

INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

Grape King Bio Inc.,

We have undertaken a limited assurance engagement on the selected performance indicators in the Sustainability Report (“the Report”) of Grape King Bio Inc., (“the Company”) for the year ended December 31, 2023.

Subject Matter Information and Applicable Criteria

See Appendix 1 for the Company’s selected performance indicators (“the Subject Matter Information”) and applicable criteria.

Responsibilities of Management

The management of the Company is responsible for the preparation of the Subject Matter Information in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Universal Standards, Sector Standards and Topic Standards published by the Global Reporting Initiative (GRI), and for such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that are free from material misstatement resulted from fraud or error.

Auditors' Responsibilities

Our responsibility is to plan and conduct our limited assurance engagement in accordance with Standard on Assurance Engagement 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” issued by the Accounting Research and Development Foundation of the Republic of China to issue a limited assurance report on whether the Subject Matter Information (see Appendix 1) is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, therefore, a lower assurance level is obtained than a reasonable assurance.

We based on our professional judgment in the planning and conducting of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

- Inquiring of management and the personnel responsible for the Subject Matter Information to obtain an understanding of the policies, procedures, internal control, and information system relevant to the Subject Matter Information to identify areas where a material misstatement of the subject matter information is likely to arise.
- Selecting sample items from the Subject Matter Information and performing procedures such as inspection, re-calculation, re-performance, observation, and analytical procedures to obtain evidence supporting limited assurance.

Inherent Limitations

The Subject Matter Information involved non-financial information, which was subject to more inherent limitations than financial information. The information may involve significant judgment, assumptions and interpretations by the management, and the different stakeholders may have different interpretations of such information.

Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 “Quality Management for Public Accounting Firms” issued by the Accounting Research and Development Foundation of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the applicable criteria.

Other Matters

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the applicable criteria after the issuance date of this report.

The engagement partner on the limited assurance report is Han-Ni Fang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 3, 2024

Notice to Readers

For the convenience of readers, the independent auditors’ limited assurance report and the accompanying summary of subject matter information have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ limited assurance report and summary of subject matter information shall prevail.

SUMMARY OF SUBJECT MATTER INFORMATION

#	Subject Matter Information	Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports
1.	100% of our products have undergone food hygiene, food safety, and quality management procedures that encompass control of operating personnel, locations, facility hygiene, and quality assurance systems.	02 Product Liability	The evaluation and improvement regarding the company's personnel, work environment, hygiene management of facilities and quality control system to improve food sanitation, safety and quality, as well as the significant product and service categories and the percentage affected.	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-1, No.1

#	Subject Matter Information					Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports
2.	<ul style="list-style-type: none"> Events of Food Regulation Violations in 2023: 					1.5 Legal Compliance 2.2.3 Product Quality and Safety Inspections	The types and number of incidents of violation against the applicable food safety and sanitation laws and noncompliance with product and service information and labeling laws.	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-1, No.2
Category	Number of Incidents	Amount of Fine (NT\$)	Legal Basis	Violation Incidents 2023				
Marketing and Labeling	1	40,000	In violation of Article 28 of the Governing Food Safety and Sanitation Act	The advertisements for “Sliim Turmeric Complex Essence Drink” and “Night Slim Turmeric Complex” are implicated in false, exaggerated or misleading.				
	2	400,000	In violation of Paragraph 1, Article 14 of the Health Food Control Act	The labeling or advertisement of health foods such as “Health mark number-Antrodi a King” and “Health mark number-Sliim Probiotics King” involve false, exaggerated, or misleading content.				
	<ul style="list-style-type: none"> In 2023, the number of product lines recalled is zero, and both the number of product removals and the total weight of products removed are zero. 							
3.	Grape King Bio’s Carb Controller 2.0 print box and foil package series of products use 100% Forest Stewardship Council (FSC™) certified green pulp for packaging production.					2.3.2 Green Product Packaging and Recycling	The percentage of the purchased volume in accordance with internationally recognized responsible production standards, categorized by standards.	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-1, No.3
4.	Pingzhen Factory, Zhongli Factory and Longtan Branch have received ISO 22000 and HACCP management system certifications and our Pingzhen Factory has received FSSC 22000, TQF and NSF GMP certifications. Together, these three factories contain production lines for 8 dosage forms. All follow-up inspections of production lines were completed in 2023, achieving an inspection accomplishment rate of 100%. Furthermore, 100% of our products are produced by certified production lines.					2.2.1 Systemic Food Safety Protections	The percentage of the production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-1, No.4

#	Subject Matter Information	Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports														
5.	<p>Grape King Bio conducts regular annual evaluations of raw material suppliers and outsourcing vendors. The four main aspects including Q (Quality), C (Cost), D (Delivery), and S (Service/Cooperation), evaluations and scoring are based on ethics and integrity consideration.</p> <p>The results of supplier audits conducted by Grape King Bio for the past three years are shown in the following table:</p> <table border="1" data-bbox="201 678 687 882"> <thead> <tr> <th>Year</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Total number of suppliers</td> <td>220</td> </tr> <tr> <td>Audited suppliers</td> <td>220</td> </tr> <tr> <td>Audit ratio</td> <td>100%</td> </tr> <tr> <td>Class A</td> <td>214</td> </tr> <tr> <td>Class B</td> <td>6</td> </tr> <tr> <td>Class C</td> <td>0</td> </tr> </tbody> </table> <p>* Categorization: Suppliers with a score of more than 81 are classified as Class A (excellent) suppliers; suppliers scoring from 65 to 80 are classified as Class B (qualified) suppliers; and suppliers with a score of less than 65 are classified as Class C (unqualified) suppliers; no transactions are permitted with unqualified suppliers.</p>	Year	2023	Total number of suppliers	220	Audited suppliers	220	Audit ratio	100%	Class A	214	Class B	6	Class C	0	2.1.3 Regular Evaluation of Existing Suppliers	The number and percentage of suppliers audited, and the audit items and results.	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-1, No.5
Year	2023																	
Total number of suppliers	220																	
Audited suppliers	220																	
Audit ratio	100%																	
Class A	214																	
Class B	6																	
Class C	0																	
6.	Grape King Bio has established an internal SAP system and voluntary tracking management mechanism which adheres 100% to the “Product Identification and Tracking Management Procedures.” Current mechanisms encompass the products manufactured by the 6 food production lines at Zhongli Factory and Pingzhen Factory (100% of which can be managed through the product identification and tracing mechanism).	2.2.4 Tracking and Compliance Management	The product trace and track management conducted voluntarily or according to the applicable laws, and the percentage of such relevant products to the whole products.	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-1, No.6														

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7.	<ul style="list-style-type: none"> The inspection center at Grape King Bio is a TAF certified laboratory and operates according to ISO/IEC 17025 standards. Our inspection items include physical and chemical properties, compliance with sanitation regulations, and food safety factors. Inspection items for raw materials and products at Grape King Bio include the following categories: <table border="1" data-bbox="199 656 877 1016"> <tr> <td data-bbox="199 656 448 792">Microbiological hazard inspections</td> <td data-bbox="448 656 877 792">Bacterial count, Escherichia coli, coliform levels, Enterobacteriaceae, Staphylococcus aureus, Salmonella, mold, yeast, Candida albicans, Monocytogenes Listeria and Pseudomonas aeruginosa</td> </tr> <tr> <td data-bbox="199 792 448 958">Chemical hazard inspections</td> <td data-bbox="448 792 877 958">Plasticizers, heavy metals, mycotoxins (aflatoxin, ochratoxin A, patulin), food processing aids, pesticide residuals, Sulfur Dioxide, Deoxyribonucleic Acid of Clostridium perfringens, and Ethylene Oxide</td> </tr> <tr> <td data-bbox="199 958 448 1016">Physical hazard inspections</td> <td data-bbox="448 958 877 1016">Foreign body inspections</td> </tr> </table> <ul style="list-style-type: none"> The following product inspection results: <table border="1" data-bbox="199 1043 877 1496"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="4">Raw Material</th> <th rowspan="2">Other Purchased Material</th> </tr> <tr> <th>Purchased Raw Materials</th> <th>Biotechnology Ferments</th> <th>Manufacturing Processing (Premix)</th> <th>Manufacturing Processing (Semi-finished Products)</th> </tr> </thead> <tbody> <tr> <td data-bbox="199 1240 320 1317">Number of inspection pieces</td> <td data-bbox="320 1240 427 1317">2,337</td> <td data-bbox="427 1240 539 1317">1,280</td> <td data-bbox="539 1240 651 1317">321</td> <td data-bbox="651 1240 767 1317">2,436</td> <td data-bbox="767 1240 877 1317">2,226</td> </tr> <tr> <td data-bbox="199 1317 320 1393">Number of qualified pieces</td> <td data-bbox="320 1317 427 1393">2,290</td> <td data-bbox="427 1317 539 1393">1,238</td> <td data-bbox="539 1317 651 1393">321</td> <td data-bbox="651 1317 767 1393">2,435</td> <td data-bbox="767 1317 877 1393">2,180</td> </tr> <tr> <td data-bbox="199 1393 320 1496">Number of unqualified pieces</td> <td data-bbox="320 1393 427 1496">47</td> <td data-bbox="427 1393 539 1496">42</td> <td data-bbox="539 1393 651 1496">0</td> <td data-bbox="651 1393 767 1496">1</td> <td data-bbox="767 1393 877 1496">46</td> </tr> </tbody> </table> <ul style="list-style-type: none"> In 2023, Grape King Bio invested NT\$23,163,780 (0.22% of net revenues in 2023) in food safety management fees, including inspection fees, human resources, testing materials, equipment depreciation, certification fees, and other expenses. 	Microbiological hazard inspections	Bacterial count, Escherichia coli, coliform levels, Enterobacteriaceae, Staphylococcus aureus, Salmonella, mold, yeast, Candida albicans, Monocytogenes Listeria and Pseudomonas aeruginosa	Chemical hazard inspections	Plasticizers, heavy metals, mycotoxins (aflatoxin, ochratoxin A, patulin), food processing aids, pesticide residuals, Sulfur Dioxide, Deoxyribonucleic Acid of Clostridium perfringens, and Ethylene Oxide	Physical hazard inspections	Foreign body inspections	Item	Raw Material				Other Purchased Material	Purchased Raw Materials	Biotechnology Ferments	Manufacturing Processing (Premix)	Manufacturing Processing (Semi-finished Products)	Number of inspection pieces	2,337	1,280	321	2,436	2,226	Number of qualified pieces	2,290	1,238	321	2,435	2,180	Number of unqualified pieces	47	42	0	1	46	2.2.3 Product Quality and Safety Inspections CH2 Product Liability	The food safety laboratories established voluntarily or according to the applicable laws, testing items, testing results, relevant expenses and the percentage of such expenses to the net revenue.	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-1, No.7
Microbiological hazard inspections	Bacterial count, Escherichia coli, coliform levels, Enterobacteriaceae, Staphylococcus aureus, Salmonella, mold, yeast, Candida albicans, Monocytogenes Listeria and Pseudomonas aeruginosa																																					
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Accounting Metric	Measurement Unit	Value of 2023																																				
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9.	Year	2023		6.3 Management of Water Resources	Total water withdrawn and total water consumption	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-1, No.9
		Manufacturing Sites	Office Sites			
Water withdrawal (million liters)	340.98	14.20				
Water consumption (million liters)	102.43	NA		Sustainability Accounting Standards Board (SASB) Index	Weight of products sold and number of production venues	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-1, No.10
10.	<ul style="list-style-type: none"> Total weight of products sold for 2023 was 2,364.09 tons, including only the content of Grape King Bio products and excludes the weight of OEM raw materials, supplies, sales giveaways, and shipping cartons. The number of factories includes four Grape King Bio locations at Zhongli, Pingzhen, Longtan, and Yungfeng factories, but excludes the factory at Shanghai Grape King. 					