

5. Investment policy in the most recent year, main reasons for profit or loss, improvement plans, and investment plans for the coming year:

(1) Company's investment policy:

The Company's investment activities are conducted by relevant executing departments in accordance with the "Investment Cycle" in the internal control system and "Procedures for Acquisition or Disposal of Assets". The aforementioned methods or procedures have been approved by the Board of Directors or shareholders' meeting.

(2) Main reasons for profit or loss and improvement plans:

Unit: NT$ thousand

Item \ Description	Investment (loss) gain recognized by the Company	Investment policy	Main reasons for profit or loss	Improvement plan
	2025			
Activus Pharma Co., Ltd.	(1,016)	Activus is dedicated to APNT technology research and development, while Formosa Pharmaceuticals, Inc. applies it to drug commercialization	Mainly costs required for the Company's operations	Not applicable

(3) Investment plan for the coming year: None.

6. Risk Factors:

(1) Impact of interest rate changes, exchange rate fluctuations, and inflation on company profit and loss, and future response measures:

1. Impact of interest rate changes on company profit and loss, and future response measures:

In 2025, the Company's interest expense was NT$485 thousand, mainly the interest expense recognized on lease liabilities in accordance with IFRS 16; interest income was NT$25,292 thousand, mainly generated from interest income on financial assets measured at amortized cost. Overall, interest rate changes are not expected to have a significant impact on the Company's profit and loss. However, the Company still establishes and maintains good relationships with banks to obtain better interest rate terms when there are future capital turnover needs, minimizing the impact of interest rate fluctuations on the Company's profit and loss.

2. Impact of exchange rate fluctuations on company profit and loss, and future response measures:

   In 2025, the Company's foreign exchange gain was NT$13,955 thousand, mainly from the valuation of current liabilities, other non-current liabilities, and financial liabilities. Overall, exchange rate fluctuations are not expected to have a significant impact on the Company's profit and loss. The Company will continuously collect exchange rate information to respond to future exchange rate fluctuation risks, minimizing the impact of exchange rate changes on the Company's profit and loss.

3. Impact of inflation on the company's profit and loss, and future response measures:

   The Company is a new drug development company and is relatively unaffected by inflation. However, the Company will still pay attention to inflation conditions in order to respond to future inflation risks, minimizing the impact of inflation on the Company's profit and loss.

(2) Policy, main reasons for profit or loss, and future response measures regarding high-risk, high-leverage investments, lending funds to others, endorsements/guarantees, and derivative financial instrument transactions:

1. The Company has established "Procedures for Acquisition or Disposal of Assets," "Procedures for Lending Funds to Others," and "Procedures for Endorsements and Guarantees," which have been approved by the Board of Directors and agreed upon by the shareholders' meeting.

2. The Company did not engage in high-risk, high-leverage investments, lending funds to others, endorsements/guarantees, or derivative financial instrument transactions in the most recent fiscal year and up to the date of the annual report's publication.

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

To create economies of scale for pharmaceutical products, the Company will conduct process scale-up production studies for APP13007 with the aim of reducing product costs, and will continue to invest in Antibody-Drug Conjugate (ADC) research and development projects. TSY-110 will leverage the development progress advantage of being the first Kadcyla® Biosimilar in Europe and the United States, implement project management and risk control, and initiate clinical trials following consultation meetings with both the EU EMA and U.S. FDA regulatory authorities regarding the PK/BE clinical plan and clinical efficacy waiver. TSY-310 is an ADC targeting dual targets, EGFR and ROR1, aimed at overcoming drug resistance and mitigating adverse effects in current treatments for non-small cell lung cancer (NSCLC) and solid tumors. Cell line development, protein intermediate and chemical process development and scale-up are currently underway. Non-clinical pharmacology and toxicology studies are expected to commence in the second half of 2026.

The Company's future R&D expenses will be planned according to the research, development, and global licensing progress of the above-mentioned projects, supplemented by human resource requirements and capital expenditure planning. Overall, the estimated expenditure for R&D projects in 2026 is approximately NT$300,000 thousand.

(4) Impact and response measures regarding significant domestic and foreign policy and legal changes on the Company's finance and business

The Company's daily operations comply with relevant domestic and foreign regulations, and

we continuously monitor domestic and foreign policy development trends and regulatory changes to fully understand and respond to any impacts on our financial and business operations. In the most recent fiscal year and up to the date of the annual report's publication, domestic and foreign policy and legal changes have not had a significant impact on the Company's financial and business operations.

(5) Impact and response measures regarding technological changes (including information security risks) and industry changes on the Company's finance and business

New drug development is characterized by high technological complexity, long product development periods, and high added value, resulting in higher entry barriers. Therefore, technology and industry are less likely to undergo dramatic changes in the short term. The Company continuously monitors biotechnology and pharmaceutical industry development trends and market demand changes to ensure the niche and product advantages of our new drug development.

The Company places importance on information security risk management, with relevant management measures as follows:

1. Only administrators and authorized personnel are allowed to enter the areas where servers, network equipment, and other related equipment used for the information system platform architecture are located.
2. Data storage and backup equipment, combined with disk array and redundancy design, enhance data protection and availability.
3. The antivirus software control console manages client hardware and software information and status, regularly connecting to the manufacturer to update antivirus applications and signature files; clients regularly connect to the server for updates; this prevents the operating system from external threats such as viruses or malicious websites.
4. System users are required to set passwords of 6-8 characters, which must comply with complexity principles.
5. Backup schedules are established for data and systems, with regular restoration drills conducted to verify the integrity of data, systems, and storage media.

   In the most recent fiscal year and up to the date of the annual report's publication, technological changes (including information security risks) and industry changes have not had a significant impact on the Company's financial and business operations.

(6) Impact and response measures regarding changes in corporate image on crisis management

Since its establishment, the Company has been committed to maintaining a good corporate image, continuously strengthening internal management, complying with legal regulations, and planning to enter the capital market to attract more outstanding talent to join the Company, thereby enhancing the strength of the management team. In the most recent fiscal year and up to the date of the annual report's publication, no incidents have occurred that could affect the Company's corporate image.

(7) Expected benefits, potential risks, and response measures for mergers and acquisitions

The Company has no merger and acquisition plans in the most recent fiscal year and up to the date of the annual report's publication.

(8) Expected benefits, potential risks, and response measures for plant expansion

The Company has no plant expansion in the most recent fiscal year and up to the date of the annual report's publication.

(9) Risks and response measures for concentrated purchases or sales

The production of the Company's products is entrusted to well-known domestic CDMO manufacturers, with Formosa Laboratories, Inc. responsible for the nano-processing of APP13007, and Bora Pharmaceuticals' subsidiary Bora Pharmaceuticals responsible for the product filling of APP13007. The Company has also screened an international CDMO facility located in Vietnam as a second supplier for APP13007 product filling. Once approved by the regulatory authorities, this will help reduce the risks associated with supply concentration in the future.

The Company's APP13007 obtained U.S. marketing approval in March 2024 and recognized licensing revenue accordingly. Upfront payments received from licensing agreements signed with other countries will be recognized as revenue upon obtaining marketing approval in each respective country. The Company will continue to work with its licensing partners to advance marketing authorization applications in each licensed territory, thereby facilitating the commencement of sales in those regions and enabling the Company to increase its revenue streams and diversify revenue concentration risks.

(10) Regarding the impact, risks, and countermeasures of large-scale share transfers or changes involving directors, supervisors, or major shareholders holding more than ten percent of the shares: as of the date of publication of this annual report, no large-scale share transfers or replacements involving directors or major shareholders holding more than ten percent of the shares have occurred that would have a material impact on the Company.

(11) Regarding the impact, risks, and countermeasures of changes in control of the Company: as of the date of publication of this annual report, there has been no change in control of the Company.

(12) Litigation or non-litigation events

1. For the most recent two years and up to the printing date of this annual report, the Company should disclose any litigation, non-litigation, or administrative dispute cases that have been finalized by judgment or are currently pending, where the outcome may have a significant impact on shareholders' equity or securities prices, including the facts of the dispute, the amount involved, the date of litigation commencement, the main parties involved, and the current status: No such incidents have occurred.
2. For the most recent two years and up to the printing date of this annual report, the Company's directors, supervisors, president, de facto responsible persons, major shareholders with shareholding over ten percent, and affiliated companies have not been involved in any litigation, non-litigation, or administrative dispute cases that have been finalized by judgment or are currently pending, where the outcome may have a significant impact on the Company's shareholders' equity or securities prices: No such incidents have occurred.

3. For the most recent two years and up to the printing date of this annual report, the Company's directors, supervisors, managers, and major shareholders with shareholding over ten percent have not been involved in any incidents stipulated in Article 157 of the Securities and Exchange Act, and the Company has no related matters to address: No such incidents have occurred.

(13) Other significant risks and response measures

1. Disclosure of risks related to unsuccessful product development, development delays, sales falling short of expectations, or inability to license to others, and the response measures adopted

A. Risks of unsuccessful product development and development delays

During the development stage of new drugs, including uncertainties in clinical trial success, various factors affect whether marketing approval can be successfully obtained. Therefore, the success rate of new drug development has a high degree of uncertainty. Diversifying and managing development risks is the most important issue for the sustainable development of pharmaceutical research companies.

The company's R&D team possesses new drug development experience from both American and Taiwanese pharmaceutical companies, spanning innovative drugs, improved new drugs, and even generic drugs or biosimilars. We focus on areas with unmet medical needs, adopting development paths with higher R&D success rates and shorter development timelines to reduce uncertainties in the drug development process. The Company's current major new drug development projects are APP13007, TSY-110, and TSY-310. APP13007 has obtained U.S. marketing approval and the Company is continuing to advance marketing authorization applications with licensing partners in various regions. TSY-110 has completed validation and demonstrated biosimilarity to the reference product Kadcyla®; clinical trials are expected to commence following consolidated advisory meetings with both the EU EMA and U.S. FDA regarding the PK/BE clinical plan and efficacy clinical waiver. TSY-310 is an ADC drug targeting dual EGFR and ROR1 targets, and is currently undergoing cell line development, protein intermediate development, and chemical process development and scale-up; non-clinical pharmacology and toxicology studies are expected to commence in the second half of 2026. The Company will continue to manage development costs and timelines through efficient project management, and will continuously expand its product portfolio to mitigate the risks of unsuccessful product development and delays in the development process.

B. Risks of inability to license to others or sales falling short of expectations

The Company actively participates in domestic and international biotech exhibitions and partnership meetings during the new drug development stage, proactively introducing the progress of various new drug development projects, establishing networks with internationally renowned pharmaceutical companies, seeking cooperation partners, and keeping abreast of precise market trends corresponding to the new drugs being developed.

APP13007 has completed out-licensing agreements in nearly 90 countries and regions, including the United States, Canada, Mexico, Albania, Andorra, Austria, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic,

Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Moldova, Monaco, Montenegro, the Netherlands, North Macedonia, Norway, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Sweden, Turkey, the United Kingdom, Portugal, Switzerland, Liechtenstein, Mainland China, Hong Kong and Macau, South Korea, Australia, New Zealand, Singapore, Thailand, Indonesia, the Philippines, India, Nepal, Sri Lanka, Bangladesh, Malaysia, Myanmar, Saudi Arabia, the United Arab Emirates, Kuwait, Yemen, Oman, Bahrain, Qatar, Kurdistan Region of Iraq, Lebanon, Jordan, Iraq, Syria, Brazil, Argentina, Colombia, Chile, Bolivia, Costa Rica, Guatemala, El Salvador, Honduras, Paraguay, Peru, Panama, Algeria, Morocco, Kenya, Nigeria, and South Africa. The Company is currently continuing to work closely with its licensing partners in each region to advance marketing authorization applications, in order to ensure the smooth development and commercialization of its products, thereby generating operating revenue for the Company.

TSY-110 will leverage its development progress advantage as the first Kadcyla® Biosimilar in Europe and the United States, with a focus on project management and risk control. The Company will initiate clinical trials following consolidated advisory meetings with both the EU EMA and U.S. FDA regarding the PK/BE clinical plan and efficacy clinical waiver, and will seek out-licensing opportunities prior to the commencement of clinical trials.

TSY-310 is an innovative bispecific Fc-fusion Antibody-Drug Conjugate (BsADC) for which the Company obtained a license from Almac Discovery in 2025. It is currently in the pre-clinical stage, with non-clinical pharmacology and toxicology studies expected to commence in the second half of 2026.

2. Disclosure of risks and countermeasures regarding dependence on third parties (such as CROs, CMOs) for clinical trials or clinical/post-market drug production

   A. The Company's explanation regarding the outsourcing of clinical trials to third-party CRO companies is as follows:

   The Company's research and development team selects several clinical CRO vendors for evaluation based on their past experience and recommendations from collaborative development partners, taking into account quality systems, proposal feasibility, and budget quotes. The CRO vendor is determined only after several screening discussion meetings, and there is no situation where the Company depends on a specific CRO company to conduct clinical trials. During the execution of the APP13007 U.S. clinical trials, the Company maintained close communication with the CRO and fully monitored the performance of each participating hospital. The Company will apply this successful experience to oversee future clinical and non-clinical trials required for TSY-110 and TSY-310.

   B. The explanation regarding dependence on third-party CDMOs for clinical/post-market drug production is as follows:

   (A) The Company plans to commission a well-known domestic CDMO and Formosa Laboratories, Inc., a major manufacturer of Antibody-Drug Conjugates, to be responsible for the nano-process of APP13007, the conjugation process of TSY-110 and TSY-310, and product filling.

(B) The Company plans to commission Bora Pharmaceuticals, a well-known domestic CDMO manufacturer, and its subsidiary Bora Pharmaceuticals to be responsible for product filling of APP13007.

The Company is a research and development-oriented pharmaceutical company, and our main product line includes both large and small molecule drugs. The capital expenditure for establishing our own facility that complies with current Good Manufacturing Practice (cGMP) would be substantial, therefore the Company has not established its own manufacturing plant. The Company has mastered the core technological know-how, and if the production capacity of the cooperating CDMO manufacturers cannot meet the Company's sales plan in the future, the Company can commission other pharmaceutical manufacturers that comply with cGMP for production and manufacturing.

3. Disclosure of the risk of operating capital shortfall should explain the adequacy of operating capital, the research and development timeline it can support, and the countermeasures adopted

   As of the end of December 2025, the Company had cash and time deposits of NT$1,441,785 thousand, which is sufficient to support future operating and research and development activities. To reduce financial pressure, the Company also plans to have TSY-110's clinical trial-related expenses funded by its licensing and collaboration partners. In alignment with the funding requirements of the Company's long-term development plan, the Company has completed the process of applying for listing to enter the capital markets. Should additional funding be required in the future, the Company will also be able to raise the necessary capital through the capital markets.

4. Disclosure of restrictive clauses in technology licensing agreements or outsourcing contracts, as well as the risks faced and countermeasures adopted

   The Company's research and development projects are obtained through payment of licensing fees, and the technology licensing agreements are normal commercial arrangements without unfavorable restrictive clauses. The main contents of the contract are shown in the following table:

Item	Technology licensing target	Signing date (Effective date)	Main Content	Technology compensation or royalty	Restrictive Clauses
APNT® nano-formulation technology platform and APP13007	Activus Pharma. Co., Ltd.	2018/09/30	The Company has acquired the APNT® nano-formulation technology platform and APP13007	Total licensing amount of USD 6,400 thousand, with USD 3,200 thousand already paid	Confidentiality Clause
TSY-110	Formosa Laboratories, Inc.	2018/08/17	The Company has acquired all rights and obligations for the targeted cancer treatment drug technology.	1.Currently, USD 1,100 thousand has been paid 2.Milestone payment 3. Sales royalties	None
TSY-210	Formosa Laboratories, Inc.	2021/08/20	The Company has acquired the relevant technology for manufacturing Streptogramins (anti-infection drug/antibiotic) products and the intellectual property rights related to this technology.	1.Currently, USD 500 thousand has been paid 2.Milestone payment	Confidentiality Clause
TSY-310	Almac Discovery	2025/05/06	The Company has acquired the relevant technology and associated intellectual property rights for an innovative bispecific Fc-fusion Antibody-Drug Conjugate (BsADC) targeting both EGFR and ROR1.	1.Currently, USD 1,000 thousand has been paid 2.Milestone payment 3.Royalties	Confidentiality Clause

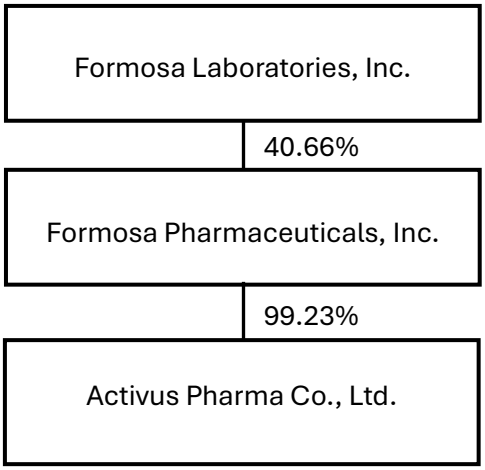
7. Other important matters: None.

VI. Special Matters

1. Information related to affiliated enterprises:

(1) Consolidated business report of affiliated enterprises:

1. Organization chart of affiliated enterprises:



2. Basic information of each affiliated enterprise:

Unit: NT$ thousand

Enterprise Name	Date of Establishment	Address	Paid-in Capital	Main Business Activities (Note 1)	Division of Work Among Affiliated Enterprises (Note 2)
Formosa Laboratories, Inc.	1995/12/29	No. 36, Heping Street, Luzhu District, Taoyuan County	New Taiwan Dollar 1,202,560	CDMO, Pharmaceutical Manufacturing	Contract Development and Manufacturing Organization (CDMO)
Activus Pharma Co., Ltd.	2006/10/24	3F, 15-7, Nihonbashi Ningyocho 2-chome, Chuo-ku, Tokyo, Japan	Japanese Yen 90,000	Research and Development of New Biotechnology Drugs	Patent and Pharmaceutical Registration Affairs

Note 1: Industries covered by the overall business operations of affiliated enterprises.

Note 2: For affiliated enterprises with interconnected business operations, the division of work among them should be explained.

3. Presumed to have a control and subordinate relationship, information on common shareholders: None.

4. Information on directors, supervisors, and presidents of each affiliated enterprise:

Unit: Shares; %

Enterprise Name	Title	Name or Representative	Shares Held by Formosa Pharmaceuticals, Inc.	
			Number of shares	Shareholding ratio
Formosa Laboratories, Inc.	Chairman and President	Cheng,Chen-Yu	0	0.00%
	Director	YUAN QING INVESTMENT CO., LTD., Ou Jia Si Ta Investment Co.,Ltd., HENG LANG Co., Ltd., Hygica Biotech Ltd.		
	Independent Director	Chen, Yi-Fen; Lu, Ta-Jung; Chuang, Che-Jen		
Activus Pharma Co., Ltd.	Representative Director	Cheng,Chen-Yu	1,942	99.23%
	Director	Li, Chien-Hung; Lin, Jinn-Yuan; Erick Co		
	Supervisor	Lo,Yu-Chen		

5. Operation Overview of Each Affiliated Enterprise:

December 31, 2025 Unit: NTD Thousand

Enterprise Name	Capital	Total Assets	Total Liabilities	Net Worth	Operating Revenue	Operating profit (loss)	Net Income (After Tax)
Activus Pharma Co., Ltd.	24,795	103,375	33	103,342	0	(291)	(945)

(2) Consolidated Financial Statements of Affiliated Companies: For relevant information, please refer to the financial reports on the Market Observation Post System (MOPS) at http://mops.twse.com.tw.

(3) Relationship Report: For relevant information, please refer to the relationship report on the Market Observation Post System (MOPS) at http://mops.twse.com.tw.

2. Status of Private Placement of Securities in the Most Recent Year and up to the Printing Date of the Annual Report: None

3. Holding or Disposal of the Company's Shares by Subsidiaries in the Most Recent Year and up to the Printing Date of the Annual Report: None.

4. Other Necessary Supplementary Information: None.

VII. Any Events in the Most Recent Year and up to the Printing Date of the Annual Report that Had Significant Impacts on Shareholders' Equity or Securities Prices as Stated in Item 2, Paragraph 3, Article 36 of the Securities and Exchange Act: None.