TSE 1707

GRAPE KING BIO

2024 Annual Report

Annual Report URL:
https://mops.twse.com.tw/

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Company Annual Report Website:
https://www.grapeking.com.tw

1. **Company Spokesman:**

   Spokesman: Nick Hung
   Title: CFO and Corporate Governance Officer
   Tel: (03)457-2121
   Email: nick.hung@grapeking.com.tw

   Acting spokesman: Sheng-Chieh Hsu
   Title: Division Director of R&D Division
   Tel: (03)457-2121
   Email: aje.sheu@grapeking.com.tw

2. **Addresses and telephone numbers of the head office, branch offices and Plant:**

   Head office: No. 402, Section 2 Jinling Road, Pingzhen District, Taoyuan City
   Tel: (03)457-2121
   Fax: (03)457-2128

   Zhongli Branch: No. 60, Section 3 Longgang Road, Zhongli District, Taoyuan City
   Tel: (03)457-2125
   Fax: (03)428-7471

   Grape King Bio Park (Yongfeng plant):No.8 Gongye 1st Road, Pingzhen District, Taoyuon city
   Tel: (03)457-2121
   Fax: (03)457-2128

   Longtan Science Park Branch: No. 68 Longyuan 1st Road, Longtan District, Taoyuan City
   Tel: (03)499-3093
   Fax: (03)499-3713

   Taipei Office: 11F., No. 18, Jinzhuang Rd., Neihu Dist., Taipei City
   Tel: (02)2790-3011
   Fax: (02)2790-3351

3. **Name, address and telephone number of the stock transfer agency:**

   Stock Agency Department, Capital Securities Corp.
   Address: B2, No. 97, Section 2 Dunhua South Road, Taipei City
   Tel: (02)2702-3999
   Fax: (02)2708-5000
   Website: http://agency.capital.com.tw

4. **CPAs certifying the latest financial statements**

   Names of CPAs: Ming Yuan Chung, Yu Feng Huang
   Name of CPA firm: Deloitte & Touche Certified Public Accountants
   Address: 20F., No. 100, Songren Rd., Xinyi Dist., Taipei City
   Tel: (02)2725-9988
   Fax: (02)4051-6888
   Website: http://www.deloitte.com.tw

5. **Venue for trading the Company's listed overseas securities and inquiry method for such overseas securities: Nil**

6. **Company website:**

   https://www.grapeking.com.tw

I
Letter to Shareholders

Dear Shareholders,

On behalf of Grape King Bio Ltd. ("the Company"), I would like to express my deepest gratitude to all Shareholders for your support in 2024.

In 2024, the global economy was seen as challenging and ever-changing. With regional conflicts due to geopolitical factors, unstable international tariffs and trade, and continuous inflationary pressures all made an impact on both local and international markets. Grape King Bio continued to expand domestically and globally through our diversified business strategies and innovative products. In 2024, our Company's revenue reached NT$11.16bn, exceeding the NT$10bn mark for the third consecutive year. Furthermore, we were able to generate an impressive NT$9.78 in earnings per share for shareholders' long-term support. Looking ahead, Taiwan Grape King will drive ODM production momentum with new dosage forms in soft capsules and jelly sticks which will available to both local and international clients. Shanghai Grape King has further expanded both ODM and own brands through integrating sales channel resources. Pro-Partner is in the final stages of preparing to enter the Malaysian market with its experienced direct selling model and innovative product portfolio. We will continue to diversify and grow our business strategies so that we can reach new revenue and profit highs.

Grape King Bio values not only business performance, but also corporate governance and long term sustainability. The Company continues to spare no effort to deepen its commitment to the functions of the Board of Directors, food safety management, raw material and product R&D, occupational health and safety, DEI (Diversity, Equity and Inclusion), public welfare, and a long-term sustainable environment. In 2024, we became the first company in the biotechnology industry to have our net zero commitment target officially certified by SBTi (Science Based Targets Initiative) with an action plan of limiting global warming to 1.5˚C, and striving toward to the goal of net zero emission in 2050. For the 4th consecutive year, Grape King Bio was also listed in the top 5% of TWSE listed companies for its Corporate Governance Evaluation. These achievements not only demonstrate our commitment to a prosperous and healthier future but also ensures and safe-guards shareholders values thus demonstrating our promise to be a sustainable corporation that practices the concept of "dedicating ourselves to making society better for all".

With regards to the growth of the Company, I would like to thank all my Colleagues for their hard work and continued commitment and also sincerely thank our Shareholders for your trust and strong support to enable the Company to continue achieving outstanding performance. The following is a brief report to the Shareholders on our operating results for the 2024:

1. Business Results for 2024

(1) Financial Revenue and Expenditure for 2024

Unit: NT$ thousand; Earnings per share: NT$

Item	2024	2023
Operating Revenue	11,160,005	10,635,464
Operating costs	2,502,472	2,101,926
Operating margin	8,657,533	8,533,538
Operating expenses	6,157,698	6,036,873

Item	2024	2023
Operating net profit	2,499,835	2,496,665
Non-operating income and expenses	173,470	163,955
Net profit after tax	2,171,153	2,141,511
Outstanding shares (in thousands of shares)	148,137	148,137
Earnings per share	9.78	9.81

The consolidated revenue was NT$11.160 billion in 2024, up 4.93% YoY. Net profit after tax was NT$2.171 billion, up 1.38% YoY, with earnings per share reaching NT$9.78. The overall operating profit was stable, with minimal impact on original budget.

(2) Analysis of Profitability in 2024

Item	2024	2023
Return on assets	14.10%	14.03%
Return on equity	18.54%	18.81%
Ratio of Pre-tax net profit to paid-up capital	180.46%	179.60%
Net profit ratio	19.45%	20.14%
Earnings per share (NT$)	9.78	9.81

(3) Research and Development

Grape King Bio continues to work on the research and development of exciting new products in order to expand into new markets and product segments. Satisfying our customers with high-quality products, and staying one step ahead of our competitors are always challenges that we tackle head on with confidence. In 2024 Grape King Brand successfully launched various new products which included Combest 200P EX Energy Drink, Super Fish Oil 369, Day&Night Sliim Turmeric Double Action, Sliim Probiotics King EX, Probiotics King EX400, Kang Er Dong Pro & Prebiotics, and Kang Er Chang Pro & Prebiotics which were all well received by consumers.

In the future, the Grape King Bio will continue to invest in resources to develop new raw materials using our professional biotechnology expertise as well as work with other biotech organizations and leading academic institutions. We will strive to upgrade our existing products to enhance their effectiveness and apply for additional health food certifications from the Ministry of Health and Welfare.

2. Overview of 2024 Business Plan

(1) Operating principle, sales volume forecast and the basis thereof, and important production and marketing policies

Founded over 50 years ago by our visionary President Shui Chao Tseng, Grape King Bio has established a strong foothold in Taiwan. Through accurate identification of changes in consumer lifestyle and by leveraging our expertise in biotechnology R&D, innovative products in the health care category preferred by the general public have been launched in recent years. We have successfully managed to grow our overall business by using sales channel integration, attracting new customers by means of combining e-commerce with big data sales and good quality products, whilst improving customer satisfaction and enhancing sales service to maintain relations with existing customers, . In addition, development in the functional drink's market has contributed positively to the Company's revenue.

For many years Grape King Bio has been one of the leading brands in the Taiwan health food market. In response to changing consumer healthcare demands, new enhanced products that focus on weight management and cardiovascular care will be launched in 2025. In addition to continued investment in advertising, we will also make improvements on sales channel display and sales promotions to further boost sales in the domestic market. Taiwan Grape King ODM intends to further expand overseas sales by leveraging on our exclusive raw material advantage and customized ODM service, as well as attending international seminars and exhibitions to increase brand exposure. Pro-Partner. is planning to introduce a diverse range of new products and officially enter the direct selling market in Malaysia, which is expected to bring new momentum to the group's overall growth. Additionally, Shanghai Grape King has been working with cross-border e-commerce to promote the Grape King brand and capture fast moving consumer goods market. Grape King Bio has adhered to our external core values "Technology, Health, Hope" and now introduced complementary internal core values of "Innovation, Integrity, Philanthropy" in 2024. Grounded on these core values, Grape King Bio aims to achieve the following sales targets in 2025: 1,198 metric tons of health foods, 2,434 metric tons of health drinks, and 7,385 metric tons of functional drinks. We hope to continue driving sustainable growth in overall business sales through diverse developing strategies.

(2) Impact from external competitive environment, regulatory environment and overall business environment

With the changes in demographic structure, the proportion of single-person and aging families is rising. Consumers seek products with higher quality, and the demand for health supplements and health foods has also increased. According to market research agency KANTAR's Consumer Index Study, the overall sales in the health food market in Taiwan is growing by 10% annually, mainly driven by the increase in consumer spending, which in average exceeds $9,000 per person annually. Functional products with higher market share such as gastrointestinal health, beauty products, and mobility support have seen strong demand, whilst in smaller categories such as sleep aid healthcare are growing at a double-digit rate with multinational manufacturers launching new products. Functional drinks that meet various health demands are getting popular among the consumers as well.

Business opportunities in Taiwan health foods are constantly growing however competition is getting intense as a number of manufacturers and new brands have entered the market. In addition to the traditional brick-and-mortar stores, health supplement e-commerce market is also rapidly growing therefore it has become even more critical to satisfy consumer's personalized needs and shopping habits. Grape King Bio is committed to its core competence of innovative research and development. With our talented team of PhD-level biotechnologists, nutritionist, and food technologists in the Biotech Research Institute, we are constantly developing exclusive raw materials and techniques for health foods that promote vitality and provide nutrient support, offering high-quality solutions for maintaining youth and wellness for consumers. At the same time, the Company is strengthening the integration of its online sales platforms while expanding its physical retail presence to improve on product penetration and boost competitiveness.

(3) Honors and Awards

Grape King Bio has displayed outstanding performance in terms of corporation, commodities and core technology. Grape King received the following awards: We are able to boasts a remarkable record of achievement, including prestigious awards such as the "21st National Innovation Award(GKM3®)", "SNQ National Biotechnology and Medicine Care Quality Award - Bronze Medal in the Special Functional Health Ingredient Category (Fermented Antrodia cinnamomea mycelia powder)", "Taoyuan City's highest Honor, the Taoyuan Golden Award - ESG Environmental Sustainability Award", "TSAA Taiwan Sustainability Action Awards - SDG12 Responsible Consumption and Production - Silver", "SGS ISO PLUS Awards - Exemplary Environmental Management System Performance Award", "Business Weekly's Top 100 Enterprises in Carbon Competitiveness", "Net-Zero Industry Competitiveness Outstanding Award", "TCSA Taiwan Corporate Sustainability Awards - Platinum Award in the Sustainability Report Category" and "TCSA Taiwan Corporate Sustainability Awards - Top 100 Sustainable Exemplary Companies" (3^{rd} consecutive year), "Corporate Governance Evaluation Top 5%" (4^{th} consecutive year). Grape King Bio has shown dedication to ESG and fosters a positive and healthy work environment. This commitment is reflected in our achievements, as we received the "Influenza Prevention Alliance Gold Award" (4^{th} consecutive year) from the Taiwan Immunization Vision and Strategy, the Golden Award for "Happy Enterprise in the 1111 Job Bank" (5^{th} consecutive year), the "2024 Occupational Safety and Health Award" from Taoyuan Government, the "Excellent & Healthy Workplace for Silver Age Award" from the government's Health Promotion Administration, and the "Corporate sustainability reports reveal occupational health and safety performance with high rating corporate" award from the Ministry of Labor. It is also worth mentioning that our Grape King Biotech Research Institute has received three awards, including the "Green Factory Label", the first in biotechnology industry in Taiwan.

Grape King Bio's dedication to R&D innovation was also highly recognized both locally and internationally in 2024, resulting in 34 gold medals, 3 silver medals, 1 bronze medals, and 19 special prizes for its outstanding research. These awards related to Probiotics, Cordyceps Cicadae, Phellinus Linteus, Hericium Erinaceus, and other patents in 18 international invention expos, including "1 Gold medal and 1 Silver medal from the MTE", "2 Gold medals and 1 Special prize from the Russian Archimedes International Invention Exhibition", "1 Gold medal, 1 Silver medal and 2 Special prizes from the 49th International Exhibition of Inventions Geneva", "2 Gold medals and 1 Special prize from the World Genius Convention and Education Expo", "2 Gold medals and 1 Special prize from ITEX", "2 Gold medals and 2 Special prizes from EUROINVENT 2024", "3 Gold medals and 1 Special prize from the Shanghai International Invention Expo", "2 Gold medals from WIC", "2 Gold medals and 2 Special prizes from ICAN", "2 Gold medals from the Innoverse Invention and Innovation Expo", "2 Gold medals and 1 Special prize from the All American DAVINCI International Innovation and Invention Expo", "2 Gold medals and 2 Special prizes from IITE", "2 Gold medals and 2 Special prizes from INOVA", "3 Gold medals from IIIC", "2 Gold medals and 1 Special prize from the XV International Warsaw Invention", "2 Gold medals from the Ukraine Innovation Awards", "1 Silver medal, 1 Bronze medal and 1 Special prize from SIIF 2024", and "2 Gold medals from the Hong Kong International Invention and Design Competition".

Under the excellent leadership of Chairwoman Chang-Yeh Tseng, General Manager Mei-Ching Tseng, as well as the six Sales Consultants, Pro-Partner was once again been ranked as the No.1 domestic MLM company and 3rd overall in the Taiwan MLM rankings (based on 2024 revenue). Furthermore, Pro-Partner was ranked 38th on the 2024 DSN Global 100 list of MLM companies.

(4) Sustainable Development

To keep our fingers on the pulse, the Grape King Bio has been integrating ESG into the spectrum of Sustainable Environment, Social Participation, Corporate Governance, and enhanced the Sustainable Development & ESG Committee. On the basis of corporate external core values "Technology, Health, Hope", we started from the concept of Dedicating ourselves to making the society better, and proceeded to work on the multi-faceted performance of sustainability, which are Ethical Governance, Product Liability, Innovation and R&D, Happy Workplace, Society Prosperity and Green Environment.

At the end of 2024, the Company further solidified its external core values of "Technology, Health, and Hope" by introducing corresponding internal core values of "Innovation, Integrity, and Philanthropy". In line with this, we hope the employees could work in concert with the Grape King Bio's sustainable development goal and uphold the corporate philosophy.

The Company also took the lead and became the first in the biotechnology industry to receive the SBTi net-zero goal certification. Relevant policies were established in the company to reach the carbon reduction goal every year, demonstrating Grape King Bio's determination and implementation of their ESG operation in order to create a better sustainable future.

i. Ethical Governance

Driven by a commitment to sustainable operation, we prioritize strong corporate governance. This approach extends beyond legal compliance, encompassing several key pillars: maintaining shareholders' equity and ensuring fair treatment, strengthening the structure and effectiveness of the Board of Directors, implementing corporate social responsibility practices, and improving information transparency. To strengthen our corporate governance structure, we have a dedicated "corporate governance unit" and "integrity management unit" within our team. These units work together to promote ethical values, including anti-corruption, and anti-bribery measures. Our commitment to integrity is further emphasized by regular testing and annual reporting to the Board of Directors on implementation progress. In 2024, Grape King Bio achieved a remarkable feat as still the 1st company in the biotechnology industry with ISO37001 Anti-bribery Management System certification at all its business locations for the second consecutive year. We remain committed to upholding integrity and making significant contribution to society!

Corporate governance is the basis for sustainable operations. To maintain accountability and transparency, the Company has undergone the Corporate Governance Evaluation conducted by the Taiwan Stock Exchange and was recognized among the top 5% companies for the fourth consecutive year. We will continue to excel and develop our sustainable operations going forward.

Grape King Bio also assigns Independent Directors to communicate with our Chief Audit Officer and accountants in person regularly, in order to fully exercise the authority of Independent Directors. The Company also purchases Liability Insurance for Directors and Essential Employees so as to reduce the risks caused by mistakes or negligence of Directors' which could have significant impact to the Company and shareholders. We provide diversified communication channels, where specialists are responsible for replying to stakeholders concerns and questions. Grape King Bio publicly discloses information regarding corporate governance and finance results on both our Chinese and English websites. In 2024, we were invited to attend 5 conferences with local and foreign stakeholders.

ii. Product Liability

The Company continues to obtain food safety certificates to ensure product responsibility is upheld. Grape King Bio has PIC/S GMP, ISO22000, HACCP, NSF GMP, TQF, HALAL and ISO/IEC 17025 TAF accreditation laboratory, FSSC22000 and many other international accreditations. Audits and evaluations of raw material suppliers are carried out on a regular basis, with 218 suppliers inspected in 2024. The strictest monitoring and the highest standards set by our Company ensure consumers can consume our products with confidence.

In 2024, Grape King Bio continued to execute a full-scale communication plan aiming at reinforcing food safety awareness for all employees. We set up stalls, host mini-games in hiking event, promote food safety, champion global initiatives by echoing World Food Safety Day events, and displaying informative materials and slogans on food safety within the facility, publish a bi-annual Food Safety Magazine covering current issues and the latest news.

iii. Innovation and R&D

Grape King Biotech Research Institute uses pioneering patented fermentation technology and our own advanced biotechnological scientific techniques to cultivate our award winning raw materials. Our researches continuously develop and manufacture products that are aimed at being beneficial for the whole family to consume, and immediately provide a better brand experience for the consumer. From research and innovative development, comprehensive digital transformation, to back-end market development, our business has become more mature given its early layout planning. We received recognition from all sectors of the community in 2024: patent research and development with 34 gold, 3 silver, 1 bronze and 14 special prizes at the International Inventor Prize; of which our research on mycoprotein and probiotics have received three major awards in authoritative and sustainability focus IUFoST!

Grape King Bio continues to actively take part in industry-academia cooperation with colleges and universities by giving students opportunities to visit our facilities and participate in internships. The Company also visits campuses and training institutions to share our professional techniques with students. I also lead employees to participate in talent training and scouting hosted by TWIoD as an enterprise mentor for students. We hope to cultivate young professionals which can then enter industries with valuable experience. By combining the strength of the academe and the business sector, we help students gain practical experience and elevate their competitiveness in the workplace.

iv. Happy Workplace

Grape King Bio has a Health and Safety Committee which contains specialized nurses whom host health lectures and workshops. We obtained ISO/CNS 45001, Sport Enterprise and Healthy Workplace certifications in order to provide our employees with a safe and healthy working environment. The Company holds various team building events to build a sense of belonging in Grape King Bio, providing free health care and advice for employees. Consequently, we received a gold award from 1111 Job Portal voting for the 5th time, and received “Excellent & Healthy Workplace for Silver Age Award” from the government’s Health Promotion Administration and the “Corporate sustainability reports reveal occupational health and safety performance with high rating corporate”. In 2024, the sustainable goal of “Full Employee Participation in Workplace Safety, Health, and Well-being” reached the goals of 100% in all staff participation rate and 100% in proposal improvement.

v. Social Prosperity

Grape King Bio linked our employees to external organizations by initiating various charity events and donations, raising public awareness to social welfare causes. Moreover, the Company maximizes every resource that can benefit charity and those in need, from the Elderly, disadvantaged communities to animal welfare. In 2024 our expenditure on social participation reached NT$7,141,000 and volunteering 1,240 man hours too.

vi. Green Environment

In order to preserve a sustainable environment for the next generation, Grape King Bio is fully aware of the urgent need for enterprises to set positive goals for the sake of climate change and global warming. Therefore, since 2017, Grape King Bio Headquarters obtained ISO 14001 environmental management and continued promoting various environmental protection procedures using PDCA, integrating our ISO 50001 energy management system. We continue our RE100 commitment to use 100% renewable energy by 2035 by continuously evaluating our energy performance and optimizing energy utilization. Through the purchase of green power in 2024, we continued to increase our use of renewable energy. Grape King Bio has passed the Science Based Targets initiative (SBTi) review as the only company in the biotechnology industry in Taiwan which has passed Net-Zero targets.

In summary, Grape King Bio not only makes every effort to meet the expectations of shareholders, stakeholders and customers, but also promotes their values in a transparent manner. Through our continuous devotion, we are certain that it is feasible to set a milestone of having a tri-win situation for Grape King Bio, employees and society. We aim to take our responsibility for global citizens seriously whilst being a business enterprise, also ensuring sustainable development for the environment.

Finally, I would like to wish you all good health and happiness in the year of 2025, and beyond.

Chairman and GM ____________________ Shenglin Andrew Tseng

II

Corporate Governance

1.Directors and Managers team

2.Remuneration of the Directors, Presidents and Vice Presidents

3.Corporate Governance Status

4.Accountant Fees

5.Change of Accountants

6.The Employment of the Company's Chairman, General Manager, Financial or Accounting Manager with the Firm of the Auditing CPA or Its Affiliated Businesses in the Past Year

7.Particulars about Changes in Shareholding and Equity Pledge of Directors, Managers and Shareholders Holding More than 10% of the Company's Shares in the Past Year and as of the Date of Publication of the Annual Report

8.Information about the Top 10 Shareholders who are related parties

9.Total Shareholding Ratio

1. Directors and Managers team

(1) Directors

March 28, 2025 Unit: Share;%

Title (Note 1)	Nationality	Name	Gender Age (Note 2)	Date Elected	Term (years)	Date First elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	Republic of China	Shenglin Andrew Tseng	Male 51~60	May 30,2024	3	June 19, 2009	6,511,244	4.40	6,511,244	4.40	-	-	1,481,557	1.00	Note 9	Note 8	Director	Mei-Ching Tseng	Sister and brother	Note 5
Director	Republic of China	Mei-Ching Tseng	Female 51~60	May 30,2024	3	June 26, 2015	2,954,117	1.99	2,954,117	1.99	-	-	49,000	0.03	Note 9	Note 8	Chairman	Shenglin Andrew Tseng	Sister and brother	
Director	Republic of China	UNI-PRESIDENT ENTERPRISES CORP.	-	May 30,2024	3	July 15, 2021	11,851,000	8.00	11,851,000	8.00	-	-	-	-	Note 9	Note 8	Nil	Nil	Nil	
		Representative: Jia-Fong Chai	Male 51~60			May 30, 2024	-	-	-	-	-	-	-	-						
Director	Republic of China	Yen-Shiang Huang	Male 51~60	May 30,2024	3	May 29, 2018	203,000	0.14	203,000	0.14	-	-	-	-	Note 9	Note 8	Nil	Nil	Nil	
Director	Republic of China	Jue-Jia Chang	Male 51~60	May 30,2024	3	June 19, 2009	1,538,386	1.04	1,538,386	1.04	1,621,012	1.09	-	-	Note 9	Note 8	Nil	Nil	Nil	
Director	Republic of China	Hsing Chun Chen	Female 61~70	May 30,2024 (Note6)	3	May 29, 2018 (Note7)	1,559,596	1.05	1,595,596	1.08	-	-	-	-	Note 9	Note 8	Nil	Nil	Nil	
Director	Republic of China	Chih-Wei Lai	Male 41~50	May 30,2024	3	May 29, 2018	653,000	0.44	653,000	0.44	-	-	-	-	Note 9	Note 8	Nil	Nil	Nil	
Independent Director	Republic of China	Chen Jing Ning	Female 51~60	May 30,2024	3	July 15, 2021	-	-	-	-	-	-	-	-	Note 9	Note 8	Nil	Nil	Nil	
Independent Director	Republic of China	Chi J. Yu	Male 61~70	May 30,2024	3	May 30, 2024	-	-	-	-	-	-	-	-	Note 9	Note 8	Nil	Nil	Nil	
Independent Director	Republic of China	Ting-Ju Chen	Female 41~50	May 30,2024	3	May 30, 2024	-	-	-	-	-	-	-	-	Note 9	Note 8	Nil	Nil	Nil	
Independent Director	Republic of China	Pang-Chung Chin	Male 61~70	May 30,2024	3	May 30, 2024	-	-	-	-	-	-	-	-	Note 9	Note 8	Nil	Nil	Nil	

Note 1: If a corporate shareholder, please list its name and the representative's name (if the representative of a corporate shareholder, please indicate the name of the corporate shareholder) and fill in Table 1 below.
Note 2: Please specify the age brackets, e.g. 41-50 or 51-60.
Note 3: Please fill in the time of assuming the Company’s Director, Independent Director or Supervisor position for the first time. If there is any interruption, please indicate.
Note 4: Experience related to the current position. If the person has worked for the Company's CPA firm or affiliates in the aforementioned period, please describe the titles and responsibilities.
Note 5: The Chairman also serves as the Company's general manager. In addition to being conducive to communication and coordination within the Board of Directors to reduce conflicts, it can also improve the Company's operating efficiency and decision-making implementation rate. However, in order to strengthen the functions of the Board of Directors, the Company's response measures are as follows:
(1) Set up an Audit Committee and added one Independent Director in accordance with the regulation; Independent Directors have professional backgrounds in social studies, marketing strategy, financial accounting, and consumer protection; therefore, they are qualified to manage the business.
(2) Each functional committee under the Board of Directors, such as “Audit Committee”, and “Remuneration Committee,” consists of Independent Directors. More than half of the members in the “Digital Transformation Committee” are Independent Directors. All Independent Directors are able to discuss and give suggestions to the Board of Directors for reference and implement corporate governance.
(3) More than half of Directors are not employees or managers.
Note 6: The previous supervisors of the Company were assigned as Directors after re-election during the shareholder’s meeting on the 15th of July, 2021.
Note 7: The date of the previous supervisors of the Company assigned as the supervisors of the Company for the first time.
Note 8: List of Directors and Supervisors with positions at the Company and other companies.

Name	Positions at the Company and other companies
Shenglin Andrew Tseng	The Company’s General Manager; Branch Manager of the Company in Zhongli; Pro-Partner Ltd. Director; BVI GRAPE KING INTERNATIONAL INVESTMENT INC. Chairman; Shanghai Grape King Enterprise Co., Ltd. Director; Rivershine Ltd. Chairman; Yi Xin Investment Corporation. Director; MYGK BIO SDN. BHD. Director.
Mei-Ching Tseng	Pro-Partner Ltd. Director and General Manager; BVI GRAPE KING INTERNATIONAL INVESTMENT INC. Director; Rivershine Ltd. Director; Shanghai Rivershine Ltd. Supervisor; Yunshin Investment Ltd. Director; ELITE PROPARTNER HOLDINGS SDN. BHD. Executive Director; UVACO MY SDN. BHD. Executive Director.
Jia-Fong Chai	President Pharmaceutical Corp. Director and General Manager; President Pharmaceutical (Hong Kong) Holdings Ltd. Director and Vice President; President (Shanghai) Health Product Trading Company Ltd. Director and General Manager; President Being Corp. Director.
Yen-Shiang Huang	Shanghai Grape King Enterprise Co., Ltd. Supervisor; Chingbiao Biotech Co., Ltd. Chairman; Chingbiao Investment Co., Ltd. Chairman; Jinghua Industrial Co., Ltd. Director and General Manager; LYNCEAN TRADING CO., LTD. Chairman; SAMNOVA TAIWAN CO., LTD. Director; Union Splendid Management Co., LTD Director.
Jue-Jia Chang	Pro-Partner Ltd. Director; BVI GRAPE KING INTERNATIONAL INVESTMENT INC. Director; Rivershine Ltd. Director; BTS Taiwan Senior Consultant; Kuowang Food Co., Ltd. Chairman.
Hsing-Chun Chen	Chiayi Physical Disabilities Association Standing Director; Shin-Chia Petroleum Gas Co., Ltd. Supervisor.
Chih-Wei Lai	Sales Department Manager of CarMax Corporate of Hotai Motor Group.
Chen Jing Ning	Secretary General of the Taiwan Association of Family Caregivers.
Chi J. Yu	Amulaire Thermal Technology Inc. Consultant; PELL BIO-MED TECHNOLOGY CO., LTD. Independent Director; Shun Tai Investments Co., Ltd. Chairman; Ever Green Investments Corporation Chairman.
Ting-Ju Chen	Fantimate Co., Ltd. Supervisor.
Pang-Chung Chin	Committee member of the Consumers' Foundation Chinese Taipei; Adjunct Assistant Professor, Institute Of Law For Science And Technology and General Education Center, NTHU.

Note 9: Please refer to Professional Qualifications and Experience in the Independent Information Disclosure of Director Professional Qualifications and the Independence of Independent Directors in this annual report.

Table 1: Major shareholders of the institutional shareholders

August 9 ,2024(Ex-dividend date)

Name of Institutional Shareholder	Major shareholder
UNI-PRESIDENT ENTERPRISES CORP.	Kao Chyuan Inv. Corp. (5.00%) Cathay Life Insurance Co., LTD. (4.38%) Investment account of BNP Paribas HK branch by HSBC (Taiwan) (3.02%) Bo Ming Hou (2.60%) Bo Yu Hou (2.27%) Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF account in the custody of Taishin International Bank Co., Ltd. (1.88%) Yuanta Taiwan High Dividend Low Volatility ETF account in the custody of Bank of Taiwan (1.75%) New Labor Retirement Fund (1.74%) Kao Shiow Ling (1.64%) Chunghwa Post Co., Ltd. (1.57%)

Note 1：If the Director or Supervisor is the representative of a corporate shareholder, please fill in the name of the corporate shareholder.

Note 2：Please fill in the name of the major shareholder of the corporate shareholder (top 10 in shareholding) and the shareholding ratio. If the major shareholder is a corporate shareholder, please also fill in Table 2.

Note 3：Corporate shareholders who do not belong to the Company organization shall have their names and shareholding ratio disclosed, i.e., the names, promoting or contributory ratio of promoters or contributors (please refer to the announcements of the Judicial Yuan for further information). If a contributor has passed way, it should be noted as Deceased.

Table 2: Major shareholders of the major shareholders in Table 1 who are Institutional shareholders

December 31 ,2024

Name of Institutional Shareholder	Major shareholder
Kao Chyuan Inv. Corp.	Infinity Holdings Ltd. (51.11%); Eternity Holdings LTD. (48.89%)
Cathay Life Insurance Co., LTD.	Cathay Financial Holding Co., LTD. (100%)
Chunghwa Post Co., Ltd.	Ministry Of Transportation and Communications (100%)

Note 1: If the major shareholder in Table 1 is a corporate shareholder, please fill in its name.

Note 2: Please fill in the name of the corporate shareholder’s major shareholder (top 10 in shareholding) and the shareholding ratio.

Note 3: Corporate shareholders who do not belong to the Company organization shall have their names and shareholding ratio disclosed, i.e., the names, promoting or contributory ratio of the promoters or contributors (please refer to the announcements of the Judicial Yuan for further information). If a contributor has passed way, it should be noted as Deceased.

i. Information Disclosure of Director Professional Qualifications and the Independence of Independent Directors

Criteria / Name	Professional Qualifications and Experience (Note1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Shenglin Andrew Tseng Chairman	● Education PhD, University of Strathclyde ● Work Experience 1. Marketing Director - European Market Elitegroup Computer Systems Co., Ltd., UK 2. Marketing Manager - European Market Elitegroup Computer Systems Co., Ltd., UK 3. Senior Marketing Manager Proxima Procurement Ltd., UK ● Proficiency Operational decision-making, leadership decision-making, business management, crisis management, industry and international market knowledge, marketing experience. A member of the Digital Transformation Committee. Not involved in any case related to Article 30 of the Company Act.	1. Hold a concurrent post of the General Manager of the Company, is a Director in management position. 2. Hold a concurrent post of the Chairman and Director of the affiliated company.(Note) 3. Is a second-degree relative with Director Mei-Ching Tseng. 4. Top 10 individual shareholders. 5. Being a Director of the Company two years before the election. 6. The rest is compliant with the independence status stated in Article 3, Paragraph 1 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by the Financial Supervisory Commission.	Nil

Criteria / Name	Professional Qualifications and Experience (Note1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Mei-Ching Tseng Director	● Education Master's Degree, Andrew Jackson University ● Work Experience 1. Deputy Team Leader – Political Editor Independence Morning Post 2. Vice President Pro-Partner Ltd. ● Proficiency Operational decision-making, leadership decision-making, business management, crisis management, industry and international market knowledge, media experience.	1. Hold a concurrent post of the General Manager, Director and Supervisor of the affiliated company.(Note) 2. Is a second-degree relative with Chairman Shenglin Andrew Tseng. 3. Top 10 individual shareholders. 4. Being a Director of the Company two years before the election. 5. The rest is compliant with the independence status stated in Article 3, Paragraph 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission.	Nil
Jia-Fong Chai Director	● Education 1. Master of Education in Human Resource Development, University of Illinois Urbana-Champaign 2. Master of Science in Business Administration, University of Illinois Urbana-Champaign 3. Bachelor of Business Administration and Commercial Design, Ming Chuan University ● Work Experience 1. Director President Pharmaceutical Corp. 2. General Manager President Pharmaceutical Corp. 3. Vice President President Pharmaceutical Corp. 4. Director President (Shanghai) Health Product Trading Company Ltd. 5. General Manager President (Shanghai) Health Product Trading Company Ltd.	1. A corporate shareholder representative with more than 5% shares. 2. The corporate shareholder was a Director of the Company two years before the election. 3. The rest is compliant with the independence status stated in Article 3, Paragraph 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission.	Nil

Criteria / Name	Professional Qualifications and Experience (Note1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	6. Vice President President Pharmaceutical (Hong Kong) Holdings Ltd. 7. Director President Being Corp. 8. Business Director, Deputy Director, Channel Manager, Product Manager JOHNSON & JOHNSON TAIWAN LTD. 9. Sales Promotion Manager President Chain Store Corp. ● Proficiency Operational decision-making, leadership decision-making, business management, crisis management, industry and international market knowledge, enterprise management specialization.		

Criteria / Name	Professional Qualifications and Experience (Note1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Yen-Shiang Huang Director	●Education B.A., University of Wisconsin-Madison, U.S. ●Work Experience 1. Auditor TransGlobe Life Insurance Inc., U.S. 2. Executive Director, Deputy Chairman Jinghua Industrial Co., Ltd. 3. Chairman Chingbiao Biotech Co., Ltd. ●Proficiency Operational decision-making, leadership decision-making, business management, crisis management, industry and international market knowledge, auditing experience.	1. Hold a concurrent post of the Supervisor of the affiliated company.(Note) 2. Being a Director of the Company two years before the election. 3. The rest is compliant with the independence status stated in Article 3, Paragraph 1 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by the Financial Supervisory Commission.	Nil

Criteria / Name	Professional Qualifications and Experience (Note1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Jue-Jia Chang Director	●Education Master's Degree in Marketing, George Washington University, U.S. ●Work Experience 1. General Manager Wavemaker, Taiwan 2. International Marketing Manager Heineken, Headquarters in the Netherlands 3. Marketing Director Heineken, Taiwan 4. Marketing Director CIBA Vision/Novartis, Taiwan 5. Senior Brand Manager GSK, Taiwan ●Proficiency Operational decision-making, leadership decision-making, business management, crisis management, industry and international market knowledge, marketing experience.	1. Hold a concurrent post of the Director of the affiliated company.(Note) 2. Being a Director of the Company two years before the election. 3. The rest is compliant with the independence status stated in Article 3, Paragraph 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission.	Nil

Criteria / Name	Professional Qualifications and Experience (Note1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Hsing-Chun Chen Director	● Education 1. EMBA, National Chung Cheng University 2. Master's Degree in Accounting and Law, National Chung Cheng University 3. Master's Degree in Taiwan Literature and Innovation, National Chung Cheng University ● Work Experience 1. Department of Distribution Taiwan Tobacco & Liquor Corporation, Taichung 2. Department of Securities, Loan Collection Land Bank of Taiwan, Taichung 3. Department of Safe Deposit Box Land Bank of Taiwan, Tainan 4. Director (13th session) Early Childhood Education Academy (Chiayi City) 5. Person-in-charge and Headmaster Jia Nan Private Kindergarten (Chiayi City) ● Proficiency Operational decision-making, leadership decision-making, business management, crisis management, industry and international market knowledge, extensive experience in early childhood education.	Besides being a Director of the Company two years before the election, the rest is compliant with the independence status stated in Article 3, Paragraph 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission.	Nil

Criteria / Name	Professional Qualifications and Experience (Note1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chih-Wei Lai Director	●Education Master of Innovation and Design, National Taipei University of Technology ●Work Experience 1. Eyewear Designer All-Logic International Co., Ltd. 2. Design Director Zhi Yun Creativity Co., Ltd. 3. Product Strategy Section Chief Technical Research and Development Center of Hotai Motor Carmax Co., Ltd. 4. Manager, Commodity Strategy CarMax Corporate of Hotai Motor Group. ●Proficiency Operational decision-making, leadership decision-making, business management, crisis management, industry and international market knowledge, extensive design experience.	Besides being a Director of the Company two years before the election, the rest is compliant with the independence status stated in Article 3, Paragraph 1 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by the Financial Supervisory Commission.	Nil

Criteria / Name	Professional Qualifications and Experience (Note1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chen Jing Ning Independent Director	● Education Master of Sociology, National Chengchi University ● Work Experience 1. Congressional Assistant Legislative Yuan 2. Vice President Jet-Go Consulting Group 3. General Manager Shiun Lu Public Consulting Co., Ltd. 4. Part-time Lecturer in Fashion Marketing Shih Chien University 5. Part-time Lecturer in Feminism Shih Hsin University 6. Consultant Jing Chuan Child Safety Foundation ● Proficiency Experience in social studies. A member of the Audit Committee and the Remuneration Committee.	Four Independent Directors listed on the left have met the qualifications specified in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act two years before the election and during their tenure. Also, the Independent Directors have the right to fully participate in decision-making and express their opinions in accordance with Article 14-3 of the Securities and Exchange Act, and to perform relevant duties.	0

Criteria / Name	Professional Qualifications and Experience (Note1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chi J. Yu Independent Director	● Education PhD in Mechanical Engineering, University of Massachusetts ● Work Experience 1. VP Marketing, Beloit Co. 2. VP Customer Service, ASML Holding N.V. 3. CEO Amulaire Thermal Technology Inc. ● Proficiency Experience in business management and expert in technology industry, marketing, change management, profit and loss management, and process development. A member of Audit Committee and the Remuneration Committee.		0

Criteria / Name	Professional Qualifications and Experience (Note1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Ting-Ju Chen Independent Director	● Education 1. Graduate Studies, Public Accountancy from McGill University 2. Bachelor of Business Commerce ● Work Experience 1. Chairman EASYCARD Investment Holding CO., Ltd. 2. Chairman and General Manager EASYCARD Corporation 3. Deputy Convener Taiwan Electronic Payment Committee 4. Retail Financial General Superintendent/ Electronic Finance Division/ Integrated marketing Director Bank SinoPac 5. Account Manager, CSO's Office Sinopac Holdings 6. CFO PChome eBay Co., Ltd. 7. Account Manager, CFO's Office KGI Securities Co., Ltd. 8. Investor Relations Manager CTBC Bank 9. Audit Manager Friedman & Friedman, Canada ● Proficiency Experience in financial accounting. A member of the Audit Committee, Remuneration Committee and Digital Transformation Committee.		0

Criteria / Name	Professional Qualifications and Experience (Note1)	Independence Criteria (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Pang-Chung Chin Independent Director	● Education 1. PhD in Law, National Chung Cheng University 2. Master's Degree in Law, National Taiwan University 3. Master's Degree in Law, National Taipei University 4. Bachelor of Laws, National Chengchi University ● Work Experience 1. Reporter Legislative Yuan 2. Director, Parliamentary Office Legislative Yuan 3. Consumer Ombudsmen; Chairperson of Appeals Review Committee; Chairperson of Legal Affairs Committee; Acting township mayors of Wufeng Township ● Proficiency Experience in law. A member of the Audit Committee and Digital Transformation Committee.		0

Note: For concurrent employment status, please refer to the "concurrent job list of the Company and other companies" on page 14 of this annual report.

Note1: The Directors of the company have not involved in any case related to Article 30 of the Company Act.

Note2: Independent Director should definitely meet the condition for independence, including but not limited to the Director himself/herself, his/her spouse, relatives up to the second-degree of consanguinity, not serving as a Director, supervisor or employee in the Company or its affiliates; the number of shares and ratio held by the Director himself/herself, his/her spouse, relatives up to the second-degree of consanguinity (or in the name of someone else); whether he or she serves as a Director, supervisor or employee in a company which has a special relationship with the Company (please refer to Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies , Article 3 Paragraph 1 Subparagraph 5 to 8); the amount of remuneration over the past 2 years for the service provided to the Company or its affiliates in terms of enterprise and business, law, finance, accounting, etc.

ii. The Diversification and Independence of the Board of Directors

(i) The Diversification of the Board of Directors

The Company already established a diversification policy and concrete management goals for the diversification of Directors as follows:

On the 10th of November, 2015, the Company approved the Corporate Governance Best Practice Principles in the 4th board meeting of the 18th session, which drafted diversification guidelines: Overall Required Competencies of the Board of Directors, stated in Article 20. The composition of the board members should be diversified. Besides the fact that Directors who took the post of part-time managers had better not exceed one-third of the board seats, it is necessary to draft appropriate diversification guidelines according to operation, type of business and need of development, including but not limited to the standards of the two perspectives below:

a. Basic Requirements and Values: gender, age, nationality, culture, etc.

b. Professional Knowledge and Skills: professional background (law, accounting, industry, finance, marketing or technology), professional skills, industry experience, etc.

Generally, board members should possess the knowledge, skills and competencies which are required for their duty. In order to achieve ideal goals of corporate governance, please find below the required general competencies of the Board of Directors:

a. Sound Business Judgment; b. Accounting and Financial Analysis Skills; c. Business Management Skills; d. Crisis Handling Skills; e. Industry Knowledge;
f. International Market Prospects; g. Leadership Skills; h. Decision-making Abilities.

The nomination and selection of the board members of the Company complies with Article 20 of the corporate by-laws, processing on the basis of the candidate nomination system. In addition to complying with the Director selection methods and executing selections, candidate education and work experience are clearly stated for shareholders' information.

The Company's focus on the diversification of board members has an aim as follows:

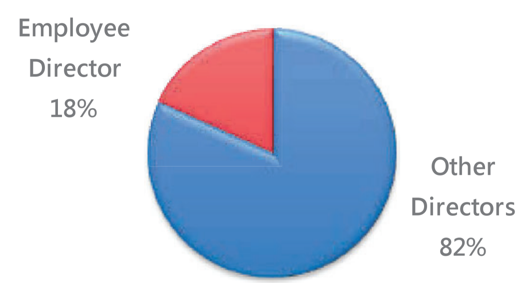
Gender Diversity: The Company pays attention on the gender equity on the composition of the Board of Directors. It shall compose 33% from each gender, and the estimated goal for female Directors are above 4 seats.

Field Diversity: Additional four core competencies from among business management skills, leadership skills, decision-making abilities, industry knowledge, financial accounting skills, law background, etc.

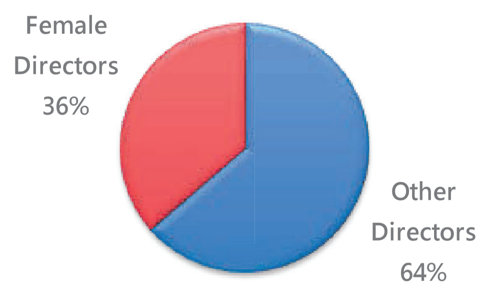
The Company's diversification policy and concrete management goals are as follows:

Diversification / Name	Gender	Employee	Age			Term of Independent Directors	Industry experience							Professional ability	
			41-50	51-60	61-70		Sound Business Judgment	Leadership Skills and Decision-making Abilities	Business Management	Crisis Handling	Industry Knowledge	marketing	Audit	Financial accounting	Law
Shenglin Andrew Tseng	M	V		V		-	V	V	V	V	V	V			
Mei-Ching Tseng	F	V		V		-	V	V	V	V	V	V			
Jia-Fong Chai	M			V		-	V	V	V	V	V	V			
Yen-Shiang Huang	M			V		-	V	V	V	V	V	V	V		
Jue-Jia Chang	M			V		-	V	V	V	V	V	V			
Hsing-Chun Chen	F				V	-	V	V	V	V	V				
Chih-Wei Lai	M		V			-	V	V	V	V	V				
Chen Jing Ning	F			V		2	V	V	V	V	V				
Chi J. Yu	M				V	1	V	V	V	V	V	V			
Ting-Ju Chen	F		V			1	V	V	V	V	V			V	
Pang-Chung Chin	M				V	1	V	V	V	V	V				V

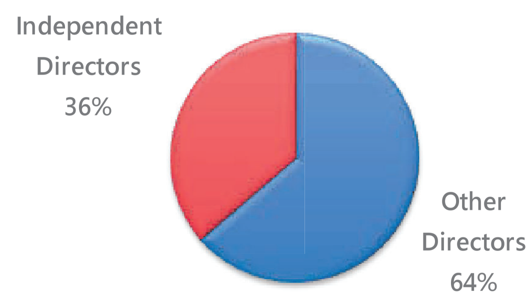
Proportion of employee Directors



Proportion of female Directors



Proportion of Independent Directors



Board members of the Company are diversified. As of the present 11 seats of Directors, Directors who are employees account for 18%, four female Directors account for 36%, four Independent Directors account for 36%. As for the term of four Independent Directors, three are under three years, and the other one is between three and six years, all of them are served for less than three consecutive terms. The average age of Directors is 56.2 years old, three are aged between 61 and 70, six are between 51 and 60, and the other two are between 41 and 50. The age range of Directors is wide.

Directors have an educational background that encompasses PhD in Business Marketing, PhD in Mechanical Engineering, PhD in Law, Master of Marketing, Master of Social Studies, etc. Among which, every Director has a different professional background as well. Shenglin Andrew Tseng, Mei-Ching Tseng, Jia-Fong Chai as the representative of Uni-President Enterprises Corp., Yen-Shiang Huang, Jue-Jia Chang, Hsing-Chun Chen, Chih-Wei Lai specialize in business judgment, leadership decision-making, business management and crisis handling as well as possess industry knowledge and internal market prospects; Shenglin Andrew Tseng and Jue-Jia Chang have experience in marketing; Mei-Ching Tseng has relevant experience in media; Jia-Fong Chai specializes in enterprise management; Chih-Wei Lai has experience in designing; Yen-Shiang Huang has experience in auditing; Hsing-Chun Chen specializes in early childhood education; four Independent Directors: Chen Jing Ning, Chi J. Yu, Ting-Ju Chen and Pang-Chung Chin specialize in social studies, marketing strategy, financial accounting, and consumer protection, respectively.

In summary, it is clear that there is Board of Directors diversity in terms of education and specialty, field and gender, which aligns with the goal, set by the diversification policy of the Company.

(ii) The Independence of the Board of Directors

1. There are 11 members in the 21st Board of Directors. Among them, 4 are Independent Directors, who account for 33% of the Board members. Their term of office has not exceeded 9 consecutive years (3 terms). All Independent Directors perform their duties independently and have no related interest in the Company. They are also members of the Audit Committee, which ensures the fair presentation of the Company's financial statements, the appointment (dismissal), independence, and AQI of CPAs; the effective implementation of internal controls, risk control mechanism, and compliance with relevant laws and regulations.
2. Members of the Board of Directors who are related, i.e., spouse or second-degree relative shall not hold more than two board seats (Chairman Shenglin Andrew Tseng and Director Mei-Ching Tseng are siblings). Directors, who are also employees of the Company according to the consolidated financial statement, hold less than one third of the board seats. In order to ensure the independence of the Board of Directors' operations, the Company has expressly stipulated in Article 15, Paragraph 1 of the Rules of Procedures for the Board of Directors that when a Director or juristic representative of a Director has vested interest in any of the agenda items, he or she shall disclose relevant interest during the meeting and, where there is likelihood that the interests of this Corporation would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy of another Director. All of the Company's Directors comply with the above regulations. It can be sufficiently ensured that all discussions and voting on agenda items align with Directors' objectives and independent judgment.
3. To implement corporate governance and improve the functions of the Board of Directors and functional committees, the Company has established and implemented the "Regulations for the Performance Evaluation of the Board and Functional Committees" to assess the Board of Directors, functional committees, and individual Directors' performance every year. The evaluation result and recommendations shall be proposed to the Board of Directors as reference for election or nomination of Directors in the next term.
4. To improve information transparency and allow investors to fully understand the operation of the Board of Directors, the following information have been regularly disclosed under the Investor section of the Company's website or on the MOPS: (1) The Board members' meeting attendance; (2) Agenda items and resolutions; (3) Continuing education of Directors; (4) Changes in shareholdings of Board members (includes shareholding ratio, share transfer and pledge setting, etc. (please refer to MOPS)).

(2) Management Team

March 28, 2025 Unit: Share; %

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position Relation	Managers who are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman and General Manager	Republic of China	Shenglin Andrew Tseng	Male	2014.11.06 Election. 2014.11.07 Assume office.	6,511,244	4.40	-	-	1,481,557	1.00	PhD, University of Strathclyde	Note 2	Nil	Nil	Nil	Note 1
GM of the Longtan branch	Republic of China	Jin-Chu Chen	Male	2014.01.01	36,388	0.02	-	-	-	-	PhD, Life Science School, Tsing Hua University	Note 2	Nil	Nil	Nil	
Deputy GM, Business Division	Republic of China	Yuan-Tsung Lin	Male	2017.07.01	-	-	-	-	-	-	EMBA, National Chung Hsing University	Note 2	Nil	Nil	Nil	
CFO and Corporate Governance Officer	Republic of China	Nick Hung	Male	2014.01.01	-	-	-	-	-	-	Bachelor, Chung Hsing University	Note 2	Nil	Nil	Nil	
CLO	Republic of China	Bing-Jyun Cuei	Male	2021.07.01	-	-	-	-	-	-	College of Law, National Chengchi University	Nil	Nil	Nil	Nil	
Director of Administration Division	Republic of China	Du-Sheng Wang	Male	2021.07.01	-	-	-	-	-	-	PhD, Department of Economics, National Taiwan University	Nil	Nil	Nil	Nil	
Director of R&D Division	Republic of China	Sheng-Chieh Hsu	Male	2023.01.05	5,000	0.00	-	-	-	-	PhD, Department Of Food Science And biotechnology, National Chung Hsing University	Note 2	Nil	Nil	Nil	
CSO	UK	Duncan Aitken	Male	2024.02.16	60,000	0.04	-	-	-	-	Degree in Business Management - The Open University UK Postgraduate diploma in CSR - University of Bedfordshire	Nil	Nil	Nil	Nil	
Director of SCM Division	Republic of China	Ryan Chou	Male	2025.01.01	18,000	0.01	-	-	-	-	Master Degree in Marketing, Coventry University, UK	Nil	Nil	Nil	Nil	
Director of Manufacturing Division	Republic of China	Yi-Ru Hu	Male	2025.01.01	-	-	1,030	0.00	-	-	Master of Business Administration, Yuan Ze University	Nil	Nil	Nil	Nil	

Note 1: The Chairman also serves as the Company's general manager. In addition to being conducive to communication and coordination within the Board of Directors to reduce conflicts, it can also improve the Company's operating efficiency and decision-making implementation rate. However, in order to strengthen the functions of the Board of Directors, the Company's response measures are as follows:

a. Set up an Audit Committee and added one Independent Director in accordance with the regulation; Independent Directors have professional backgrounds in social studies, marketing strategy, financial accounting, and consumer protection; therefore, they are qualified to manage the business.

b. Each functional committee under the Board of Directors, such as “Audit Committee”, and “Remuneration Committee,” consists of Independent Directors. More than half of the members in the “Digital Transformation Committee” are Independent Directors. All Independent Directors are able to discuss and give suggestions to the Board of Directors for reference and implement corporate governance.
c. More than half of the Directors are neither employees nor managers.

Note 2: List of Management Team with positions at the Company and other companies.

Name	Positions at the Company and other companies
Shenglin Andrew Tseng	The Company’s Chairman; Branch Manager of the Company in Zhongli; Pro-Partner Ltd Director; BVI GRAPE KING INTERNATIONAL INVESTMENT INC. Chairman; Shanghai Grape King Enterprise Co., Ltd. Director; Rivershine Ltd. Chairman; Yi Xin Investment Corporation Director; MYGK BIO SDN. BHD. Director.
Jin-Chu Chen	Pro-Partner Ltd. Director.
Yuan-Tsung Lin	Shanghai Grape King Enterprise Co., Ltd. Director and General Manager; Shanghai Rivershine Ltd. General Manager; Shanghai Changhong Biotechnology Co., Ltd. Director; Shanghai Xinquan Biotechnology Co., Ltd. Chairman and General Manager; Shanghai Pujun Trading Co., Ltd. Chairman; PUBAI LIMITED Director; Shanghai Puxun Supply Chain Management Co., Ltd. Chairman; Shanghai Puyou Trading Co., Ltd. Chairman; Shanghai Puguang Trading Co., Ltd. Chairman.
Nick Hung	GK BIO INTERNATIONAL SDN. BHD. Director.
Sheng-Chieh Hsu	GK BIO INTERNATIONAL SDN. BHD. Director.

2. Remunerations of the Directors, Presidents, and Vice Presidents

Remunerations of the Directors (including Independent Directors)

Unit: NT$ thousand；%

Title		Name	Remuneration to Directors								Sum of A+B+C+D and ratio to net income (Note 10)		Remuneration received by Directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income (Note 10)		Remuneration from investee enterprises other than subsidiaries or from the parent company (Note 11)
			Base compensation (A) (Note 2)		Retirement pay and pension (B)		Director profit-sharing compensation (C) (Note 3)		Expenses and perquisites (D) (Note 4)				Salary, rewards, and special disbursements (E) (Note 5)		Retirement pay and pension (F)		Employee profit-sharing compensation (G) (Note 6)						
			The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company		All consolidated entities (Note 7)		The Company	All consolidated entities (Note 7)	
																	Cash	Stock	Cash	Stock			
Director	Chairman	Shenglin Andrew Tseng	-	-	-	-	33,196	33,196	1,240	1,240	34,436 2.38%	34,436 2.38%	3,464	7,573	-	-	6,356	-	20,766	-	44,256 3.06%	62,775 4.33%	Nil
	Director	Mei-Ching Tseng																					
	Director	UNI-PRESIDENT ENTERPRISES CORP. The 21st Representative: Jia-Fong Chai The 20th Representative: Kao Shiow Ling																					
	Director	Yen-Shiang Huang																					
	Director	Jue-Jia Chang																					
	Director	Hsing Chun Chen																					
	Director	Chih-Wei Lai																					
	Director	Chih-Sheng Chang (Note12)																					
Independent Director	Independent Director	Chen Jing Ning	-	-	-	-	-	-	2,740	2,740	2,740 0.19%	2,740 0.19%	-	-	-	-	-	-	-	-	2,740 0.19%	2,740 0.19%	Nil
	Independent Director	Chi J. Yu (Note 12)																					
	Independent Director	Ting-Ju Chen (Note 12)																					
	Independent Director	Pang-Chung Chin (Note 12)																					
	Independent Director	Feng-I Lin (Note 12)																					
	Independent Director	Ching-Pu Chen (Note 12)																					
	Independent Director	I-Fan Miao (Note 12)																					

(1) The policy, system, standards and structure in place for paying remuneration to Directors and Independent Directors of the Company, and the relationship of such as the duties and risks undertaken and time invested by the Directors to the amount of remuneration paid:

Directors of the Company are due to receive remuneration as and when they execute tasks for the Company, whose amount is based on his/her participation in the Company operations and the value he/she contributed. As per Rules for the Performance Evaluation of the Board of Directors, we carry out an internal evaluation every year, whose result is used as a reference for the remuneration of individual Directors, and according to Company by-laws, the Board of Directors is authorized to process the payment as per industry standard. In addition, providing that the Company gains a profit for that year, according to Article 29 of the Company by-laws, contributing no more than two percent as Director remuneration (Independent Directors are not involved in the remuneration allocation for Directors), the actual rate and amount depends on the board resolution after the Remuneration Committee discusses business performance.

The remuneration for Independent Directors, according to functional expenses as per the agreed quota within the industry standards; remuneration, pension, Director remuneration and part-time employee remuneration are not included in this spectrum.

(2) In addition to what is disclosed in the above table, the amount of remuneration received by Directors of the Company in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / inv enterprises): Nil.

(3) The fixed remuneration is NTD 6,363 thousand dollars and variable remuneration is NTD 40,633 thousand dollars for the Company’s Directors and Independent Directors. The total fixed remuneration is NTD 8,313 thousand dollars and variable remuneration is NTD 57,202 thousand dollars in the financial reports.

Range of Remuneration

Ranges of remuneration paid to each of the Company's Directors	Name of Directors			
	Total amount of the first four remunerations (A+B+C+D)		Total amount of the first seven remunerations (A+B+C+D+E+F+G)	
	The Company (Note 8)	All consolidated entities (Note 9) H	The Company (Note 8)	All consolidated entities (Note 9) I
Lower than 1,000,000	Feng-I Lin, Ching-Pu Chen, I-Fan Miao, Chen Jing Ning, Chi J. Yu, Ting-Ju Chen, Pang-Chung Chin, Kao Shiow Ling, Jia-Fong Chai	Feng-I Lin, Ching-Pu Chen, I-Fan Miao, Chen Jing Ning, Chi J. Yu, Ting-Ju Chen, Pang-Chung Chin, Kao Shiow Ling, Jia-Fong Chai	Feng-I Lin, Ching-Pu Chen, I-Fan Miao, Chen Jing Ning, Chi J. Yu, Ting-Ju Chen, Pang-Chung Chin, Kao Shiow Ling, Jia-Fong Chai	Feng-I Lin, Ching-Pu Chen, I-Fan Miao, Chen Jing Ning, Chi J. Yu, Ting-Ju Chen, Pang-Chung Chin, Kao Shiow Ling, Jia-Fong Chai
1,000,000 (inclusive) ～ 2,000,000 (exclusive)	-	-	-	-
2,000,000 (inclusive) ～ 3,500,000 (exclusive)	Chih-Wei Lai, Chih-Sheng Chang, Hsing Chun Chen, Jue-Jia Chang	Chih-Wei Lai, Chih-Sheng Chang, Hsing Chun Chen, Jue-Jia Chang	Chih-Wei Lai, Chih-Sheng Chang, Hsing Chun Chen, Jue-Jia Chang	Chih-Wei Lai, Chih-Sheng Chang, Hsing Chun Chen, Jue-Jia Chang
3,500,000 (inclusive) ～ 5,000,000 (exclusive)	Yen-Shiang Huang	Yen-Shiang Huang	Yen-Shiang Huang	Yen-Shiang Huang
5,000,000 (inclusive) ～ 10,000,000 (exclusive)	Shenglin Andrew Tseng, Mei-Ching Tseng, UNI-PRESIDENT ENTERPRISES CORP.	Shenglin Andrew Tseng, Mei-Ching Tseng, UNI-PRESIDENT ENTERPRISES CORP.	Mei-Ching Tseng, UNI-PRESIDENT ENTERPRISES CORP.	UNI-PRESIDENT ENTERPRISES CORP.
10,000,000 (inclusive) ～ 15,000,000 (exclusive)	-	-	-	-
15,000,000 (inclusive) ～ 30,000,000 (exclusive)	-	-	Shenglin Andrew Tseng	Shenglin Andrew Tseng, Mei-Ching Tseng
30,000,000 (inclusive) ～ 50,000,000 (exclusive)	-	-	-	-
50,000,000 (inclusive) ～ 100,000,000 (exclusive)	-	-	-	-
100,000,000 or more	-	-	-	-
Total	17	17	17	17

Note 1: The name of each Director shall be stated separately (for a corporate shareholder, the names of the corporate shareholder and its representative shall be stated separately), and the names of the ordinary Directors and Independent Directors shall be stated separately, based on the amount of the aggregated remuneration items paid to each.

Note 2: This refers to Director base compensation in the most recent fiscal year (including Director salary, duty allowances, severance pay, and various rewards and incentives, etc.).

Note 3: The amount of Director profit-sharing compensation approved by the Board of Directors for distribution for the most recent fiscal year.

Note 4: This refers to Director expenses and perquisites in the most recent fiscal year (including travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, etc.). If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the Company to the driver, but do not include it in the calculation of the Director remuneration.

Note 5: This includes any remuneration received by a Director for concurrent service as an employee in the most recent year (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee) including salary, duty allowances, severance pay, rewards, incentives, travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, etc. If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the Company to the driver, but do not include it in the calculation of the Director remuneration. Additionally, salary expenses recognized as share-based payment under IFRS 2—including employee share subscription warrants, new restricted employee shares, and participation in share subscription under a right offering, etc.—should be included in the calculation of remuneration.

Note 6: This refers to employee profit-sharing compensation (including stocks and cash) received by a Director for concurrent service as an employee in the most recent fiscal year (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee). Disclose the amount of profit-sharing compensation approved or expected to be approved by the Board of Directors for distribution for the most recent fiscal year. If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year. Table 1-3 should also be completed.

Note 7: Disclose the total amount of remuneration in each category paid to the Directors of the Company by all companies in the consolidated financial report (including the Company).

Note 8: Disclose the names of the Directors in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each Director by the Company.

Note 9: Disclose the names of the Directors in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each Director of the Company by all companies in the consolidated financial report (including the Company).

Note 10: Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 11: i. In this column, specifically disclose the amount of remuneration received by the Directors of the Company from investee enterprises other than subsidiaries or from the parent company (if none, state "None").

ii. If Directors of the Company have received remuneration from investee enterprises other than subsidiaries or from the parent company, that remuneration shall be added into the amount in Column I of the Remuneration Range Table, and the name of that column shall be changed to "Parent company and all investee enterprises".

iii. Remuneration means remuneration received by Directors of the Company for serving in capacities such as director, supervisor, or managerial officer at investee companies other than subsidiaries or at the parent company, including base compensation, profit-sharing compensation (including employee, Director, and supervisor profit-sharing compensation) and expenses and perquisites.

Note 12: Kao Shiow Ling, the representative of Uni-President Enterprises Corp., and Chih-Sheng Chang stepped down from the 20th term of Directors on May 30, 2024; Feng-I Lin, Ching-Pu Chen and I-Fan Miao had stepped down from the 20th term of Independent Directors on May 30, 2024.Jia-Fong Chai, the representative of Uni-President Enterprises Corp., took on the role of Director for the 21st term of Directors on May 30, 2024. Chi J. Yu, Ting-Ju Chen and Pang-Chung Chin have been appointed as the 21st term of Independent Directors on May 30, 2024.

* This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

Remuneration to General Manager(s) and Assistant General Manager(s)

Unit: NT$ thousand；%

Title	Name	Salary (A)(Note 2)		Retirement pay and pension (B)		Rewards and special disbursements (C) (Note 3)		Employee profit-sharing compensation (D) (Note 4)				Sum of A+B+C+D and ratio to net income (%) (Note 8)		Remuneration received from investee enterprises other than subsidiaries or from the parent company (Note 9)
		The Company	All consolidated entities (Note 5)	The Company	All consolidated entities (Note 5)	The Company	All consolidated entities (Note 5)	The Company		All consolidated entities (Note 5)		The Company	All consolidated entities (Note 5)	
								Cash	Stock	Cash	Stock			
General Manager	Shenglin Andrew Tseng	6,620	7,821	-	-	3,247	4,000	14,761	-	14,761	-	24,628 1.70%	26,582 1.84%	Nil
GM of the Longtan branch	Jin-Chu Chen													
Deputy GM, Business Division	Yuan-Tsung Lin													
CFO and Corporate Governance Officer	Nick Hung													

The fixed remuneration is NTD 6,620 thousand dollars and variable remuneration is NTD 18,008 thousand dollars for the Company’s general managers and deputy general managers. The total fixed remuneration is NTD 7,821 thousand dollars and variable remuneration is NTD 18,761 thousand dollars in the financial reports.

The remuneration of the Company’s general manager in 2024 was 11.6 times the average salary of the non-managerial employee and 12.8 times the median; whereas the remuneration of the Company’s general manager in 2023 was 13.7 times the average salary of the non-managerial employee and 15.7 times the median.

Clawback Provision: Short-term and mid-term strategic target bonuses for the general manager come with a clawback provision. Paid bonuses that do not meet relevant criteria are subject to clawbacks.

Range of Remuneration

Ranges of remuneration paid to each of the Company’s general manager(s) and assistant general managers(s)	Names of General Manager(s) and Assistant General Manager(s)	
	The Company (Note 6)	All consolidated entities (Note 7) E
Lower than 1,000,000	-	-
1,000,000 (inclusive) ～ 2,000,000 (exclusive)	-	-
2,000,000 (inclusive) ～ 3,500,000 (exclusive)	-	-
3,500,000 (inclusive) ～ 5,000,000 (exclusive)	Yuan-Tsung Lin	-
5,000,000 (inclusive) ～ 10,000,000 (exclusive)	Jin-Chu Chen, Nick Hung	Jin-Chu Chen, Nick Hung, Yuan-Tsung Lin
10,000,000 (inclusive) ～ 15,000,000 (exclusive)	Shenglin Andrew Tseng	Shenglin Andrew Tseng
15,000,000 (inclusive) ～ 30,000,000 (exclusive)	-	-
30,000,000 (inclusive) ～ 50,000,000 (exclusive)	-	-
50,000,000 (inclusive) ～ 100,000,000 (exclusive)	-	-
100,000,000 or more	-	-
Total	4 people	4 people

Note 1: The name of each general manager and assistant general manager shall be stated separately, based on the amount of the aggregated remuneration items paid to each.
Note 2: This includes salary, duty allowances, and severance pay to the general manager(s) and assistant general manager(s) in the most recent fiscal year.
Note 3: This includes the amounts of all types of rewards, incentives, travel expenses, special disbursements, stipends of any kind, provision of facilities such as accommodations or vehicle, and other compensation to the general manager(s) and assistant general managers(s) in the most recent fiscal year. If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the company to the driver, but do not include it in the calculation of the director remuneration. Additionally, salary expenses recognized as share-based payment under IFRS 2—including employee share subscription warrants, new restricted employee shares, and participation in share subscription under a right offering, etc.—should be included in the calculation of remuneration.

Note 4: This refers to employee profit-sharing compensation (including stocks and cash) received by the general manager(s) and assistant general manager(s) as approved or expected to be approved by the board of directors for the most recent fiscal year (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee). If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year.

Note 5: Disclose the total amount of remuneration in each category paid to the general manager(s) and assistant general manager(s) by all companies in the consolidated financial report (including the Company).

Note 6: Disclose the names of the general manager(s) and assistant general manager(s) in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each general manager and assistant general manager by the Company.

Note 7: Disclose the names of the general manager(s) and assistant general manager(s) in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each general manager and assistant general manager of the Company by all companies in the consolidated financial report (including the Company).

Note 8: Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 9: i. In this column, specifically disclose the amount of remuneration received by the general manager(s) and assistant general manager(s) of the Company from investee enterprises other than subsidiaries or from the parent company (if none, state “None”).

ii. If general manager(s) or assistant general manager(s) of the Company have received remuneration from investee enterprises other than subsidiaries or from the parent company, that remuneration shall be added into the amount in Column E of the Remuneration Range Table, and the name of that column shall be changed to “Parent company and all investee enterprises”.

iii. Remuneration means remuneration received by the general manager(s) and assistant general manager(s) of the Company for serving in capacities such as director, supervisor, or managerial officer at investee companies other than subsidiaries or at the parent company, including base compensation, profit-sharing compensation (including employee, director, and supervisor profit-sharing compensation) and expenses and perquisites.

* This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers

Unit: NT$ thousand；%

	Title (Note 1)	Name (Note 1)	Amount in stock	Amount in Cash	Total	Ratio of Total Amount to Net Income (%)
Managerial officers	Chairman and General Manager	Shenglin Andrew Tseng	-	28,875	28,875	1.99
	GM of the Longtan branch	Jin-Chu Chen				
	Deputy General Manager	Yuan-Tsung Lin				
	CFO and Corporate Governance Officer	Nick Hung				
	CLO	Bing-Jyun Cuei				
	Division Director	Du-Sheng Wang				
	Division Director	Sheng-Chieh Hsu				
	CSO	Duncan Aitken				
	Division Director	Ryan Chou				
	Division Director	Yi-Ru Hu				
	Director	Yen-Lien Chen				

Note 1: Names and job titles should be disclosed individually, but profit distributions received may be disclosed in aggregate.

Note 2: Fill in the amount of employee profit-sharing compensation (including stocks and cash) received by the managerial officers as approved or expected to be approved by the board of directors for the most recent fiscal year. If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year. Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 3: The applicable scope of "managerial officers" is defined under the 27 March 2003 FSC Order No. Tai-Cai-Zheng-III-0920001301 as persons in the following positions:

i. General manager(s) and equivalent level positions
ii. Assistant general manager(s) and equivalent level positions
iii. Deputy assistant general manager(s) and equivalent level positions
iv. Chief officer of the finance division
v. Chief officer of the accounting division
vi. Other persons who have the power to manage affairs and sign for the Company.

Comparison and explanation

i. Analysis of the ratio of total remuneration (paid to the Directors, General Manager and Deputy General Managers of the Company by the Company and all the companies in the consolidated statements in the last two years) to net profit after tax:

Unit: %

Title	Ratio of Total Remuneration to Net Profit after Tax in 2024		Ratio of Total Remuneration to Net Profit after Tax in 2023	
	The Company	Companies in the consolidated financial report	The Company	Companies in the consolidated financial report
Director (including Independent Director)	3.25	4.52	3.39	4.49
General Manager and Deputy General Managers	1.70	1.84	1.73	1.87

ii. The correlation among the remuneration payment policy, standards and combinations, the procedures for setting the remuneration, the business performance, and the future risk:

(i) The correlation among the remuneration payment policy, standards and combinations

a. The remuneration amount for Directors who manage the Company's business is based on the Directors' participation in Company operations and value of contribution. An internal annual KPI performance evaluation, in accordance with "Regulations for the Performance Evaluation of the Board and Functional Committees", is conducted. Evaluation items include grasp of Company goals and tasks, responsibility acknowledgement, internal relationship management and communication, professionalism and continuous learning of the Directors, internal control, etc. The evaluation result shall be used as reference in determining the reasonable compensation of each individual Director. In accordance with the Articles of Incorporation, the Board of Directors is authorized to provide compensation based on industry standards. If there is a profit for the year, no more than 2% shall be distributed as remuneration for Directors as stipulated in Article 29 of the Articles of Incorporation (Independent Directors are not included in the remuneration for Directors). The Remuneration Committee shall propose the actual appropriation ratio and based on operational performance and submit it to the Board of Directors for resolution. For

Independent Directors who are not included in the Company's profit distribution, executive compensation shall be paid based on a fixed amount and requires a Board resolution.

b. The managers of the Company conduct business in accordance with business policies and key decisions made by the Board of Directors. Their appointment and dismissal are determined by the Board of Directors' resolution, as stipulated in the Articles of Incorporation. The remuneration of managers includes a fixed salary and bonus. The fixed salary is based on rank, experience, professional qualifications, length of service, industry standards, etc. The bonus is dependent on corporate performance objectives and can be classified into: 1. Financial goals: Include annual operating net profit margin rate and operating revenue achievement rate; 2. Non-financial goals: Implementation of KPI indicators that are based on annual operational goals and forward-looking goals.

Six major operational goals in 2024: (1) Maintain continuous sales growth (2) Reinforce food safety practices (3) Break through bottleneck and increase output value (4) Improve review process and enhance implementing efficiency (5) Achieve sustainable development goals (6) Cultivate digital prospective human capital.

The performance of managers according to the above-mentioned goals and their contribution to the overall operation of the Company will be reviewed at any time depending on the actual operating conditions and relevant laws and regulations. The Remuneration Committee will review and put forward recommendations and then submit them to the Board of Directors for resolution.

c. Incentive system and sustainable performance link

To encourage top management and all employees to value long-term overall performance and maintain sustainable operations, the Company has linked sustainability goals and financial targets to top management compensation to ensure that sustainability objectives are integrated into the Company's performance. The sustainability performance targets in 2024 include: energy saving target of 5% or more in building a low-carbon factory; get reduction goal settings certified by SBTi; and food safety and food safety system FSSC22000 verification update.

Title	Sustainable development Strategy	Performance link %	Strategy description
Chairman and General Manager	1) Leader in sustainable development 2) Strengthen food safety 3) Strategic and visionary talent cultivation	30%	1) Implement labor safety policy, build low-carbon factory, obtain SBTi verification 2) Strengthen food safety and food safety system update 3) Promote and implement strategic and visionary talent cultivation
Top manager	1) Leader in sustainable development 2) Strengthen food safety 3) Strategic and visionary talent cultivation	10-40%	1.1) Implement labor safety policy ISO45001 and TOSHMS occupation safety system tracking certification. 1.2) Build low-carbon factory Reach annual energy saving goal of 5% or more in every plant. 1.3) Obtain SBTi verification Obtain verification by 2024 and finish reduction goal setting. 2) Strengthen food safety and food safety system update FSSC22000 verification update. 3) Promote and implement strategic and visionary talent cultivation "strategic and visionary talent" planning, nominating, and personal development plan.

(ii) Remuneration procedure

The performance evaluation and reasonableness of compensation of the Company's Directors and managers are evaluated and reviewed every year by the Remuneration Committee and the

Board of Directors. In determining reasonable compensation, the Committee and the Board of Directors consider personal performance achievement rates, contributions to the Company, overall operating performance, future industry risks, development trends, actual operating status, and relevant regulations. The actual compensation amounts for Directors and managers in 2024 were reviewed by the Remuneration Committee and proposed to the Board of Directors. (As for Independent Directors, it is not reviewed by the "Remuneration Committee" due to conflict of interest but by the Board of Directors according to the Articles of Incorporation and industry salary standards.)

(iii) Relevance of operating performance and future risk

a. The Company's overall operating status is the main consideration for reviewing payment standards and the Company's compensation policy, as well as the performance accomplish rate and contribution in order to improve the organizational performance of the Board of Directors and management team. The Company also takes industry standards into consideration to ensure competitive compensation for managers and retention of top talent.

b. All of the Company’s performance objectives include risk management. The management team will manage and prevent risk as part of their management responsibility and give evaluation rating that connects to the policies on the compensation based on the actual performance. The important decision-making of the Company’s management team is made after evaluating various risk factors; therefore, the management level’s salary is connected to the performance of risk control.

3. Corporate Governance Status

(1) Operation of the Board of Directors

Six board meetings were held in 2024, the attendance of Directors (including Independent Directors) is as follows:

Title	Name (Note 1)	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) [B/A] (Note 2)	Remarks
Chairman	Shenglin Andrew Tseng	6	0	100	Re-elected
Director	Mei-Ching Tseng	6	0	100	Re-elected
Director	UNI-PRESIDENT ENTERPRISES CORP. The 20th Representative: Kao Shiow Ling	1	2	33	Stepped down on May 30, 2024. Attended meetings 3 times.
Director	UNI-PRESIDENT ENTERPRISES CORP. The 21st Representative: Jia-Fong Chai	3	0	100	Took office on May 30, 2024. Attended meetings 3 times.
Director	Yen-Shiang Huang	6	0	100	Re-elected
Director	Jue-Jia Chang	6	0	100	Re-elected
Director	Chih-Sheng Chang	3	0	100	Stepped down on May 30, 2024. Attended meetings 3 times.
Director	Hsing-Chun Chen	6	0	100	Re-elected
Director	Chih-Wei Lai	6	0	100	Re-elected

Title	Name (Note 1)	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) [B/A] (Note 2)	Remarks
Independent Director	Chen Jing Ning	6	0	100	Re-elected
Independent Director	Chi J. Yu	3	0	100	Took office on May 30, 2024. Attended meetings 3 times.
Independent Director	Ting-Ju Chen	3	0	100	Took office on May 30, 2024. Attended meetings 3 times.
Independent Director	Pang-Chung Chin	3	0	100	Took office on May 30, 2024. Attended meetings 3 times.
Independent Director	Feng-I Lin	3	0	100	Stepped down on May 30, 2024. Attended meetings 3 times.
Independent Director	Ching-Pu Chen	3	0	100	Stepped down on May 30, 2024. Attended meetings 3 times.
Independent Director	I-Fan Miao	3	0	100	Stepped down on May 30, 2024. Attended meetings 3 times.

Other information required to be disclosed:

i. If any of the following circumstances occurs in the operation of the board meeting, please indicate the date of the board meeting, the session number, the contents of the motion, the opinions of all Independent Directors and the Company's handling of the opinions of the Independent Directors:

(i) Matters listed in Article 14-3 of the Securities and Exchange Act.: For details, refer to the important resolutions of the board meetings.

(ii) Other than the aforementioned matters, the board resolutions which Independent Directors object to or have reservations about and there are records or written statements for them: Nil.

ii. For the situation where a Director avoids a motion related to his/her own interests, please specify the Director's names, the contents of the motion, the reasons for the avoidance of interests and the voting results:

Item	Board meeting	Name of Director	Resolution Content	Reasons for the avoidance of interests	Voting Results
1	The 15th board meeting of the 20th term Board of Directors January 19, 2024	Shenglin Andrew Tseng	2023 management year-end bonus scheme proposed by the Remuneration Committee.	Relation with personal interest	Vote withdrawal in accordance with the law
2	The 16th board meeting of the 20th term Board of Directors February 26, 2024	Shenglin Andrew Tseng Mei-Ching Tseng Yen-Shiang Huang Jue-Jia Chang	To release from non-competition restrictions on new Directors.	Relation with personal interest	Vote withdrawal in accordance with the law
3	The 16th board meeting of the 20th term Board of Directors February 26, 2024	Feng-I Lin Ching-Pu Chen I-Fan Miao Chen Jing Ning	Adjustment to Independent Director remuneration	Relation with personal interest	Vote withdrawal in accordance with the law
4	The 17th board meeting of the 20th term Board of Directors May 13, 2024	Shenglin Andrew Tseng	2023 management remuneration (paid in 2024) scheme proposed by the Remuneration Committee.	Relation with personal interest	Vote withdrawal in accordance with the law

Item	Board meeting	Name of Director	Resolution Content	Reasons for the avoidance of interests	Voting Results
5	The 2nd board meeting of the 21st term Board of Directors August 12, 2024	Chi J. Yu Ting-Ju Chen Chen Jing Ning	Appointment of the Remuneration Committee members.	Relation with personal interest	Vote withdrawal in accordance with the law
6	The 2nd board meeting of the 21st term Board of Directors August 12, 2024	Shenglin Andrew Tseng Ting-Ju Chen Pang-Chung Chin	Appointment of the Digital Transformation Committee members.	Relation with personal interest	Vote withdrawal in accordance with the law

iii. Information on the cycle and period, scope, method and content of the Board of Directors' self-evaluation: In order to implement corporate governance and improve the function of the Board of Directors, the annual performance evaluation of the Board of Director is performed in accordance with the "Regulations for the Performance Evaluation of the Board and Functional Committees". The evaluation scope includes the entire Board of Directors, individual board members, and functional committees.

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Annual	Jan.1, 2024~ Dec.31, 2024	Board of Directors	Board's Self-evaluation	1.Participation in Company operations. 2.Improving the Board of Directors' decision-making quality. 3.Composition and structure of the Board of Directors. 4.Appointment and continuing education of Directors. 5.Internal Control.
Annual	Jan.1, 2024~ Dec.31, 2024	Individual Director	Director's Self-evaluation	1.Knowledge of corporate goals and mission. 2.Knowledge of Directors' responsibilities. 3.Participation in Company operations. 4.Internal relationship management and communication. 5.Expertise and continuing education of Directors. 6.Internal Control.
Annual	Jan.1, 2024~ Dec.31, 2024	Audit Committee	Audit Committee's Self-evaluation	1. Participation in Company operations. 2. Knowledge of Audit Committees' responsibilities. 3. Improving the Audit Committees' decision-making quality. 4. Composition of the Audit Committee and member election. 5. Internal Control.
Annual	Jan.1, 2024~ Dec.31, 2024	Remuneration Committee	Remuneration Committee's Self-evaluation	1. Participation in Company operations. 2. Knowledge of Remuneration Committees' responsibilities. 3. Improving the Remuneration Committees' decision-making quality. 4. Composition of the Remuneration Committee and member election. 5. Internal Control.
Annual	Jan.1, 2024~ Dec.31, 2024	Digital Transformation Committee	Digital Transformation Committee's Self-evaluation	1. Participation in Company operations. 2. Knowledge of Digital Transformation Committees' responsibilities. 3. Improving the Digital Transformation Committees' decision-making quality. 4. Composition of the Digital Transformation Committee and member election. 5. Internal Control.

The Company evaluated the Board of Directors and functional committee overall annual operating performance in 2024, with the content specified above. As for the performance evaluation, the Corporate Governance Team is responsible for the Board of Director, Remuneration Committee, Audit Committee and Remuneration Committees' internal self-evaluation. After the self-evaluation of Directors, the assessment is submitted to the Corporate Governance Team for sorting. The evaluation adopts internal questionnaires. The results of the above performance evaluation shall be provided to the Directors and used as reference by the Board, Remuneration Committee, Audit Committee and Digital Transformation Committee in making decisions and further improving the quality of their decisions. They can also be used as reference for the nomination of Directors or selection of the Remuneration Committee, Audit Committee and Digital Transformation Committee members.

The overall evaluation result of the performance of the Board of Directors has an average score of 4.64 (out of 5 points). Self-evaluation of Board of Directors is 4.51. Self-evaluation of Director is 4.77.

The overall evaluation result of the performance of the Remuneration Committee has an average score of 4.68 (out of 5 points).

The overall evaluation result of the performance of the Audit Committee has an average score of 4.68 (out of 5 points).

The overall evaluation result of the performance of the Digital Transformation Committee has an average score of 4.50 (out of 5 points).

There were no other issues raised by the Directors and Corporate Governance Team in 2024, the performance evaluation results of the Board of Directors, individual board members, and functional committees were "Excellent" in 2024. The content of the performance evaluation was reported at the 4th meeting of the 21st Board on January 18, 2025.

i. The goals for strengthening the board's functions in the current and the previous year and assessment of the implementation:

(i) The goals for strengthening the board's functions

A. The Board of Directors has established "Corporate Governance Best Practice Principles" to promote sound governance and strengthen board competency. The Board has a diversity policy to enhance its composition. The members of the 21st Board of Directors are diverse in education, expertise, gender, and age.

B. The Company has established "Ethical Corporate Management Best Practice Principles" and "The programs to forestall unethical conduct" to actively prevent unethical behavior. In the Company, the corporate governance group is as a specific ethical management unit, which is responsible for formulating, monitoring and executing ethical management policies, prevent insider trading and handle material information, and reports to the Board of Directors periodically. The Company passed the resolution to uphold its corporate ethical management for 2024 during the 4th Board meeting held by the 21st Board of Directors on January 18, 2025.

C. In order to strengthen the functions of the Board of Directors and maximize shareholders' interests, the Company has voluntarily installed 4 Independent Directors in line with the Securities and Exchange Act. In addition, the Independent Directors' term of office shall not exceed 9 consecutive years (3 terms). Members of the Board of Directors who are related, i.e., spouse or second-degree relative shall not hold more than two board seats. Directors, who are also employees of the Company based on the consolidated financial statement, shall hold less than one third of the number of board seats. There is no government agency or single-listed company (and its subsidiaries) that accounts for one third of the number of board seats.

D. The Company considered the pledge ratio of Directors and major shareholders too high, which could affect shareholders' equity. Hence, the Company hope that the average pledge ratio set by the Directors and major shareholders could be lower than 50%. The set pledge ratio of Directors and major shareholders in 2024 was 0%.

E. The Company encourages board members to attend the shareholders' meeting to protect shareholders' equity. In the shareholders' meeting in 2024, aside from the chairman attending in person, the in-person attendance of the Independent Directors and Directors were more than half of the board seats (please refer to MOPS > Single company > Electronic document download > Shareholders' proceeding under the annual report and shareholders' meeting relevant information for details).

F. The Company encourages Independent Directors, internal audit managers and accountants to communicate separately or jointly through a meeting or forum that enables Independent Directors to function efficiently and have a more advanced understanding of the financial report, as well as financial and business conditions of the Company. In 2024, the Independent Directors had 4 meetings with internal audit managers and 4 meetings with accountants. These meetings covered a range of topics, including financial reports, internal audit implementation, internal control system, sustainable development plans, latest updates on laws and regulations, and other matters.

G. A board meeting should be held to obtain consensus and make resolutions that enable board members to carry out their responsibilities effectively. In 2024, 6 board meetings were held with a Directors' attendance rate of 97%; all Independent Directors attended the board meeting in person. Apart from dealing with routine matters, the Board of Directors also periodically (once a year) assesses the independency and suitability of certified accountants (please refer to page 64-65 of this annual report), with the presence of the audit manager who proposed the internal audit report and submitted it to the Independent Directors.

H. The Company encourages Directors to continue acquiring new knowledge and enhance response capability so they can assume their roles effectively as members of the board. The Company held lectures and courses on topics like the Artificial Intelligence (AI) leads industrial revolution, Monitoring political and economic risks across the Taiwan Strait in the context of US-China geopolitical rivalry in 2024. Directors were offered continuing education based on their individual needs. They could choose from a range of topics: Expand Taiwan capital market, Upgrading and transformation challenge and opportunity in the post-epidemic era, Intellectual property risk prevention and control, Labor dispute prevention and corporate governance, Functional role of the audit committee convener, CEO lecture, Insider trading prevention, etc. Directors spent a total of 94 study hours.

I. To strengthen corporate governance, the Company established committees to assist the Board of Directors in managing and supervising company operations.

a. An Audit Committee was established and the members are all Independent Directors at present. Meetings are held at least once every quarter year to assist the Board of Directors in handling issues related to certified public accountants, financial statements, internal control, legal and regulatory compliance, and risk control.

b. The members of the Remuneration Committee are all Independent Directors at present. Meetings are held at least twice a year. The committee assesses the policies and systems for the compensation and remuneration of Directors and managers based on professional outlook, and provide suggestions to the Board of Directors for their reference.

c. A Digital Transformation Committee reviews the strategy, plan and execution result of the digital transformation executive team. It provides suggestions to the Board of Directors or the executive team to optimize the Company's business performance and process by integrating digital technology into the operating strategy so as to increase company sales and profits. Digital transformation utilizes sensors, the Internet of Things, data visualization analysis, AI optimization, and other digital technologies. This approach is expected to achieve the development goals of reduced carbon emissions and improved energy efficiency management.

(ii) Assessment of implementation: The Company holds a group business meeting every six months and explains the contents to the Board of Directors, so that the Board of Directors can better understand the actual operation of the group. The Company adheres to the principle of operational transparency and immediately publishes important resolutions on MOPS > Material Information > Advanced Search after the board meeting to safeguard shareholders' interests. In addition, each board meeting situation will be posted under the Investors section of the Company's website (https://www.grapeking.com.tw) to enhance information transparency through instant disclosure.

Note 1: For a director or supervisor that is a juristic person (corporate entity), disclose the name of the corporate shareholder and the name of its representative.

Note 2: (i) If any director or supervisor left office before the end of the fiscal year, specify the date that they left office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of board meetings held and the number they attended in person during the period they were in office.

(ii) If any by-election for directors or supervisors was held before the end of the fiscal year, the names of the new and old directors and supervisors should be filled in the table, with a note stating whether the director or supervisor left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of board meetings held and the number attended in person during the period of each such person's actual time in office.

(2) Operation of the Audit Committee:

The Company has established an Audit Committee on July 15, 2021. The Committee shall hold a meeting at least once every quarter year and may call a meeting anytime as required in accordance with the "Audit Committee Charters" and Article 14-5 of the Securities and Exchange Act of the Grape King Bio Ltd. The members are all Independent Directors with 3-year tenure and may be re-elected; one of the Independent Directors is senior financial expert. Resolution shall be adopted with the approval of one-half or more members.

i. The Audit Committee’s work between January 1, 2024 and December 31, 2024 focused on the following:
   (i) Review of financial statement quarterly and first half earnings distribution and business report.
   (ii) Review Audit Quality Indicators (AQI) evaluation, as well as pass the appointment and fees for CPAs.
   (iii) Review new additions or amendments to the internal control system.
   (iv) Supervise risk management practices.
   (v) Review of the retroactive handling of public issuance procedures for privately placed common stock and the application for listing.
   (vi) Pass the appointment of new Chief Internal Auditor.

ii. For information on the Audit Committee’s performance evaluation cycle and period, evaluation scope, method, and content, please refer to "Other information required to be disclosed iii" in the "Operation of the Board of Directors" on page 41 of this annual report.

iii. For the professional qualification and work experience of Audit Committee members:

December 31, 2024

<table>
<tr><th>Title</th><th>Criteria / Name</th><th>Professional Qualifications and Experience (Note 1)</th><th>Independence Criteria (Note 2)</th></tr>
<tr><td>Independent Director</td><td>Chen Jing Ning</td><td>● Education:
Master of Sociology, National Chengchi University
● Experience and expertise:
Has 17 years of public relations and media experience. She is currently the Secretary-General to the Taiwan Association of Family Caregivers. Ms. Chen’s practical experience in social support and family care.</td><td rowspan="2">Four Independent Directors listed on the left have met the qualifications specified in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act two years before the election and during their tenure. Also, the Independent Directors have the right to fully participate in decision-making and express their opinions in accordance with Article 14-3 of the Securities and Exchange Act, and to perform relevant duties.</td></tr>
<tr><td>Independent Director</td><td>Chi J. Yu</td><td>● Education:
PhD in Mechanical Engineering, University of Massachusetts
● Experience and expertise:
Currently serving as a consultant at Amulaire Thermal Technology, Inc., has a PhD in Mechanical Engineering, served as vice president and CEO in various multinational companies, expert in technology industry, marketing, change management, profit and loss management, and process development.</td></tr>
</table>

Title	Criteria / Name	Professional Qualifications and Experience (Note 1)	Independence Criteria (Note 2)
Independent Director	Ting-Ju Chen	● Education: Graduate Studies, Public Accountancy from McGill University Bachelor of Business Commerce ● Experience and expertise: Miss Ting-Ju Chen has a vast academic and employment experience with financial and accounting background as a Chartered Professional Accountant in Canada. She had been VP of Sinopac Holdings, Chairwoman of EASYCARD Corporation and EASYCARD Investment Holding CO., Ltd.	
Independent Director	Pang-Chung Chin	● Education: 1. PhD in Law, National Chung Cheng University 2. Master's Degree in Law, National Taiwan University 3. Master's Degree in Law, National Taipei University 4. Bachelor of Laws, National Chengchi University ● Experience and expertise: Adjunct Assistant Professor at the General Education Center at Institution of Law for Science and Technology, NTHU, with a background in Doctor of Law and 14 years of experience as a Consumer Ombudsman, had been a long term communicator with consumers at the Consumers' Foundation Chinese Taipei.	

Note 1: For the professional qualification and work experience of Audit Committee members, please refer to "professional qualification and work experience" in the "Directors' Professional Qualification and Independence Disclosure of the Independent Directors" on page 16-26 of this annual report.

Note 2: Independence Criteria: specify if the Remuneration Committee members meet the independence criteria, including but not limited to the member himself/herself, his/her spouse, relative within the second degree of kinship who is not a Director, supervisor, or employee of the Company or its affiliates; the number of shareholding and ratio of members themselves, their spouse, relative within the second degree of kinship (or other persons); if the member himself/herself is a Director, supervisor, or employee of an enterprise related to the Company (refer to Article 6, Paragraph 1, Subparagraph 5~8 of 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; remuneration received in the past two years for providing business, legal, financial, and accounting services to the Company or its affiliates. For independence, please refer to page 23-26 of this annual report.

iv. Four Audit Committee meetings (A) were held in 2024; the attendance of Independent Directors is as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) [B/A] (Note 1, 2)	Remarks
Independent Director (Convener)	Chen Jing Ning	4	0	100	Convener of this committee (Note 3) Re-elected on May 30, 2024.
Independent Director	Chi J. Yu	2	0	100	Took office on May 30, 2024. Attended meetings 2 times.
Independent Director	Ting-Ju Chen	2	0	100	Took office on May 30, 2024. Attended meetings 2 times.
Independent Director	Pang-Chung Chin	2	0	100	Took office on May 30, 2024. Attended meetings 2 times.
Independent Director	Feng-I Lin	2	0	100	Convener of this committee (Note 3) Stepped down on May 30, 2024. Attended meetings 2 times.
Independent Director	Ching-Pu Chen	2	0	100	Stepped down on May 30, 2024. Attended meetings 2 times.
Independent Director	I-Fan Miao	2	0	100	Stepped down on May 30, 2024. Attended meetings 2 times.

Other information required to be disclosed:

(i) If any of the following circumstances occurs in the course of the Audit Committee's operations, please indicate the date of the Audit Committee meeting, session number, contents of the motion, as well as Independent Directors' objections, reservations, or important suggestions, resolutions of the Audit Committee, and the Company's handling of the Audit Committee's opinions.

a. Matters listed in Article 14-5 of the Securities and Exchange Act:

Session no. and meeting date	Matters for Discussion	Resolution and Opinion of the Company	The Company's handling of the Audit Committee's opinions
The 13th meeting of the 1st term February 26, 2024	Motion 1: The Company's 2023 business report and financial statements. Motion 2: The Company's 2023 earnings distribution proposal. Motion 3: The Audit Quality Indicators (AQI) and independence evaluation and CPA appointment of 2024. Motion 4: Fees for CPAs of 2024. Motion 5: Proposal to pass the 2023 "effectiveness evaluation of internal control system" and "Internal Control Statement" in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies".	Motion 1: The case was passed and the proposal was submitted to the Board of Directors for resolution. Motion 2: The case was passed and the proposal was submitted to the Board of Directors for resolution. Motion 3: The case was passed and the proposal was submitted to the Board of Directors for resolution. Motion 4: The case was passed and the proposal was submitted to the Board of Directors for resolution. Motion 5: The case was passed and the proposal was submitted to the Board of Directors for resolution.	Approved by the Directors who participated in the discussion
The 14th meeting of the 1st term May 13, 2024	Motion 1: 2024 Q1 Consolidated financial statement. Motion 2: The retroactive handling of public issuance procedures for privately placed common stock and the application for listing. Motion 3: Propose to appoint CPA (Deloitte & Touché) to execute non-assurance services.	Motion 1: The case was passed and the proposal was submitted to the Board of Directors for resolution. Motion 2: The case was passed and the proposal was submitted to the Board of Directors for resolution. Motion 3: The case was passed and the proposal was submitted to the Board of Directors for resolution.	Approved by the Directors who participated in the discussion
The 1st meeting of the 2nd term August 12, 2024	Motion 1: 2024 Q2 Consolidated financial statement. Motion 2: Propose to appoint Chief Internal Auditor. Extempore motion: Propose to appoint an affiliate company of CPA Deloitte & Touché to execute non-assurance services.	Motion 1: The case was passed and the proposal was submitted to the Board of Directors for resolution. Motion 2: The case was passed and the proposal was submitted to the Board of Directors for resolution. Extempore motion: The case was passed.	Approved by the Directors who participated in the discussion
The 2nd meeting of the 2nd term November 11, 2024	Motion 1: 2024 Q3 Consolidated financial statement and first-half business report. Motion 2: Cash dividend of earnings distribution for the first half of 2024. Motion 3: Amendment to "Audit Committee Charters". Motion 4: Pre-approve 2025 non-assurance services list. Motion 5: Pass 2025 annual internal audit plan. Motion 6: Pass newly edited internal control system "Sustainable Information Management Regulations".	Motion 1: The case was passed and the proposal was submitted to the Board of Directors for resolution. Motion 2: The case was passed and the proposal was submitted to the Board of Directors for resolution. Motion 3: The case was passed and the proposal was submitted to the Board of Directors for resolution. Motion 4: The case was passed. Motion 5: The case was passed and the proposal was submitted to the Board of Directors for resolution. Motion 6: The case was passed and the proposal was submitted to the Board of Directors for resolution.	Approved by the Directors who participated in the discussion

b. Other than the aforementioned matters, the board resolutions approved by more than two-thirds of the Directors that were not approved by the Audit Committee: Nil.

(ii) In case of a conflict of interest in a matter under discussion wherein an Independent Director chooses to recuse himself/herself, specify the Independent Director's name, content of the motion, reasons for recusal and voting results: No motion related to Independent Director's conflict of interest in the 2024 Audit Committee report.

(iii) Communication between Independent Directors and internal audit managers and accountants

Communication method between Independent Directors and internal audit managers and accountants:

The Company has established an Audit Committee to communicate independently with internal audit managers and accountants at least twice a year without Directors' and management's participation. In addition to internal control and audit reports, accountants shall also report on the audit of financial statements. If there are other important matters or matters that Independent Directors, audit managers, and accountants believe should be communicated independently, meetings may be held at any time to communicate results, which should be recorded in the meeting minutes.

Summary of communication in 2024:

Term/Date	Communication with internal audit managers	Communication with accountants	Suggestion and result
The 13th meeting of the 1st term February 26, 2024	Internal Audit implementation and review of comments on the report.	1. CPA reports on the audit status of consolidated and individual financial reports of 2023. 2. CPA reports on IFRS sustainability disclosure standards	None
The 14th meeting of the 1st term May 13, 2024	1. Internal Audit implementation and review of comments on the report. 2. Follow up on Audit Report.	1. CPA reports on the review status of consolidated financial reports of 2024 Q1. 2. In response to the updates on the draft of "Regulations for Charging of Carbon Fees", CPA reports on accounting treatment for carbon fees and financial report disclosure.	None
The 1st meeting of the 2nd term August 12, 2024	1. Internal Audit implementation and review of comments on the report. 2. Follow up on Audit Report.	1. CPA reports on the review status of consolidated financial reports of 2024 Q2. 2. Reports on future (to be implemented) laws and regulations regarding "Regulations Governing Establishment of Internal Control Systems"	None
The 2nd meeting of the 2nd term November 11, 2024	1. Internal Audit implementation and review of comments on the report. 2. Sustainable information management presentation 3. Proposed by Independent Director, audit plan for overseas subsidiaries (sub-subsidiaries) and improvements on cases where the Company has been fined will be discussed in the next communication.	1. CPA reports on the review status of consolidated financial reports of 2024 Q3. 2. CPA reports on the amendment of the Article 14 of the "Securities and Exchange Act" by the announcement from the President 3. CPA reports on the regulations to be amended for the "Percentage of Profit-Seeking Enterprise Income Tax" draft. 4. CPA reports on announcement from the Ministry of Environment on "Charging Rates of Carbon Fees".	None

Note 1: If any Independent Director left office before the end of the fiscal year, specify the date that they left office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of audit committee meetings held and the number they attended in person during the period they were in office.

Note 2: If any by-election for Independent Directors was held before the end of the fiscal year, the names of the new and old Independent Directors should be filled in the table, with a note stating whether the Independent Director left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of audit committee meetings held and the number attended in person during the period of each such person's actual time in office.

Note3: The convener of the 1st Audit Committee is Independent Director Feng-I Lin, and the convener of the 2nd Audit Committee is Independent Director Chen Jing Ning.

(3) Digital Transformation Committee Operations:

The Company has established a "Digital Transformation Committee" on November 3, 2021 to optimize the Company's business performance and process by integrating digital technology into the operating strategy, so as to increase company sales and profits. We also aim to strengthen internal management through digital transformation, and simulate future governance policies and market strategies through management levels, so as to gradually implement the sustainable development of the company.

According to the Digital Transformation Committee Charter of Grape King Bio Ltd., three members shall be appointed in accordance with a resolution of the Board of Directors. The current members comprise three Directors (including two Independent Directors). The convener of the Committee Ting-Ju Chen possesses professional skills in the fields of financial accounting, she is also an expert in digital innovation; Chairman Shenglin Andrew Tseng possesses skills in corporate strategy and business management; Pang-Chung Chin possesses skills in law. All of them have the professional skills required by the Committee. To support the Company's digital transformation progress, the meeting shall be convened at least every six months.

i. Operational Responsibilities of the Digital Transformation Committee:

Committee operations are subject to the "Digital Transformation Committee Charter"; the following duties and responsibilities shall be performed faithfully like a good administrator and recommendations shall be presented to the Board of Directors for discussion.

(i) Review the strategy, plan, and execution result of the digital transformation executive team, and provide suggestions to the Board of Directors or the executive team.

(ii) Review major expenditures for digital transformation in accordance with the Company's procedures for Acquisition and Disposal of Assets.

(iii) Charter amendments shall be approved by more than half of the committee members and submitted to the Board of Directors for resolution.

ii. Operating status of the Digital Transformation Committee:

Approved the establishment of the "Digital Transformation Committee" along with its charter and elected members during the 2nd meeting of the 20th-term Board of Directors on November 3, 2021.

iii. For the professional qualification and work experience of the Digital Transformation Committee members, please refer to "professional qualification and work experience" in the "Directors' Professional Qualification and the Independence Disclosure of the Independent Directors" on page 16-26 of this annual report.

iv. Information on the Digital Transformation Committee's performance evaluation cycle and period, evaluation scope, method, and content, please refer to " Other information required to be disclosed iii" in the "Operation of the Board of Directors" on page 41 of this annual report.

v. The Company has re-elected Directors after the shareholders' meeting on May 30, 2024. The 1st Digital Transformation Committee members' tenure of office is from November 3, 2021 to May 30, 2024, and the 2nd Digital Transformation Committee members' tenure of office is from August 12, 2024 to August 11, 2027. Two meetings (A) were held in 2024, and the qualification and attendance of committee members are as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) [B/A] (Note 1)	Remarks
Independent Director	Ting-Ju Chen	1	0	100	Convener of this committee (Note 2) Took office on August 12, 2024. Attended meetings 1 time.
Director	Shenglin Andrew Tseng	2	0	100	Re-elected
Independent Director	Pang-Chung Chin	1	0	100	Took office on August 12, 2024. Attended meetings 1 time.
Independent Director	Ching-Fu Chen	1	0	100	Convener of this committee (Note 2) Stepped down on May 30, 2024. Attended meetings 1 time.
Independent Director	Feng-I Lin	1	0	100	Stepped down on May 30, 2024. Attended meetings 1 time.

Meeting information:

Meeting date	Matters for Discussion	Resolution and Opinion of the Company
January 19, 2024	Motion 1: Digital transformation progress.	Motion 1: Presented by the supervisor of the Administration Division. Members and supervisor of the Finance Division and Corporate Governance, and supervisor of the Administration Division discuss the introduction system.
November 11, 2024	Motion 1: Digital transformation progress.	Motion 1: Report by the supervisor of the Administration Division. Chairperson and members give the following suggestions: 1. In the next meeting, it is recommended to discuss the portal backup operation and drill plan and explain how quickly the backup system can be activated in the event of the worst system outage, as well as level and speed of the operation recovery. 2. Have subsidiaries share their implementation status in digitalization and information security.

Note 1: If any director or supervisor left office before the end of the fiscal year, specify the date that they left office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of Digital Transformation Committee meetings held and the number they attended in person during the period they were in office.

Note 2: The convener of the 1st Digital Transformation Committee is Independent Director Ching-Fu Chen, and the convener of the 2nd Digital Transformation Committee is Independent Director Ting-Ju Chen.

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

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	YES	NO	Summary description	
1. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	V		The Board of Directors adopted the "Corporate Governance Best Practice Principles", which are aligned with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies", and are disclosed under the Investors section of the Company's website and on MOPS > Report summary > Corporate governance > Regulations for establishing corporate governance related rules for shareholders' enquiries.	No major difference
2. Shareholding Structure and Shareholders' Rights (1) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly? (2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders? (3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates? (4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	V		(1) The Company has a spokesman, acting spokesman, corporate action staff, legal staff, etc. to deal with shareholders' suggestions, disputes and other issues. (2) The Company monitors the shareholdings of insiders (Directors, managers, and majority shareholders with more than 5% ownership of Company shares), and declares in accordance with Information Filing by Companies with TWSE Listed. Name of shareholders with more than 5% shareholdings; the number and percentage of shareholdings have been disclosed in the quarterly financial report since 2020 Q1 (3) The risk controls and firewall system between the Company and related parties are as follows: i. Set up an internal control system for supervision and management of subsidiaries in accordance with the law to effectively manage risk. ii. There are procedures for "Lending Funds to Others and Endorsements and Guarantees" for related parties. The terms for general transactions such as selling and buying are the same as those for transactions with unrelated parties. iii. Related party transactions are disclosed in the annual financial report and approved by the Audit Committee and submitted to the Board of Directors for resolution. iv. The Board of Directors passed the "Rules Governing Financial and Business Matters between the Corporation and its Affiliated Enterprises" on February 22, 2023, stipulating that material transaction shall be proposed to the Board of Directors, and reported or approved at the shareholders' meeting to ensure sound financial management, as well as prevent irregular transactions and inappropriate transfer of profits between stakeholders. (4) Resolution of Board of Directors "Ethical Corporate Management Best Practice Principles", "Insider Trading Prevention Management Regulations", and "Regulations for Handling Material Inside Information", which prohibit all Directors, managers, and employees from performing their duties if there is conflict of interest, and using their position or power to leak material nonpublic information to others, thereby engaging in insider trading. The Company have added relevant regulations in the "Corporate Governance Best Practice Principles" to prohibit insiders from trading company shares during the closed period, which is 30 days before the publication of the Company's annual financial report and 15 days prior to the publication of the quarterly financial report, to prevent insiders from using unpublished information to purchase and sell marketable securities. The 2024 execution status is as follows: i. The Company provided a training session for Directors on November 11, 2024, and sent out an	No major difference

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	YES	NO	Summary description	
			advocacy letter regarding “Business Integrity, Insider Trading Prevention and Regulations for Handling Material Inside Information" to all employees (including managers) on November 12, 2024, as well as the importance of business integrity, insider trading scope, legal liabilities and Regulations for Handling Material Inside Information in case of breach and case studies. There was also a briefing for employees and managers. ii. The "Business Integrity, Insider Trading Prevention and Regulations for Handling Material Inside Information" test was conducted for leaders above section chief level. A total of 122 colleagues were tested, with 100% passing rate (score above 80 points). iii. The promotion of "Business Integrity, Insider Trading Prevention and Regulations for Handling Material Inside Information" in 2024 was reported at the Board of Directors held on January 18, 2025. iv. A total of 586 Directors, managers, and employees received 293 hours of advocacy training in 2024. Lessons included the importance of preventing insider trading, elements that constitute insider trading, regulatory updates, and legal responsibility of violation. v. The Company reminds Directors not to trade their shares during the closed period 30 days before the announcement of the annual financial report and 15 days before the announcement of the quarterly financial report on November 11, 2024. Before the meeting of the Board of Directors, the corporate governance team will notify the Directors of the closed period before the announcement of the financial report, so as to prevent Directors from violating this norm by mistake.	No major difference
3. Composition and responsibilities of the board of directors (1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented? (2) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?	V		(1) i. The Board of Directors approved the “Corporate Governance Best Practice Principles”, which drafted diversification guidelines: Overall Required Competencies of the Board of Directors, stated in Article 20. The composition of the board members should be diversified. Besides the fact that Directors who took the post of part-time managers had better not exceed one-third of the board seats, the required general competencies of the Board of Directors are Sound Business Judgment, Accounting and Financial Analysis Skills, Business Management Skills, Crisis Handling Skills, Industry Knowledge, International Market Prospects, Leadership Skills and Decision-making Abilities, diverse policy is implemented to improve the structure of the Board of Directors. ii. Currently, there are 11 board members composed of 4 Independent Directors (36.36%), 5 female Directors (36.36%), and 2 Directors who are also employees (18.18%). For Directors’ information, board diversity policy, management goals, and implementation status, please refer to page 27-29 of this annual report. (2) In addition to the Audit Committee and Remuneration Committee, the Company has set up a Digital Transformation Committee via the Board of the Directors. There are three Directors in this Committee with two-third of Independent Directors. Their duties include: Digital transformation is needed to strengthen corporate resilience, cope with the fast-changing business environment, and create future competitiveness. Please refer to page 47- 49 of this annual report for the composition, duty, and operating status of the Digital Transformation Committee. In accordance with the operational requirements, the Company has also set up an Engineering Supervision Committee, Food Safety Team as well as Sustainable Development and ESG Committee to carry out their duties on a regular basis.	No major difference

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	YES	NO	Summary description	
(3) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?			(3) By resolution of the Board of Directors, the Company has set up "Regulations for the Performance Evaluation of the Board and Functional Committees" and conducts at least one evaluation per year on the performance of the Board of Directors, board members, and functional committees. Results of the performance evaluation of the Board, Audit Committee, and Digital Transformation Committee were reported at the Board meeting on January 18, 2025. Relevant information may be used as reference for selecting or nominating Directors and determining their compensations. Please refer to "Other information required to be disclosed iii" under the section of the "Board of Directors Operating Status" on page 41 of this annual report.	No major difference
(4) Does the Company regularly evaluate its external auditors' independence?			(4) In order to effectively maintain the independence of the certified public accountants and the audit quality, the Company's certified public accountants will be on job rotation regularly. The rotation principle is that a certified public accountant cannot audit the Company for more than seven consecutive years, and may not return as the Company's certified public accountants for at least five years. The Company assesses the independence of its certified public accountants on a yearly basis. The latest results were reviewed by the Audit Committee and submitted to the Board of Directors for resolution. CPA Ming Yuan Chung and CPA Wen, Chih-Yuan of Deloitte & Touché both meet the Company's independence assessment criteria (Note 1) and are qualified to serve as certified public accountants of the Company. The accounting firm also issued a letter of declaration (Note 3). Starting in 2023, before appointing CPA, the Finance Division of the Company shall obtain the Audit Quality Indicators (AQIs) provided by the CPA and individually evaluate the audit quality, included professionalism, quality control, independence, supervising and innovative capabilities in reference to the five major perspectives and 13 indicators (Note 2) of the "Guideline for Audit Committee's interpretation on AQIs" and make an evaluation report for Audit Committee's review. After the Audit Committee submits the review result to the Board of Directors' approval, the CPA may be appointed. The independence and competency of the 2025 CPA have been approved by the Board of Directors on February 26, 2025. The Company obtains the Audit Quality Indicators (AQIs) provided by the CPA regularly (at least once a year) for Audit Committee and the Board of Directors to determine the appointment or the remuneration of the certified public accountants. If the AQIs of the accounting firm does not comply with the Company's needs or in violation of the business ethics, the Company will consult other accounting firms for their service and quotation as a reference for a change.	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	YES	NO	Summary description	
4. Does the TWSE/TPEx listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	V		The appointment of chief financial officer (CFO) Nick Hung as the Company's chief corporate governance officer and the formation of a Corporate Governance team as the concurrent unit responsible for corporate governance were approved at the Board of Directors. Nick Hung has over three years of experience in financial, legal, and equity management-related fields, and served as the manager of the Company. The terms of reference of the Company's corporate governance unit are as follows: ● To propose recommendations on corporate governance to the board or the general manger for reference and execution ● To assist in matters related to the board or shareholders' meetings in accordance with the law ● To prepare board or shareholders' meeting minutes ● To assist Directors in completing registration and declarations in accordance with the provisions ● To assist Directors in continuing education and compliance with statutory requirements ● To assist in providing information required by Directors to carry out their duties ● Verify the qualifications of Independent Directors ● Handle matters related Director changes ● Other matters prescribed by the Articles of Incorporation and the law The 2024 business execution status is as follows: i. Assimilated the revision and update of relevant corporate governance provisions, and incorporate the comprehensive assessment of actual operating conditions of the Company, provide suggestions for improvement to the Board of Directors and the general manager, and assist in the implementation, in order to further improve corporate governance quality. ii. Assisted in 6 Board of Directors meetings and 1 general shareholders' meeting in accordance with the law; resolved issues regarding various legal and important requirements to Company operations; complete Board of Directors and the shareholders' meeting minutes. iii. Assisted Directors in completing the reporting of various information in accordance with the law. iv. Assisted Directors in arranging refresher courses based on the Company's industry characteristics and Directors' academic background to facilitate performance of duties; newly added or revised laws and regulations were constantly updated for Directors' compliance. v. Purchase "Liability Insurance for Directors and Select Staff" for Directors and managers, and report the result to the Board of Directors. vi. Provided the necessary information to help Directors fulfill their duties and make operational recommendations regarding Company operations. vii. Assisted in the completion of other matters related to corporate governance as stipulated in the Company's Articles of Incorporation and relevant laws. viii. Conduct internal performance evaluation of the Board and Directors and functional committees, conduct evaluation of the Board of Directors, Audit Committee, Remuneration Committee, Digital Transformation Committee, and individual members. ix. Provided education, programs, and testing to ensure equality between shareholders, enabled investors to obtain company information, prevented unjust enrichment of insiders and Procedures for Handling Material Inside Information. x. Assisted in establishing the "Sustainable Information Management Regulations" and amending the "Articles of Incorporation", "Rules of Procedure for Shareholders' Meetings", "Rules of Procedure for Board of Directors Meetings", "Corporate Governance Best Practice Principles", "Rules Governing Financial and Business Matters Between the Company and its Affiliated Enterprises", "Audit Committee Organizational Charter" and other internal regulations for the Board of Directors to fully perform its corporate governance duty.	No major difference

<table>
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<tr><th>YES</th><th>NO</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>xi. Verify the qualifications of Independent Directors and report to the Board of Directors.
Below is the continuing education program for the corporate governance manager in 2024:
<table>
<tr><th>Date</th><th>Organization</th><th>Course name</th><th>Study hours</th><th>Total hours</th></tr>
<tr><td rowspan="2">2024.06.27 ~ 2024.06.28</td><td rowspan="2">Accounting Research and Development Foundation</td><td>Continuing Education Program for the Chief Accountant relevant to Issuers and the Stock Exchange – course in corporate governance</td><td>3</td><td rowspan="4">12</td></tr>
<tr><td>Continuing Education Program for the Chief Accountant relevant to Issuers and the Stock Exchange – course in professional ethics and legal responsibility</td><td>3</td></tr>
<tr><td>2024.08.12</td><td>Taiwan Institute of Directors</td><td>Monitoring political and economic risks across the Taiwan Strait in the context of US-China geopolitical rivalry</td><td>3</td></tr>
<tr><td>2024.11.11</td><td>Taiwan Institute of Directors</td><td>Artificial Intelligence (AI) leads industrial revolution</td><td>3</td></tr>
</table></td><td>No major difference</td></tr>
<tr><td>5. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?</td><td>V</td><td></td><td>The Company has set up a “page for interested parties”, "Contact Us" mailbox, customer service hotline and internal "employee mailbox" on its website to provide a communication channel for shareholders and investors, product inquiry services, ODM services, supplier, report mailbox, ESG issues as well as employees. Concerns of interested parties are responded to by Company-assigned personnel.
Important issues related to corporate social responsibility that stakeholders are concerned about are disclosed in the “page for interested parties” found on the Company's website. (https://www.grapeking.com.tw/stakeholder/62591ad4df427).</td><td>No major difference</td></tr>
<tr><td>6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?</td><td>V</td><td></td><td>The Company has appointed Capital Securities Corp. as its stock transfer agent to handle shareholder-related affairs.</td><td>No major difference</td></tr>
<tr><td>7. Information Disclosure
(1) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?
(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?
(3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?</td><td>V</td><td></td><td>(1) The Company discloses the relevant information on its website (https://www.grapeking.com.tw).
(2) The Company has created the Chinese and English website. There is an assigned specialist to gather and disclose information, and convey the Company's latest and correct information to the public through press release or material information. The Company has a spokesperson system with a designated spokesperson and acting spokesperson to communicate on its behalf. The Chief Financial Officer serves as the Company's spokesperson. The briefing materials, video and audio files for the Company's juridical person are found under the investors section of the Company's website as well as on MOPS > Material Information > Investor Conferences.
(3) The Company will file its financial statements within two months of the fiscal year-end. The Q1, Q2, and Q3 financial statements and monthly revenue are also made public and filed on the MOPS before the deadline, as well as on the Company's website. In addition, the English version of the quarterly financial statements was made public within 2 months after the Chinese version was filed to improve the efficiency of information disclosure.</td><td>No major difference</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	YES	NO	Summary description	
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	V		The summary is provided below: i. Employee rights and interests and employee care: The Company attaches great importance to the harmony of labor relations and the welfare and rights of employees. It continuously enhances the employee welfare system as well as working environment and its quality, including employee meals, health checks, travel and so on, so that employees can enjoy a complete welfare system and job security. Various channels are available for employees to express their opinions, promoting a two-way communication. ii. Investor relationship: Committed to fair and transparent investor relations practices, the Company discloses financial information, business updates, changes in shareholding status of insiders, and other important information on the "MOPS" in a timely manner, and regular communication through various activities (e.g., corporate briefings, overseas roadshows and broker-organized investor conferences) to communicate and exchange opinions with investors. Investor feedback is also provided to the Company's executives and related units for improvement and adjustment. In the future, the Company will continue to strengthen and maintain good communication and relations with investors. We value the opinions of shareholders and promptly address issues. For example, during the shareholders' meeting in May of 2019, a shareholder raised a question regarding the loan amount's connection to the pledged and mortgaged assets in the financial statement. This concern, i.e., the pledged and mortgaged assets' connection to loan quotas from the bank indicated in the financial statement, was addressed and explained during the meeting. There was also a legal entity-shareholder who wanted to know more about the Company's ODM business; hence, the revenue generated from this business in both Taiwan and China was disclosed in the financial statement. We also addressed an issue raised by a legal entity-shareholder regarding investee information and provided additional explanations in the financial statement. More details were provided to further enhance transparency in the financial statement to help shareholders easily understand our operating status. iii. Supplier relationship: The Company and its business partners conduct business activities with fairness, integrity, and in strict compliance with laws and regulations, as well as contract obligations. The "Code of Ethical Conduct" and "Supplier Code of Conduct" are followed to evaluate integrity record of the counterparty. Ethical behavior terms and corporate social responsibility policy are included in all contracts signed with the counterparty, prohibiting any inappropriate business conduct, including bribery, corruption, human rights violations, as well as environmental protection, health and safety breaches. The Company has implemented the ISO37001 Anti-bribery Management System since 2023. This system strengthens its efforts to promote anti-bribery and anti-corruption practices among suppliers. In addition, all suppliers are required to sign a "Commitment to Honest Operation". The supplier smart management platform is used to communicate and reinforce policies on business confidentiality and anti-corruption. Through the Company's supplier appraisal process, in addition to reviewing relevant information of suppliers and conducting on-site inspections to assess suitability, these aspects are considered as the basis for follow-up control and consultation so as to establish a sustainable supply chain management mechanism. iv. Rights of interested parties: We provide a wide range of communication and information disclosure channels, maintain a good dialogue and communication with interested parties, and collect issues of concern from interested parties. There are 9 entities; namely, shareholders/investors, clients, suppliers, employees, government,	No major difference

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
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			communities and neighborhoods, media, the academe and non-profit organizations. Through every communication channel, we are able to gather feedback, understand expectations and needs, properly address stakeholders' concerns, and expose in ESG report every year and report to the Board of Directors at least once a year. There was communication with stakeholders in 2024 at the Board of Directors meeting on January 18, 2025. For stakeholder communication issues, the relevant website link is as follows: https://www.grapeking.com.tw/stakeholder/62591ad4df427 v. Training for Directors: This is carried out in accordance with TWSE's "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies". Please refer to the appendix "Directors' Training in 2024" (Note 4). vi. Implementation of risk management policies and risk measurement standards: (i) Risk Management Organizational Framework The Company's risk management organization regards the Board of Directors as the highest management and decision-making unit, and the Audit Committee gives assistance to supervise risk management. The operating strategy and industrial environment are followed to ensure compliance with the risk management policy and procedures. To achieve, this, the Sustainable Development and ESG Committee, led by the General Manager, actively promotes implementation by engaging managers and employees from all levels. The Committee establishes various task forces, such as those focused on climate risk, greenhouse gas emissions, and RE100 implementation. These task forces analyze, prevent, and monitor overall and material risks. The Sustainable Development and ESG Committee integrates these risk assessments and reports to the Audit Committee and the Board of Directors at least once a year.	No major difference

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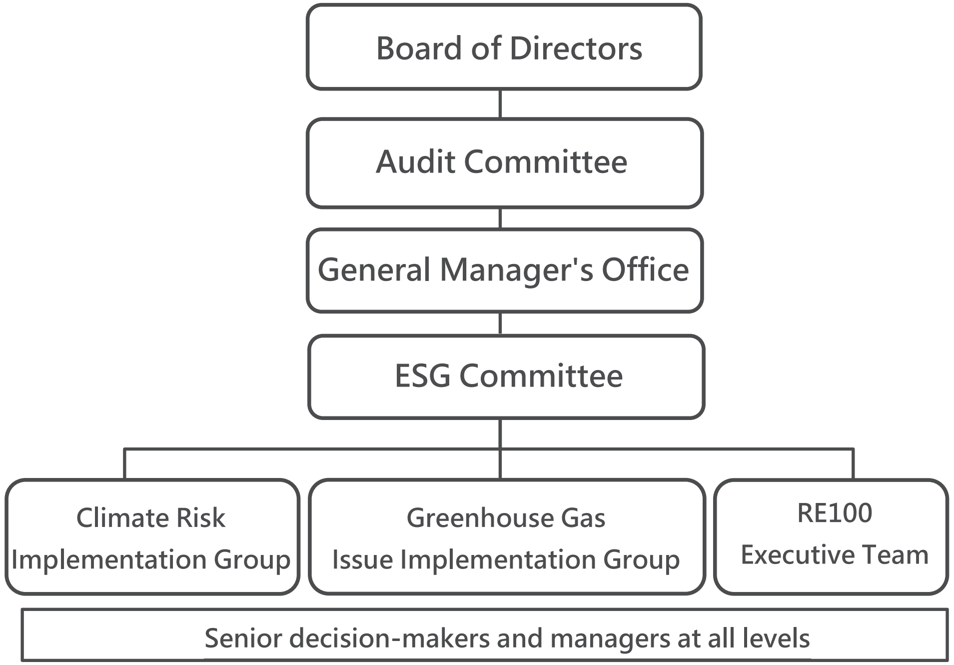

(ii) Risk Management Policies and Procedures
To embed risk management as a core element of our corporate culture, the Board of Directors has adopted the "Risk Management Policies and Procedures". These procedures outline a collaborative approach, with participation and execution from the Board of Directors, managers and employees at all levels. The Company conducts regular material risk assessments to evaluate and control every potential threatens to its operations. These assessments serve as reference for the development and refinement of our operating strategies. To enhance the Board of Directors' competency, given the Company's scale and risk profile, the Board of Directors approved an expanded scope for the Audit Committee on May 9, 2023. This expansion includes increased oversight of risk management practices, organizational structure and operational effectiveness. The Audit Committee will also assist the Board of Directors in establishing an effective risk management mechanism, risk response strategy, and risk management monitoring procedures.
(iii) The Company has established a risk management mechanism to implement risk assessment, identification and disposal. This mechanism proactively identifies potential risks that could impact the company's operations. It has been verified to comply with international safety risk inspection standards and has obtained Anti-bribery Management System (ISO37001), Information Security Management (ISO27001), Environmental Management (ISO 14001), Occupational Safety and Health Management (ISO45001), Energy Management (ISO50001), Talent Quality-Management System (TTQS) certifications, Taiwan Intellectual Property Management System (TIPS) Class A, as</td><td></td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	YES	NO	Summary description	
			well as other risk management certifications. Effective risk management begins with identifying potential risks within operational processes. A robust control system categorizes and defines these risk factors as follows: A. Financial Risks: risks affecting corporate finance and business development due to domestic and international microeconomics as well as industry changes, i.e. interest rate, exchange rate and credit B. Operational Risks: risks affecting normal company operations, i.e. consumer rights, food safety, procurement, supply chain; trade secrets, patent rights and trademarks, talent recruitment and training, human rights. C. Strategic Risks: risks related to business strategies, i.e. legal compliance, product development and launch, marketing and market, as well as advertisement D. Occupational Health and Safety Risks: workplace risks that could endanger the health and safety of employees and could result in business losses due to internal and external factors E. Risks relevant to Climate Change: Due to global warming, physical risks are caused by natural disasters such as floods and droughts, which cause business pressure and affect enterprises. Transition risks are caused by government regulations and international advocacy requirements to increase the use of renewable energy, e.g. cost increase as a result of Taipower fee increase. For details on actions coping with the climate change, including governance, strategy, climate risk and opportunity analysis, physical risks weather situation analysis, risk management, indicator and goal, etc., please refer to 6.1 Grape King Bio Climate Actions Under the Task Force on Climate-Related Financial Disclosures (TCFD) in CH6 Green Environment of the 2024 ESG Report. F. Other Risks (iv) Execution Status of Risk Evaluation Standards The execution of material operating policies, investment projects, endorsements and guarantees, capital loans, bank financing and other material proposals of the Company shall be evaluated and analyzed by the appropriate department summarized by the Corporate Governance Team, subject to Audit Committee and Board approval. The Audit Department will make annual audit plan according to the risk assessment result on the Company overall operation process and submit for approval of Audit Committee and Board of Directors. The Audit Department reports to the Audit Committee and Board of Directors about audit result, audit suggestion, and follow-up improvement status on a quarterly basis, while summarizing internal control assessment result and audit result from each department. No major internal control negligence was found in 2024. The 2024 audit result was sent and approved by the Audit Committee and the Board of Directors. The Company can effectively control the implementation of each risk management and reduce non-compliance risk by having the Audit Committee and the Board of Directors to supervise the implementation of internal control assessment in each department and the audit plan executed by the Audit Department. (v) Operational Situation The Company has actively implemented a risk management system and reports to the Board of Directors regularly (at least once a year). Below is the 2024 operating status: A. To ensure effective risk management, the Company conducts annual risk assessments. The Sustainable Development and ESG Committee regularly reports to the Audit Committee and Board of Directors on the “operational status of the Company’s risk management mechanism”.	No major difference

Evaluation Item	Implementation Status: YES	Implementation Status: NO	Implementation Status: Summary description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
			It collects and analyzes risk assessments submitted by senior decision-making managers (excluding those holding positions in the internal audit unit) from all operating units. The Committee supervises risk management activities to ensure the implementation of the Company's risk control mechanism. The 2023 risk management operating status, which identified the Company's five major types of risks for the year (financial, operational, strategic, hazard, and climate change-related), was reported to the Audit Committee and the Board of Directors on November 11, 2024. The report also detailed corresponding actions planned to address these risks. B. The internal Audit Department makes annual audit plan for the Company's overall operating process in accordance with the result of risk evaluation every year. It reports to the Audit Committee and the Board of Directors on findings, suggestions, and follow-up improvements from quarterly audits. No significant internal control negligence was found in each quarterly audit in 2024. The effective internal control evaluation result has been approved by the Audit Committee and the Board of Directors on February 26, 2025. C. The Company has included the operational safety regulations and rules related to hazard risk that inform the Company's significant risk and preventive emergency measure in the compulsory courses for the newcomers. A total of 117 people was trained in 2024 to strengthen the awareness and cognition of the Company's operating risk. vii. Implementation of customer policy: To provide consumers with real-time product consulting services, the Company has set up a customer service hotline and customer service email address to communicate with customers and safeguard their interests. viii. Purchase of liability insurance for Directors: The Company has purchased "Directors & Officers' Liability Insurance". The insurance amount is regularly reviewed and reported to the Board of Directors. ix. The Company established a succession plan for Directors and key management personnel with the operation status described below: (i) Members of Board of Directors A. Succession plan: Besides the requirements (i.e., knowledge, education and experience) for Company Directors, the proportion of Independent Directors in the Board and the diversity of Directors in terms of gender, age distribution and expertise have to be considered. The most important part in the succession plan is to select Directors that meet the needs of the Company through careful evaluation and targeted search. B. Operation status: When re-electing Directors in 2024, multiple aspects of the succession plan for Board of Directors were taken into account. Based on diversified skill sets, newly elected Directors Jia-Fong Chai has a strong background in business management, Chi J. Yu has expertise in marketing strategy, Ting-Ju Chen specializes in financial accounting, and Pang-Chung Chin possesses professional skills in the fields of laws. In terms of the proportion of Independent Directors in the Board, the seats accounting for 33%, and the consecutive tenure of all Independent Directors should be less than three tenures/nine years. When selecting and nominating Directors, gender diversification is also a key consideration. There had been 4 female Directors in the Board, accounting for 36%. The Chairman is the most important person in the Board's succession plan. Director Andrew Tseng, who was elected Chairman of the Company in 2014, has made great contributions by	No major difference

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<tr><td></td><td></td><td></td><td>increasing profitability, strengthening corporate governance, continuously improving research and development, and fulfilling corporate social responsibility.
(a) Increase profitability: The EPS of the Company increased from NT$7.24 in 2014 to NT$ 9.78 in 2024. The profitability increased dramatically. Earnings per share has been stable at more than NT$9 for nine consecutive years from 2016 to 2024, except for 2021 when it was NT$8.81 when share capital expanded by 8% due to a private placement.
(b) Strengthen corporate governance: To strengthen corporate governance, he formulated the Corporate Governance Best Practice Principles and formed a concurrent unit in charge of corporate governance and business integrity. As a result, the Company made it to the top 20% for the 3rd consecutive year in the 2019 corporate governance assessment, compared to its 81%~100% ranking in 2015. Moreover, entered the top 5% for 4 consecutive years from 2020 to 2023。
(c) Continuously improve research and development: The Company actively engages in industry-academic cooperation. It arranges visits to its factories and provides internship opportunities for students. Besides winning various awards, it has set a goal of building a green smart factory by establishing the Grape King Biotech Research Institute in Longtan Science Park for continuous research and development projects.
(d) Sustainable Development: To offer social assistance and support, the Company imposes product liability, strengthens environmental protection, creates a happy workplace, provides donations and support to society, and fulfills its corporate social responsibility. Since 2014, it has voluntarily issued a CSR report and actively obtains third party assurance services, making its ESG report (CSR report) more reliable.
With more than 50 years of history since its establishment, the Company's product focus has undergone transformation several times, from pharmaceuticals and functional oral liquid drinks to health foods. The Company has encountered significant challenges in terms of operational reforms and R & D innovations. As the soul of the Company, the Chairman must have extensive experience and in-depth understanding of the changes in the Company and the industry, so as to carry out an action plan and lead the long-term development of the Company. When former Chairman Shuizhao Tseng served for more than 40 years, he led the Company forward through its products, research and development. Chairman Shenglin Andrew Tseng has since taken over, holding office for 11 years. Based on the industrial characteristics of the Company stated above, the succession plan needs long-term and careful planning to maximize the overall efficiency of the Company.
(ii) Key management team
A. Succession plan: The Company has conducted an annual review of potential successors for key management positions in the Company and has made a successor development plan based on these review results since 2016.
B. Operating Status: The top management from each department has conducted a comprehensive review and planning of potential successors for key management positions from different departments since 2016. Those who hold important management positions need to have potential successors based on their functions. Those who have no successors should propose programs such as training for internal succession candidates or finding external talents to join the Company. There is also a need to evaluate succession candidates' eligibility for promotion to management level. These candidates are divided into those who can be promoted immediately and those who cannot be currently promoted. The latter ones are classified as either high promotion potential or future promotion potential. There is a need to evaluate the time required for promotion and to propose a development plan. Moreover, the actual status is</td><td>No major difference</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	YES	NO	Summary description	
			evaluated every year. The current management personnel have completed the analysis of management competence assessment, and the analysis result is available for executives as a reference for training program. A potential talent training program was held since 2020. Personnel recommended from each department head will be trained on management competence cultivation and given project execution experience. Meanwhile, the managers from each division and human resources division have created a Management Division College project for developing a specific training map through job analysis. The project matches a personnel's capability with the Company's occupational competency standard to find "the right person for the right position". It also develops a specific training plan. With a systematic development of employee capabilities, it can help improve talent management in each division. The Company values and implements talent development and succession plan, which has been approved in the Board of Directors' meeting on January 6, 2023. The deputy general manager of R&D Division, Jin-Chu Chen, is transferred to Longtan Branch as general manager. The vice director of R&D Division, Sheng-Chieh Hsu, takes over the director of R&D Division as the Company's R&D director. The general manager of the Company also serves as the Chairman, responsible for facilitating internal communication and coordination within the Board to reduce conflicts, as well as improve the decision-making efficiency of the Company. As the soul of the Company, the Chairman must have extensive experience and in-depth understanding of the changes in the Company and the industry, so as to carry out an action plan and lead the long-term development of the Company. Chairman Shenglin Andrew Tseng has been in office for 11 years. Based on the industrial characteristics of the Company stated above, the succession plan needs long-term and careful planning to maximize the overall efficiency of the Company. Succession schedule: Before retirement, those who hold key management positions shall train their target successors according to the succession criteria specified in the Company's development plan, as well as potential successors who could take over their position when they retire. For the managers' appointment information, please refer to page 30 of this annual report. x. Intellectual Property Management Scheme: Sustainable management is the business philosophy of the Company while technology, R&D and innovation are key factors to achieving continuous growth. Intellectual property rights are considered one of the most important assets of the Company. Through a trade secret management system along with the application and acquisition of intellectual property rights such as patents and trademarks, the Company protects its operations and intellectual properties that have been accumulated for over 60 years to enhance business value. In additional, the Company respects the intellectual properties of others through review mechanisms of legal and operating units to minimize infringement risks. The Company reports relevant tasks to the Board of Directors regularly (at least once a year). The 2024 execution status is as follows: (i) The execution status relevant to the management of intellectual properties was recorded at the 4th meeting of the 21st Board of Directors on January 18, 2025. (ii) Patent acquisition results are as follows: In 2024, the Company's total number of global patent applications was 22, of which Taiwan accounts for 11. (iii) The trademark registration results are as follows: In 2024, the total number of global trademark applications was 7, of which 6 were approved in	No major difference

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	YES	NO	Summary description	
			Taiwan and 1 in Malaysia. (iv) The trade secret protection results are as follows: The Company established the “Trade Secret Protection System” and “Confidential Information Management Procedure”, In addition to requiring clients and suppliers to sign an NDA (non-disclosure agreement) as well as employees to sign a “staff NDA”, The “Confidential Information Management Procedures” were updated in 2024. These procedures outline the Company’s standards for handling confidential information, including labeling, storing, using, accessing, transferring and destroying such information. Several internal seminars on confidential information management were held, and public announcements were made to all employees on key management points such as the confidentiality level of contracts and personal data, as well as the access and transmission of confidential information. (v) Certification: The Company is certified by the Taiwan Intellectual Property Management System (TIPS) Class A on December 31, 2024, valid until December 31, 2026. xi. Information Security Governance: In 2019, the Company set up the “Personal Data Committee” with the aim of implementing and managing internal information security and protecting the personal data of the Company, including verification of information security policies, a personal data protection scheme, allocation of responsibilities regarding information security and data protection, and coordination with regard to the implementation of every information security procedure, so that the personal data protection system will continue to operate smoothly. The Company reports to the Board of Directors regularly (at least once a year). The 2024 execution status is as follows: (i) Assign 3 information security personnel. (ii) The total amount invested in certification, authorization, and equipment were 4.34 million dollars in 2024. (iii) Conduct cyber security audit regularly. (iv) Promote information security regularly and conduct email social engineering drill regularly (every 2 weeks), in order to enhance the employees' adaptability and alertness on information security risk. (v) In response to changes in the ERP network architecture, a business continuity planning drill is conducted. (vi) Perform one offsite backup and restore tests. (vii) Hold one meetings of the Personal Data Committee. (viii) Hold four status meetings organized by the information security management team of the Sustainable Development and ESG Committee, to discuss sustainable goals. (ix) In accordance with import plan of the ISMS system, the Company’s ISO27001 certification was revalidated and certified on May 27, 2023 (validity period: May 27, 2023 to October 31, 2025). (x) The information security governance implementation status was reported at the 4th meeting of the 21st session of the Board of Directors on January 18, 2025.	No major difference

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	YES	NO	Summary description	

9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement.

The Company ranked among the top 5% Corporate Governance Evaluation Awards of the Taiwan Stock Exchange Corporate Governance Center (all 952 listed companies in 2023) in 2024. The Company continues to strengthen corporate governance.
Improved items in 2024:
(1) Disclose top management salary and ESG performance link policy in annual report and on the Company's website.
(2) Amendment to the "Rules Governing Financial and Business Matters Between the Company and its Affiliated Enterprises".
(3) ESG report has been approved by the Board of Directors.
(4) Disclose greenhouse gas emission volume in the recent two years and obtain external verification.
(5) Disclose greenhouse gas emission reduction management policy, reduction goal, and achievement status.

Prioritized items awaiting improvement:

Item	Indicator items	Description and improvements
1.1	Does the Company report the remuneration of the directors in the annual general meeting, including remuneration policy, individual remuneration and amount?	The Company will conduct an internal evaluation.
2.3	Whether the Chairman and General Manager or other equivalent job position (top managers) are not the same person, spouses or relations within the first degree of kinship?	Maintain the status quo by considering overall operating benefits.
2.23	Whether the Regulations for the Performance Evaluation of the Board is approved by the Board of Directors, and subject to external evaluation every three years as clearly stipulated? Is the implementation status and result of evaluation in the current year or the past two years disclosed on the company website or in the annual report?	The Company has established the "Regulations for the Performance Evaluation of the Board". External evaluation is still evaluating.
3.13	Whether the Company has voluntarily disclosed the individual remuneration of the Directors in its annual report?	The Company will conduct an internal evaluation.
3.21	Whether the Company has voluntarily disclosed the individual remuneration of the General Manager and Deputy General Manager in its annual report?	The Company will conduct an internal evaluation.

Note 1: 2025 Evaluation of the independence of the auditing CPA and Grape King Bio Ltd. (including subsidiaries)

According to the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10 “Integrity, Objectivity and Independence”, the assessment is as follows:

Independence		Compliance with independence	
Item	Explanations	YES	NO
1	The Professional accountants should avoid and should not accept the engagement when they may have involved in any direct or material indirect interests which may impair their impartiality and independence.	V	
2	The audit or review of financial statements provides a wide range of potential report users for a high or medium but not absolute assurance. Except for maintaining substantial independence, maintaining formal independent for CPA is more important. Therefore, audit service team members, other joint certified public accountants, firms and firm-related companies must maintain independence for audit clients.	V	
3	A CPA shall serve the society with integrity and objective standpoint and keep independent spirit. (1) Integrity: A professional accountant shall be straightforward and honest in all professional and business relationships. (2) Objectivity: A professional accountant shall not be bias, conflict of interest or undue influence of others to override professional or business judgments. (3) Independence: A professional accountant shall have independence of mind and in appearance, to express an opinion on financial statements for the work of auditing or review.	V	
4	Independence is related with the integrity and objectivity. In the lack of or impairment of independence, the integrity and objectivity could also not be held.	V	
5	Independence may be impaired by self-interest, self-review, advocacy, familiarity and intimidation.	V	
6	The self-interest could impair on the accountant’s independence. The self-interest threat means to acquire a financial interest in an audit client or has another conflict of interest created by other interests or relationships with the client. The self-interest may be as follows: (1) Having a direct or material indirect financial interest in the audit client. (2) Financing or guarantees with audit clients or their Directors or Supervisors. (3) Being concerned about the possibility of losing a significant client. (4) Having a significant close business relationship with an audit client. (5) Entering into a potential employment negotiation with the audit client. (6) Entering into a contingent fee arrangement relating to an audit engagement.	V	
7	Independence is influenced by self-review threat means that a professional accountant uses the reports or judgments that result from the non-assurance services as an important factor of concluding the result in auditing or reviewing the financial information; or a member of the audit team is an audit client’s former Director or, supervisor or is in a key position to influence the audit engagement. Examples of circumstances that create self-review threats for a professional accountant include: (1) A member of the assurance team being, or having been a Director, or supervisor of the client, or employed by the client in a position to exert significant influence over the subject matter of the engagement within the last two years. (2) The non-assurance service which performed by the firm for an audit client that would affects directly a material item of the assurance engagement.	V	
8	Independence is influenced by advocacy threat means that a member of the audit team acting as an advocate in support of the client's position that results in objectivity challenged. Examples of circumstances that create advocacy threats for a professional accountant include: (1) The firm promoting or brokering shares in an audit client or other securities issued by the client. (2) Besides legally permitted businesses, a professional accountant acting as an advocate on behalf of an audit client in litigation or disputes with third parties.	V	
9	The effect on independence of familiarity means that a close relationship with an audit clients’ Director, supervisor and manager will influence a CPA or a member of the audit engagement team to excessive concern or sympathize with the audit clients’ interests. Examples of circumstances that create familiarity threats for a professional accountant include: (1) A member of the engagement team having a close or immediate family member who is a Director, supervisor, or officer of the client or an employee of the client who is in a position to exert significant influence over the subject matter of the engagement. (2) A former partner within one year of disassociating from the firm joins the client as a Director, supervisor, or officer or is in a key position to exert significant influence over the subject matter of the engagement. (3) A professional accountant accepting gifts or preferential treatment from the client, the client’s Director, supervisor, officer or major stockholder.	V	
10	Independence is influenced by intimidation threat. The threat that a professional accountant will be deterred from acting objectively because of actual or perceived pressures, including attempts to exercise undue influence over the professional accountant. Examples of circumstance that create intimidation threats for a professional accountant include:	V	

Independence		Compliance with independence	
Item	Explanations	YES	NO
	(1) A member of the audit engagement team being informed by a partner of the firm agrees with an audit client's inappropriate accounting treatment. (2) A firm being pressured to reduce inappropriately fees, in order to compel the firm to reduce the extent of work performed.		

In summary, Deloitte & Touché did not violate the independence.

Note2: Competency evaluation of the CPA's Audit Quality Indicators (AQIs) Competency Evaluation

Evaluated by five perspectives and 13 indicators on items as follow:

	Professionalism	Quality Control	Independence	Supervision	Innovative Capability
Measurement index	● Audit experience ● Training hour ● Turnover rate ● Professional support	● Accountant workload ● Audit commitment ● Status on Engagement Quality Control Review (EQCR) ● Quality support capability	● Non-audit service fee ● Customer familiarity	● Deficiency and punishment of external audit ● Issuance letter of improvement from competent authority.	● Innovative plan or initiative
Evaluation result	Meets the financial assurance requirements of the Company	Above industry standards	Meets industry standards	Above industry standards	Meets the financial assurance requirements of the Company

Based on the evaluation result above, Accountants Ming Yuan Chung and Wen, Chih-Yuan from Deloitte & Touché are qualified and appointed as the Company's CPAs.

Note 3: Statement by Deloitte & Touché Accounting Firm

Recipient: GRAPE KING BIO LTD

Subject:
Deloitte & Touché (“D&T” or “we” or “us” or “our”) is engaged to audit the financial statements for the year then ended December 31, 2025 of GRAPE KING BIO LTD (the “Company” or “you” or “your” or “its”). We hereby affirm that we are independent accountants with respect to the Company, within the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China, No.10 “Independence of audit and review”. All the members of our audit team have declared to comply with the following norms and no violation of independence.

Declaration:
1.All the members of our audit team and their spouse or dependents do not：
(1) Hold a direct or indirect material financial interest with the Company;
(2) Have a business relationship with the Company or its Director, supervisor and manager that may cause an effect on independence.

2. During the period of our audit engagement, all the members of our audit team and their spouse or dependents do not serve as the Company’s Director, supervisor, manager or is in a key position having a direct and significant influence over the audit work.

3. All the members of our audit team do not have close family members, such as spouse, lineal, immediate affinity and sibling, who are the Director, supervisor, manager of the Company.

4. All the members of our audit team do not accept material hospitality or gifts (the value does not exceed the normal social matters standard) from the Company or its Director, supervisor, manager, major shareholders.

5. All the members of our audit team have performed required self-examination procedures for independence and conflict of interest, and no violated or unsolved conditions haven been identified.

Ming Yuan Chung

Deloitte & Touché
Taipei, Taiwan
Republic of China

February 17, 2025

Recipient: GRAPE KING BIO LTD

Subject:
Deloitte & Touché (“D&T” or “we” or “us” or “our”) is engaged to audit the financial statements for the year then ended December 31, 2025 of GRAPE KING BIO LTD (the “Company” or “you” or “your” or “its”). We hereby affirm that we are independent accountants with respect to the Company, within the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China, No.10 “Independence of audit and review”. All the members of our audit team have declared to comply with the following norms and no violation of independence.

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5. All the members of our audit team have performed required self-examination procedures for independence and conflict of interest, and no violated or unsolved conditions haven been identified.

Wen, Chih-Yuan

Deloitte & Touché
Taipei, Taiwan
Republic of China

February 17, 2025

Note 4: Directors Training in 2024

Title	Name	Date	Organizer	Course	Hours
Director	Shenglin Andrew Tseng	2024.11.11	Taiwan Institute of Directors	Artificial Intelligence (AI) leads industrial revolution	3
		2024.10.24	Taiwan Institute For Sustainable Energy	The 38th TCCS Council Meeting and CEO Lecture	2
		2024.09.30	TWSE	Expand Taiwan capital market summit	3
		2024.08.12	Taiwan Institute of Directors	Monitoring political and economic risks across the Taiwan strait in the context of US-China geopolitical rivalry	3
		2024.04.25	Taiwan Institute For Sustainable Energy	The 38th TCCS Council Meeting and CEO Lecture	2
Director	Mei-Ching Tseng	2024.11.11	Taiwan Institute of Directors	Artificial Intelligence (AI) leads industrial revolution	3
		2024.08.12	Taiwan Institute of Directors	Monitoring political and economic risks across the Taiwan strait in the context of US-China geopolitical rivalry	3
Director's corporate representative	Jia-Fong Chai	2024.11.11	Taiwan Institute of Directors	Artificial Intelligence (AI) leads industrial revolution	3
		2024.08.23	Taiwan Corporate Governance Association	Labor dispute prevention and corporate governance	3
		2024.08.12	Taiwan Institute of Directors	Monitoring political and economic risks across the Taiwan strait in the context of US-China geopolitical rivalry	3
		2024.07.26	Taiwan Corporate Governance Association	Start from TIPS: how corporate builds its intellectual property risk prevention and control	3
Director	Yen-Shiang Huang	2024.11.11	Taiwan Institute of Directors	Artificial Intelligence (AI) leads industrial revolution	3
		2024.08.12	Taiwan Institute of Directors	Monitoring political and economic risks across the Taiwan strait in the context of US-China geopolitical rivalry	3
Director	Jue-Jia Chang	2024.11.11	Taiwan Institute of Directors	Artificial Intelligence (AI) leads industrial revolution	3
		2024.08.12	Taiwan Institute of Directors	Monitoring political and economic risks across the Taiwan strait in the context of US-China geopolitical rivalry	3
Director	Hsing-Chun Chen	2024.11.11	Taiwan Institute of Directors	Artificial Intelligence (AI) leads industrial revolution	3
		2024.08.12	Taiwan Institute of Directors	Monitoring political and economic risks across the Taiwan strait in the context of US-China geopolitical rivalry	3
Director	Chih-Wei Lai	2024.11.11	Taiwan Institute of Directors	Artificial Intelligence (AI) leads industrial revolution	3
		2024.08.12	Taiwan Institute of Directors	Monitoring political and economic risks across the Taiwan strait in the context of US-China geopolitical rivalry	3
Independent Director	Chen Jing Ning	2024.11.11	Taiwan Institute of Directors	Artificial Intelligence (AI) leads industrial revolution	3
		2024.08.12	Taiwan Institute of Directors	Monitoring political and economic risks across the Taiwan strait in the context of US-China geopolitical rivalry	3

Title	Name	Date	Organizer	Course	Hours
Independent Director	Chi J. Yu	2024.11.11	Taiwan Institute of Directors	Artificial Intelligence (AI) leads industrial revolution	3
		2024.08.12	Taiwan Institute of Directors	Monitoring political and economic risks across the Taiwan strait in the context of US-China geopolitical rivalry	3
		2024.07.19	Taiwan Corporate Governance Association	Best Practices for Audit Committees in practicing duties - functional role of convener	3
Independent Director	Ting-Ju Chen	2024.11.11	Taiwan Institute of Directors	Artificial Intelligence (AI) leads industrial revolution	3
		2024.08.12	Taiwan Institute of Directors	Monitoring political and economic risks across the Taiwan strait in the context of US-China geopolitical rivalry	3
		2024.07.19	Taiwan Corporate Governance Association	Best Practices for Audit Committees in practicing duties - functional role of convener	3
		2024.06.28	Taiwan Corporate Governance Association	Post-pandemic era - how should Taiwanese enterprises should strategize in response to the challenges and opportunities of upgrading and transformation	3
Independent Director	Pang-Chung Chin	2024.11.11	Taiwan Institute of Directors	Artificial Intelligence (AI) leads industrial revolution	3
		2024.10.04	Securities & Futures Institute	2024 Insider trading prevention seminar	3
		2024.08.12	Taiwan Institute of Directors	Monitoring political and economic risks across the Taiwan strait in the context of US-China geopolitical rivalry	3
		2024.07.19	Taiwan Corporate Governance Association	Best Practices for Audit Committees in practicing duties - functional role of convener	3

(5) If the Company has a Remuneration Committee, please disclose its composition, duties and operation:

i. Remuneration Committee Member Information

December 31, 2024

Identity	Criteria / Name	Professional qualification and experience (Note 1)	Independence Criteria (Note 2)	No. of other listed companies working as remuneration committee member for
Independent Director (Convener)	Chi J. Yu	● Education: PhD in Mechanical Engineering, University of Massachusetts ● Experience and expertise: Currently serving as a consultant at Amulaire Thermal Technology, Inc., has a PhD in Mechanical Engineering, served as vice president and CEO in various multinational companies, expert in technology industry, marketing, change management, profit and loss management, and process development.	Independent Directors have met the qualifications specified in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act two years before the election and during their tenure. Also, the Independent Directors have the right to fully participate in decision-making and express their opinions in accordance with Article 14-3 of the Securities and Exchange Act, and to perform relevant duties.	1
Independent Director	Ting-Ju Chen	● Education: Graduate Studies, Public Accountancy from McGill University Bachelor of Business Commerce ● Experience and expertise: Miss Ting-Ju Chen has a vast academic and employment experience with financial and accounting background as a Chartered Professional Accountant in Canada. She had been VP of Sinopac Holdings, Chairwoman of EASYCARD Corporation and EASYCARD Investment Holding CO., Ltd.		0

Independent Director	Chen Jing Ning	● Education: Master of Sociology, National Chengchi University ● Experience and expertise: Has 17 years of public relations and media experience. She is currently the Secretary-General to the Taiwan Association of Family Caregivers. Ms. Chen's practical experience in social support and family care.		0

Note 1: For professional qualification and work experience of the Remuneration Committee members, please refer to "professional qualification and work experience" in the "Disclosure of the Directors' Professional Qualification and the Independence of the Independent Directors" on page 16-26 of this annual report.

Note 2: Independence Criteria: specify if the Remuneration Committee members meet the independence criteria, including but not limited to the member himself/herself, his/her spouse, relative within the second degree of kinship who is not a Director, supervisor, or employee of the Company or its affiliates; the number of shareholding and ratio of members themselves, their spouse, relative within the second degree of kinship (or other persons); if the member himself/herself is a Director, supervisor, or employee of an enterprise related to the Company (refer to Article 6, Paragraph 1, Subparagraph 5~8 of 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; remuneration received in the past two years for providing business, legal, financial, and accounting services to the Company or its affiliates.

ii. Remuneration Committee Operation Status

(i) The Company's Remuneration Committee is composed of three people.

(ii) The Remuneration Committee's work between January 1, 2024 and December 31, 2024 focused on the following:

A. Review the management year-end bonus.

B. Review the Annual Excessive Profit Bonus Scheme for Shanghai Grape King Enterprises Co., Ltd.

C. Review the remuneration distribution for employees and Directors.

D. Review the management remuneration.

(iii) Current member's tenure: The Company has re-elected Directors after the shareholders' meeting on May 30, 2024.The 5th term Remuneration Committee members' tenure of office is from August 2, 2021 to May 30, 2024, and the 6th term Remuneration Committee members' tenure of office is from August 12, 2024 to August 11, 2027. Three meetings (A) were held in 2024, and the qualification and attendance of committee members are as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) [B/A] (Note 1, 2)	Remarks
Independent Director	Chi J. Yu	-	-	-	Convener of this committee (Note 3) Took office on August 12, 2024. Attended meetings 0 time.
Independent Director	Ting-Ju Chen	-	-	-	Took office on August 12, 2024. Attended meetings 0 time.
Independent Director	Chen Jing Ning	-	-	-	Took office on August 12, 2024. Attended meetings 0 time.
Independent Director	Feng-I Lin	3	0	100	Convener of this committee (Note 3) Stepped down on May 30, 2024. Attended meetings 3 times.
Independent Director	Ching-Pu Chen	3	0	100	Stepped down on May 30, 2024. Attended meetings 3 times.
Independent Director	I-Fan Miao	3	0	100	Stepped down on May 30, 2024. Attended meetings 3 times.

Other information required to be disclosed:

A. If the Board of Directors did not adopt or amend the suggestion of the Remuneration Committee, please indicate the date and session number of the board meeting, the contents of the motion, the result of the resolution and the Company's handling of the suggestion of the Remuneration Committee (if the compensation passed by the board is better than the suggestion of the Remuneration Committee, please state the difference and the reasons): Nil.

B. If any member had objections or reservations about the resolution of the Remuneration Committee and there is a record or a written statement, please indicate the date and session number of the Remuneration Committee meeting, the contents of the motion, all the opinions of the members and how the opinions were handled: Nil.

C. The functions of the Remuneration Committee are to professionally and objectively evaluate the policies and systems for compensation of the Directors and managerial officers of the Company, meetings of the Remuneration Committee shall be held at least two times a year and submit recommendations to the Board of Directors for its reference in decision making.

(A) Operational Responsibilities of the Remuneration Committee:

The Committee operation is subject to the "Remuneration Committee Charters" of the Company. It shall exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the Board of Directors for discussion.

a. Periodically reviewing the Remuneration Committee Charter and making recommendations for amendments.

b. Establishing and periodically reviewing the performance assessment standards, and the policies, systems, standards, and structure for the compensation of the Directors and managerial officers.

c. Periodically assessing and setting their individual compensation for the Directors and managerial officers.

(B) The Committee shall perform the duties under the preceding paragraph in accordance with the following principles:

a. Ensuring that the compensation arrangements of the Company comply with applicable laws and regulations and are sufficient to recruit outstanding talent.

b. Performance assessments and compensation levels of Directors and managerial officers shall take into account the general pay levels in the industry, also to be evaluated are the reasonableness of the correlation between the individual's performance and the Company's operational performance and future risk exposure.

c. There shall be no incentive for the Directors or managerial officers to pursue compensation by engaging in activities that exceed the tolerable risk level of the Company.

d. For Directors and senior managerial officers, the percentage of remuneration to be distributed based on their short-term performance and the time for payment of any variable compensation shall be decided with regard to the characteristics of the industry and the nature of the Company's business.

e. No member of the Committee may participate in discussion and voting when the Committee is deciding on that member's individual compensation.

D. Information on the cycle and period, scope, method and content of the Remuneration Committee's self-evaluation: please refer to " Other information required to be disclosed iii" in the "Operation of the Board of Directors" on page 41 of this annual report.

E. Matters for Discussion and Resolution of Remuneration Committee, and Company's handling of member opinions:

Date	Matters for Discussion	Resolution and Opinion of the Company
2024.01.19	Motion 1: Set up the management year-end bonus for 2023.	Motion 1: (The stakeholders (General Manager Shenglin Andrew Tseng and CFO Nick Hung) were requested not to be present when the decision was made.) The case was passed and the proposal was submitted to the Board of Directors for resolution.
	Motion 2: The “2023 Annual Excessive Profit Bonus Scheme” for Shanghai Grape King Enterprises Co., Ltd.	Motion 2: (The stakeholder (General Manager Shenglin Andrew Tseng) was requested not to be present when the decision was made.) The case was passed and the proposal was submitted to the Board of Directors for resolution.
2024.02.26	Motion 1: Issues on remuneration distribution for employees and Directors of the Company in 2023.	Motion 1: The case was passed and the proposal was submitted to the Board of Directors for resolution.
2024.05.13	Motion 1: The Company's 2023 management remuneration (paid in 2024).	Motion 1: (The stakeholders (General Manager Shenglin Andrew Tseng and CFO Nick Hung) were requested not to be present when the decision was made.) The case was passed and the proposal was submitted to the Board of Directors for resolution.

Note 1: If any remuneration committee member left the committee before the end of the fiscal year, specify the date that they left the committee in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of remuneration committee meetings held and the number they attended in person during the period they were on the committee.

Note 2: If any by-election for remuneration committee members was held before the end of the fiscal year, the names of the new and old committee members should be filled in the table, with a note stating whether the member left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of remuneration committee meetings held and the number attended in person during the period of each such person's actual time on the committee.

Note 3: The convener of the 5th Remuneration Committee is Feng-I Lin, and the convener of the 6th Remuneration Committee is Chi J. Yu.

(6) Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons:

Promoted Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	V		i. The Company had passed the "Corporate Social Responsibility Best Practice Principles of Grape King Bio Ltd." and implemented Corporate Social Responsibility-related initiatives in 2015. To strengthen its corporate social responsibility efforts, its Corporate Social Responsibility committee underwent restructuring in 2020. The Committee is under the General Manager's Office. The chairman/general manager holds the highest position in the Company. CSO is assigned to responsible for sustainable development affair, the ESG framework is classified into 16 ESG issues according to importance of the nature of operation. It is also connected to the competency of each division. A senior manager serves as a leading authority responsible for setting short, medium, and long-term goals with respect to each major issue, as well as overseeing operations and cross-division cooperation, and reporting the implementation status quarterly. The Committee reports regularly to the Board of Directors every year. The Company actively carries out and promotes environmental, social, and corporate governance which includes sustainable development in its annual operational goals. This helps instill a spirit of sustainable development throughout the organization. ii. After the amendment was approved at the 3rd meeting of the 20th Board of Directors on January 14, 2022, it was renamed “Sustainable Development & ESG Committee” with the purpose of achieving the Company’s sustainable development goals; namely, corporate governance, product responsibility, R&D, happy workplace, prosperous society and a green environment. Main tasks are as follows: ● Create and revise the Sustainable Development Report ● Integrate material risk issues ● Plan and implement ESG annual plan iii. The "Sustainable Development and ESG Committee" regularly reviews and reports the implementation results and improvements, and hold meeting at least twice a year to follow up on management indicators and implementation status. It also reports to the Board of Directors the implementation results of sustainable development and future plans at least once a year. Two meetings were held in 2024 with proposals including: (1) Task Force on Climate-Related Financial Disclosures(TCFD) trend sharing; (2) Sustainability impact level evaluation questionnaire in the Sustainability Report and TCFD questionnaire; (3) Implementing status of the annual sustainable goal from each task force; (4) S1, S2 introduction plans of IFRS Sustainability Disclosure Standards; (5) Sharing the establishment of an internal control system for “Sustainable Information Management”; (6) Implementing status of the annual sustainable goal from each task force and adjustment in new annual goal. The implementation status of sustainable development initiatives in 2024 was reported to the Board of Directors on January 18, 2025. Six major sustainable development areas were determined according to our corporate culture alongside technology, health, and expectations. Key points of implementation are based on categories such as governance, environment, and society. iv. The Board of Directors reviews the sustainable development report from the committee, along with the implementation content and direction, and supervises the operational team for any adjustments to be made as deemed necessary. For more details, please refer to the ESG Management Structure in the Preface section of the 2024 ESG Report.	No major difference

<table>
<tr>
<td>2. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2)</td>
<td>V</td>
<td></td>
<td>The information disclosed by the Company includes the Group's sustainable development performance between January and December in 2024. Risk assessment boundary includes the Company and the subsidiaries in Taiwan regions. The Company evaluates environmental, social and corporate governance issues related to operations based on material principles and communicates the results with internal and external stakeholders. The main risks after evaluation are classified into five aspects: climate change-related risks, operational risks, hazardous risks, financial risks, and strategic risks. The Company determines material ESG issues based on the evaluation listed above, and formulates risk management policies that can effectively identify, measure, evaluate, supervise, and control. It also adopts specific action plans to reduce the impact of relevant risks.

After risk evaluation, relevant risk management policies or strategies are formulated as follows:
<table>
<tr><th>Material issue</th><th>Risk evaluation aspect</th><th>Risk management policies or strategies</th></tr>
<tr><td>Environmental</td><td>Risks relevant to climate change</td><td><u>Climate change and environmental risk:</u>
In response to low rainfall due to climate change, the Company complies with the government's water conservation policies and continues to implement relevant water recycling procedures, i.e. RO concentrate wastewater recycling, optimization of the cooling tower's water replenishment process, etc.
The Pingzhen headquarters passed the ISO 14001 environmental management system certification and continues to promote various environmental protection measures using the PDCA operating method. The ISO 50001 energy management system was introduced in 2019, along with the international renewable organization RE 100. The Company promised to utilize 100% renewable energy by 2035. Through green power purchased in 2022, the Company has reached the goal of 1% renewable energy usage. At the same time, the ISO 14064 greenhouse gas inventory system was introduced. The Company obtained ISO 14064 greenhouse gas inventory system certification and commit to the Science Based Target initiative (SBTi) in 2023. Completed and accepted Science Based Target initiative (SBTi) goal setting of 1.5℃ in 2024, with a commitment to achieve Net-Zero Emissions by 2050 (for more details, please refer to "1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan" in "Climate-Related Information of TWSE/TPEx Listed Company" of this annual report).</td></tr>
<tr><td>Social</td><td>Operational risk
Hazardous risk</td><td><u>Talent development and employee welfare:</u>
In terms of talent management, the Company prioritizes character and competency, and creates a two-way communication that matches suitable talents with the right positions. It also sets up channels to get employee feedback. In addition, it actively improves and enhances safety measures in the workplace, so as to mitigate employee health and safety risks.
The Company has conducted risk evaluation and identification in connection with occupational safety since 2017, and has designed occupational safety countermeasures in response to items identified as high risk. Based on the risk evaluation result, it has set up a goal management system for high risk environmental and occupational safety factors. The Company has established an Occupational Safety and Health Committee and hired full-time registered nurses. It holds health seminars regularly and has obtained ISO/CNS 45001 occupational safety and health management system certifications. It organizes sports activities and maintains a safe and healthy workplace for employees while reducing possible occupational safety risks.</td></tr>
</table>
</td>
<td>No major difference</td>
</tr>
</table>

			Corporation Governance: (1) Financial risk — (1) **Financial risk:** Ensure effective response that impacts interest rates, exchange rates and credit risks. (2) Operational risk — (2-1) **Supply chain risk:** Continue to manage customers and suppliers, regularly conduct supplier evaluation; on-site evaluation and monitoring of supply quality can help maintain a smooth supply chain and reduce supply chain risk. (2-2) **Food safety risk:** In compliance with relevant regulations on food safety, establish supplier and manufacturer's profile and quality history to keep track of information about various materials used in products, and maintain high internal quality management to ensure quality and safety. At the same time, increase employee awareness of food safety culture and conduct a comprehensive campaign, e.g., post-knowledge and slogans about food safety in the plant publish food safety quarterly magazines to promote news and events about food safety. (2-3) **Trade secrets, patent and trademark rights:** Protect trade secrets, patent and trademark rights to strengthen core technologies and ensure brand advantage. (3) Strategic risk — (3) **Product development and release:** Analyze and evaluate changes in market demand and implement various countermeasures. Internally, establish a product parameter database. The lab would conduct competency tests of products in batches before formal massive production. Externally, conduct a full market survey before product development. Monitor the market after product launching. Get to know the changing market trends and use them in the development of future products. For the 2024 risk management operations status, please refer to 7. Other important information to help understand the implementation of corporate social responsibility programs: For more details, please refer to 1.3 Risk Management in CH1 Ethical Governance of the 2024 ESG Report.	No major difference
3. Environmental Issues (1) Has the Company set an environmental management system designed to industry characteristics?	V		(1) The Company has an established occupational health and safety manual, pollution prevention management procedure, waste management operation standards in accordance with the environmental regulations set up by the Ministry of Environment (such as Air Pollution Control Act, Water Pollution Control Act, Waste Disposal Act, and Regulations for the Labeling and Safety Data Sheets for Toxic and Concerned Chemical Substances), and ISO 14001 is introduced and promoted in each unit. The Company was certified by ISO 14001 Environmental Management Systems on September 11, 2017 and follows the occupational health and safety and energy policy of "carry out compliance obligation, reduce hazard risk, practice environmental protection and friendly working environment, support low carbon energy, increase energy efficiency, promote all employee participation, and sustainable cycle improvement" to pursue environment sustainable operation. It also set up "reduce greenhouse gas emission volume", "increase waste recycling", and "green purchase" as the short to midterm performance indicators for environmental operation and management. Environment management related management system, measure, and implementation status in 2024 are as follows: i. Compliance with the regulatory obligations: Make every effort to promote environmental protection policies, strictly abide by relevant environmental protection laws and regulations, comply with regulatory obligations, take the initiative to regularly identify environmental protection laws and regulations, and pay attention to environmental	No major difference

			protection issues and development trends. Regularly perform preventive maintenance of environmental protection facilities in each plant to ensure that various environmental protection systems maintain normal operation. ii. Risk reduction: (1) Idle manholes (total number of 9) in Zhongli Plant are sealed with cement, and leakage of waste water drain was repaired and marked. (2) Leakages of the aerobic tank and gutter in the Pingzhen Plant were repaired to reduce the impact on the environment. iii. Implementation of environmental protection: Evaluate and make plans to reduce various wastes and improve recycling programs; add gas treatment equipment in the process area of Grape King's Biotech Research Institute to improve indoor air quality. iv. Friendly workplace environment: Introduce green procurement, actively promote and advocate the use of environmental protection labels, energy saving labels, water-saving labels, etc.; add mufflers onto the process equipment at Zhongli Plant to continuously protect the environment. v. Improving energy efficiency: Adhering to ESG governance guidelines, the Company held a "Build low-carbon plant for a green future" energy saving and carbon reduction event in accordance with the Company's six major goals in 2024, and set the goal of 5% annual electricity saving rate for each plant, and a total of 72 electricity saving plans were proposed by Pingzhen Plant, Zhongli Plant, and Longtan Plant. The total electricity saving was 1,582,324 kWh at year end, which equaled to 780,000kg of CO2 emissions. The average electricity saving rate has reached 5.5%. vi. Encouraging active participation: Implement an environmental management system by keeping all employees well-informed, actively promote energy conservation and carbon reduction activities in the workplace, and continue street cleaning activities at Zhongli Plant as part of the organization's corporate social responsibility initiatives. vii. Continuous cycle improvement: With reference to the core value of ISO 14001 environmental management system, adopt PDCA management mode to continuously improve the risks and opportunities of the environmental management system to ensure that sustainable operation in achievable in an environmentally friendly environment. viii. Implementing status in 2024: A total of 6 cases were completed in 2024 regarding environment management. In pollution prevention, repairs, seals, and marks were done to idle manholes (total of 9) in Zhongli Plant; whereas leakages of the aerobic tank and gutter in the Pingzhen Plant were repaired to reduce the impact on the environment. In energy saving, an ozone densitometer was used to replace wet scrubbers for wastewater in Zhongli Plant for 47,000kWh annual electricity saving. In waste recycling, food sludge was recycled as R-0902. A total of 204.3 tons of food sludge was cleaned up in 2024. Waste plastic has been recycled as R-0201. A total of 20.01 tons of waste plastic was cleaned up in 2024. ix. Obtained management system certifications: ● ISO 50001 energy management system certification (Valid from October 8, 2022 until October 8, 2025) ● ISO 14001 environmental management system certification (Valid from Sep. 11, 2023 until Sep. 11, 2026) For more details, please refer to CH6 Green Environment of the 2024 ESG Report.	No major difference
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?			(2) i. Maintaining ISO14001 management system: By implementing an environmental management system, there is continuous improvement, optimization and review of various environmental protection management operations. ii. Reusing waste materials: The Company has recycled the food sludge as R-0902 to increase the sludge recycling value. A total of 204.3 tons of food sludge was cleaned up in 2024. Waste plastic has been recycled as R-0201 to increase the plastic waste recycling value. A total of 20.01 tons of waste plastic was cleaned up in 2024. iii. Recycling and reclaiming water: The cold and heat exchange discharged by the process equipment is recycled to improve the recycle rate of reclaimed water. iv. Adopt aluminum can design: Grape King Bio PowerBOMB energy drink uses aluminum cans as packaging	

because aluminum is 100% recyclable. It can be recycled and reproduced many times. In the future, the Company will adopt light packaging as primary container to reduce environmental impact from resource extraction.

v. Adopt a resource that is environmentally-friendly: use green paper pulp that is 100% certified by the Forest Stewardship Council (FSC) for packaging to ensure that the source of paper material is legit and properly managed to prevent deforestation.

vi. Supporting green energy: The Company actively participates in RE100 and sets the goal of achieving 100% renewable energy by 2035. We have signed a contract in 2023 to purchase 3.6 million kWh of green power (solar energy) from 2024 to 2026 with a renewable-energy-based electricity retailing enterprise. Pingzhen headquarters has been using green power (solar energy) since January, 2024. As of December 31, 2024, the accumulated electricity generated was 900 thousand kWh, which has reached the goal of using3% renewable energy. The 180kW solar photovoltaic system installed at the Longtan Plant has been self-providing electricity generated since November 10, 2022. As of December 31, 2024, the accumulated electricity generated was 384,376kWh, which can reduce carbon dioxide emissions by 190,266kg.

For more details, please refer to 2.3.2 Design of Green Product Package in CH2 Product Liability and CH6 Green Environment of 2024 ESG Report.

No major difference

(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?

(3) The influence and impact of climate change on the global economy, society and environment has become more significant. At the same time, the Accord de Paris which provides clearly defined carbon reduction goals was approved by the United Nations in 2015. The issue of climate change has drawn public attention. Hence, the Company has made green operations, environmental protection and sustainable development as part of its social responsibilities and commitment. It has promoted environmental protection initiatives and clearly defined its obligations to implement environmental protection through environmental, safety, health and energy policies. It also actively implements its ISO50001 energy management system and takes the issue of climate change into account in its risk management framework, which is regularly evaluated and reviewed by relevant departments. It is expected to respond and handle risk incidents in real time to reduce impact.

In December 2021, the Company was the first company in the Taiwan Health Care industry to successfully sign up as a Task Force on Climate-related Financial Disclosures, TCFD) supporter.

At present, the Company uses energy sources such as natural gas and electricity that can cause climate change. To mitigate climate change and potential risks of certain energy sources, the following control mechanisms have been developed:

Identification of climate change risk	Risk or impact	Response measures and related actions taken in the year
Global Warming	The combustion efficiency of boilers is not ideal. There is air pollution (i.e., black smoke, carbon monoxide and hydrocarbon) as well as higher gas and fuel costs.	In addition to regularly monitoring gas and water consumption, boiler operators in 2020 ensured an efficiency value above 90% weekly in accordance with Bureau of Energy regulations by utilizing flue gas analyzers to estimate the level of boiler oxygen, as well as attaining combustion efficiency and other data. They also conducted random site visits to ensure normal operation of every facility in the engine room.
Climate change leads to heavy storm events and grid outages	Unexpected outages occur at TaiPower grid due to weather disturbances that cause operational interruptions and require emergency recovery manpower. This may result in manpower consumption.	The power source of TaiPower utilizes an underground cable design to protect the power transmission and distribution network of electric poles from weather disturbances. Fire emergency generators are set up in Pingzhen, Zhongli, Longtan, and Yongfeng Plants. Additionally, there is UPS backup system to ensure stable power for research and development equipment at Longtan Plant, minimizing disruptions caused by unexpected outages.
Crisis relevant to	Impact on public and	1. The design and plan for the new factory would include a

(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?

Electricity Shortage	production facilities as well as factor's production yield rate	backup power system and reduce production loss due to external factors. 2. Utilize an Uninterruptible Power System as auxiliary power specifically for lab equipment to keep research and development projects protected. 3. For high/low-voltage power equipment, a mechanical and electrical inspection company conducts monthly inspections, performs infrared temperature measurement and overall annual maintenance, so as to ensure normal operation of the plant's main power supply equipment. 4. In response to climate change and energy appreciation, the Company held a "Build low-carbon plant for a green future" energy saving and carbon reducing event in 2024. It set up an annual 5% electricity saving goal for each plant, and a total of 72 electricity saving plans were proposed by Pingzhen Plant, Zhongli Plant, and Longtan Plant. The total electricity saving was 1,582,324 kWh at year end, which can reduce carbon dioxide emissions by 780,000kg. The average electricity saving rate has reached 5.5%.
Water rationing and water shortage crisis	Affect the operation of public and process equipment and production schedule in the plant.	1. Continue to evaluate and plan measure for recycle and reuse of water resource, as well as backup mechanism for water supply pipes in the plant. 2. Continue to improve efficiency of recycle and reuse of water resource. The accumulated volume of ROR recycle water from Pingzhen, Zhongli and Longtan was 13,027 tons in 2024. This can reduce carbon dioxide emissions by about 2,032kg.

For more details, please refer to 1.3 Risk Management in CH1 Ethical Governance of the 2024 ESG Report.

(4) The Company first introduced ISO14064-1:2018 external inventory in 2022. ISO14064-1 scopes 1, 2 and 3 were certified by a third party in 2023.The organizational boundary of 2024 includes Grape King Bio Ltd., Pro-Partner Ltd., Rivershine Ltd., and Shanghai Grape King Enterprise Co., Ltd. The Company's has not received a complete assurance opinion for its 2024 Greenhouse gas inventory before the publication of this annual report. A complete assurance report will be disclosed on the Company's website under the ESG section.

The carbon emissions in the past two years are as follows:

Item	2023	2024 (Uncertified)
Scope1：Direct emission volume(metric ton).	6,248.0709	6,558.5953
Scope2：Indirect emission volume(metric ton).	16,394.4788	18,474.2201
Scope1&2 total emission (metric ton) (Note 1).	22,642.5497	25,032.8154
Scope3：Indirect emission volume(metric ton).	21,517.4474	19,953.4233
Unit revenue emission(tonCO2e/million revenue).	2.13	2.24

Scope3：Category 4 Indirect greenhouse gas emission of products used by the organization:

No major difference

Item	2023	2024 (Uncertified)
Purchase goods and services (metric ton).	17,182.4308	15,269.2663
Fuel energy related (Not in scope 1 & 2)(metric ton).	4,242.3611	4,303.1046
Waste treatment from operations (metric ton).	92.6555	381.0524
Total	21,517.4474	19,953.4233

Covering scope: The GHG emission of 2023 included Grape King Bio Ltd., Pro-Partner Ltd., Rivershine Ltd.; and the GHG emission of 2024 included Grape King Bio Ltd., Pro-Partner Ltd., Rivershine Ltd., and Shanghai Grape King Enterprise Co., Ltd.

Explanation: The scope of GHG emission included, diesel, gasoline, natural gas, CO2 fire extinguishers and process power purchase.

Note 1: The main GHG emissions of the Company included three categories; namely, CO_2, CH_4, and N_2O.

Note 2: Inventory and verification were carried out based on operational control. The Global Warming Potential (GWP) value came from the 6th evaluation report of the IPCC. Data certified - Data of Grape King Bio Ltd. and Rivershine Ltd. for 2023 was verified by SGS Taiwan Ltd. An audit report is available on the Company's website. Data for 2024 has yet to be evaluated. SGS Taiwan Ltd. is scheduled to verify data for Grape King Bio Ltd. and Rivershine Ltd. in the second half of 2025. The audit report will be available on the Company's website after evaluation. Pro-Partner Ltd. and Shanghai Grape King Enterprise Co., Ltd. have planned to verify data by 2029.

Data on water source and waste management in the past two years are as follows:

Item	2023	2024	
	Taiwan	Taiwan	China
Water consumption (million liters)	355.18	336.52	44.54
Waste water discharge volume (million liters)	238.55	232.81	18.73
General industrial waste (ton)	3,425.41	2947.61	87.33
Hazardous industrial waste (ton)	4.49	4.71	0.83

Covering scope: The water source and waste management of 2023 included Grape King Bio Ltd., Pro-Partner Ltd., and Rivershine Ltd. The water source and waste management of 2024 included Grape King Bio Ltd., Pro-Partner Ltd., and Rivershine Ltd. and Shanghai Grape King Enterprise Co., Ltd.

Explanation: The 2023 and 2024 data of Taiwan regions on total water withdrawn and total water consumption have been verified by Deloitte & Touche in accordance with Article 4, Paragraph 1 of the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".

Note1: Since the waste water discharge volume at office location could not be calculated, the waste water discharge volume only includes Pingzhen Plant, Zhongli Plant, Longtan Plant and Yongfeng Plant.

Note2: Taiwan regions include Grape King Bio Ltd., Pro-Partner Ltd., and Rivershine Ltd.

No major difference

			Note3: China regions include Shanghai Grape King Enterprise Co., Ltd. Management policies and measures taken to promote environmental protection: The issue of climate change has been the operational focus of the Company to achieve sustainable development. The Company has made green operations, environmental protection and sustainable development as its responsibilities and commitment. Its obligation to implement environmental protection is clearly defined in the environmental protection, safety and health management policies. The Company holds Environmental, Health, Safety and Energy Management Committee meetings quarterly. The meetings are hosted by the Chairman and GM implementation status of the ISO14001 environmental management system and ISO50001 energy management system, project progress, internal and external issues, as well as audit follow-up items are reported in the meeting. It sets the energy saving goal at 1% for the three plants and key environmental protection and management system in accordance with the operation pattern of the PDCA Energy Management System. The environmental protection measures are planned and implemented as follows: **GHG management:** (i) Promotion measure: Having introduced ISO 14064 greenhouse gas inventory system ahead of government regulations, the Company also obtained ISO 14064 certification and committed to Science Based Target Initiatives (SBTi) in 2023. It set and passed the goal for SBTi at 1.5℃ in 2024, while aiming to surpass Taiwan's Pathway to Net-Zero Emissions in 2050. (ii) Goal-setting: It is expected to set and pass the goal for SBTi at 1.5℃ in 2024. (iii) Status of achievement: The Company had set and passed the goal for SBTi at 1.5℃ in October 2024. Short-term goal - Grape King Bio has set the climate goal consistent with controlling temperature rising by 1.5℃. Using 2023 as the base year, the Company will reach a definite 58.8% reduction by 2034 in scope 1 and 2; whereas scope 3 (purchase goods and services, fuel and energy related activities, upstream transportation and distribution, downstream transportation and distribution, and end-of-life treatment of sold products) will reach a definite 35% reduction by 2034. Net-Zero goal - Grape King Bio is committed to achieve net zero emission by 2050. Using 2023 as the base year, scope 1, scope 2, and scope 3 will reach a definite 90% reduction by 2050. (iv) Carbon reduction goal, strategy, and action plan for 2030: A. Carbon reduction goal: 5% reduction for 2030 Grape King Bio individual emission in scope 1 and 2 in comparison with 2023. B. Carbon reduction strategy: Follow the GHG reduction path by SBTi and promote energy transformation, digital transformation, supply chain transformation and achieve greenhouse gas reduction gradually. C. Carbon reduction action: Choose substitute energy, purchase renewable energy to replace energy with high pollution. The Company has signed a contract of green power (solar energy) from 2021 with a renewable-energy-based electricity retailing enterprise. Pingzhen Plant has been using green power (solar energy) since June 2022. A total of 1.8 million kWh green power has been used as of 2024. The usage of renewable energy is expected to reach 5% in 2026 and 15% in 2030. The Company practices energy reduction action, continues to follow the PDCA operating mode to promote energy saving and carbon reduction measures, increases energy management intensity, and sets up energy saving goals. **Energy management:** (i) Manage and promotion measures: The Company upholds ESG governing guidelines to actively plan and promote various energy reduction and optimized measures and low-carbon energy transition, optimize equipment efficiency to reduce energy intensity, and check up on high energy consumption equipment and electricity usage in each area in the plant. It tracks and manages overall electricity consumption status through behavior modules such as schedule control, machine management, etc., and follows the Company's carbon reduction path and energy transition goal to increase the percentage of renewable energy every year to carry out the Company's	No major difference

			environmental, health, safety, and energy policy. (ii) Reduction target: A. In 2024, the Company set an annual energy saving target rate of 5% following the operation mode of the PDCA energy management system. In comparison with the 29,197,400kWh energy usage in the base year of 2023, the energy efficiency target was set to be 1,459,870kWh. For medium to long term (2026-2028), the energy efficiency target for four production plants was set to be more than 1.5%. B. The Company joined the international RE100 in 2019, with its commitment to use 15% renewable energy by 2030 and 100% renewable energy by 2035 in accordance with RE100. (iii) Achievement: A. A total of 72 energy-saving measures were proposed in 2024. The average energy efficiency rate was 5.5%; the energy savings was 1,582,324kWh, and the CO2e was reduced by 780,000kg, which has reached the target planned. B. In order to reach the renewable energy target, the Company purchased green energy and built a self-consumption Solar Photovoltaic System. Pingzhen Plant has signed a contract in 2023 to purchase 3.6 million kWh of green power from 2024 to 2026 with a renewable-energy-based electricity retailing enterprise. The accumulated electricity generated from green power was 900 thousand kWh in 2024. 900 units of renewable energy certificates were obtained, which equaled to reduce carbon dioxide emissions by 445,500kg. NT$8 million was invested for the Solar Photovoltaic System at the Longtan Plant. The capacity was 180kW. The accumulated electricity generated was 178,611kWh in 2024, which can reduce carbon dioxide emissions by 88,412kg. 177 units of renewable energy certificates were obtained. We will continue to seek diverse renewable green energy in the future. (iv) Relevant certifications: Received ISO 50001 certification (energy management system). (Validation period: October 8, 2022~ October 8, 2025). **Water resources management:** (i) Promotion measure: The Company continues to evaluate the introduction of water-saving equipment, expand waste water treatment, and increase water recycling rate at the same time to effectively reduce water usage and waste water disposal. Preventive maintenance is necessary to ensure that the wastewater equipment is functioning properly. (ii) Reduced target: To increase the efficiency of water resources, RO concentrate wastewater recycling system was added into the Pingzhen Plant, Zhongli Plant, and Longtan Plant with an estimated 5,000 tons of recycled water annually. (iii) Achievement: The Company continued maintaining the efficiency of water resources - RO concentrate wastewater recycling system in 2024, and a total of 13,027 tons of process water was saved, which can reduce carbon dioxide emissions by 2,032kg. **Waste management:** (i) Promotion measure: In order to reduce environmental impact and effectively control business waste, the Company has implemented waste classification, collection, storage, management, and cleanup, so as to manage waste effectively. In accordance with environmental protection laws and regulations, it has conducted waste cleanup, treatment and recycling operations, as well as increased its waste recycling rate and reduced environmental burden. (ii) Reduced target: Actively preparing for environmental certification such as ISO 14001. (iii) Achievement: Maintain ISO 14001 management system - the Company reviews environmental protection and management operations through the environmental management system to achieve long-term improvement. To strengthen waste management, the Company continues to intensify waste cleanup and transportation, as well as evaluate and conduct feasibility studies on various waste recycling projects, so as to achieve waste reduction goals and higher recycling rate.	No major difference

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<td>(iv) Relevant certifications: Received ISO14001 certification (environmental management system) (Validity period: September 11, 2023~ September 11, 2026)

<u>Other environment-related management:</u>
(i) Promotion status:
● Strengthen pollution prevention: Burners use natural gas as fuel to reduce environmental pollution. Gas treatment equipment was added in the process area of Longtan Biotech Research Institute to improve environmental quality.
● Promote green procurement: The Company resolved and replaced equipment with poor energy efficiency by using green, energy-saving and water-saving products. “Grape King fulfills its CSR and is committed to energy efficiency and carbon reduction. It implements pollution prevention and energy conservation measures to continuously comply with related laws and regulations.” This statement was added to the inquiry form in 2019. The purchasing personnel of the Company included energy performance as one of the evaluation items, so as to demonstrate the importance of energy performance to suppliers. In addition, suppliers were required to provide data on energy utilization efficiency in the major energy consumption equipment evaluation form as reference for the purchasing personnel.
(ii) Relevant certifications:
● Received ISO 45001 certification (occupational safety and health management system) (Validation period: August 28, 2023~ August 28, 2026).
● Received CNS45001 certification (Taiwan occupational safety and health management system) (Validation period: August 28, 2023~ August 27, 2026).
For more details, please refer to CH6 Green Environment of the 2024 ESG Report.</td>
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<td>4. Social Issues
(1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</td>
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<td>(1) Protecting rights is a fundamental value at Grape King Bio. The Company has established and implemented a “Human Rights Policy” based on relevant employment laws in Taiwan and China. The policy also adheres to international human rights standards, including the “International Bill of Human Rights”, “OECD Guidelines for Multinational Enterprises”, “Universal Declaration of Human Rights”, “ILO Declaration on Fundamental Principles and Rights at Work”, “United Nations Guiding Principles on Business and Human Rights (UNGPs)”, “The Convention on the Rights of Children (CRBP)”, “and “The United Nations Global Compact (UNGC)”, and other international guidelines / standard core elements and local company laws. The Company has established a Code of Conduct for Suppliers, which outlines expectations for ethical labor practices. This code encourages suppliers and business partners to develop similar policies within their own companies to help identify and prevent potential human rights risks faced by employees across the entire corporate and supply chain. If any discrimination or harassment was identified, the Company will take action or impose punitive measures.
The Company fosters a diverse and inclusive workplace, where we value equal opportunity and respect for all employees regardless of age, gender, disability, religion, ethnicity, (such as Asian, Spanish, Latino, African American, Indigenous and other ethnic minorities) or sexual orientation (such as LGBTQI)+), job positions for females, and equal pay for equal work), second employment (veteran employment, retired and re-employment). We are committed to providing a safe and healthy work environment for all employees. This includes strict adherence to employment and labor act regulations. We forbid any form of forced labor or child labor. We maintain a workplace free from violence, harassment, intimidation, and any internal or external threats. We implement safety protocols as well as management policies and procedures.
The Company has implemented the following management schemes to safeguard human rights in 2024:
i. It has set up communication channels for reporting and submitting appeals to protect the rights of employees; these are provided for employees in case there are infringements or abuse of their legal rights and issues that could not be reasonably resolved. In 2024, one complaint received has been resolved.
ii. Sexual harassment prevention as well as control measures and regulations were clearly defined and publicly posted on the bulletin board. A harassment complaint box was set up. Zero sexual harassment case was filed in</td>
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			2024. The Company offered three diversity, equity, and inclusion (DEI) sexual harassment courses in 2024 to strengthen employee awareness of appropriate behavior and language, while emphasizing professional conduct as well as mutual respect, and fostering a workplace culture of gender equality. iii. Labor conditions were established in accordance with labor-related government laws and regulations. The working hours of each department were tracked regularly. There was one violation against labor laws in 2024. The Company has re-evaluated its manpower allocation, working hour management, and administrative process. Additionally, it improved information dissemination and communication between managers and employees. iv. To manage the Company's occupational safety and health procedures, an Occupational Safety and Health Committee was set up to advocate, promote, and establish a safe and healthy work environment. There was zero violation against occupational safety laws in 2024. v. At the same time, the Company demonstrates its respect in the workplace by listening to employee feedback from multiple parties. In order to facilitate communication between labor and management, the Company appoints labor representatives on a regular basis and holds labor-management meetings (on a quarterly basis) in accordance with the law. It gathers the opinions of all parties/departments to ensure that their voices are heard. A team that handles workplace violence was set up in 2018 for the purpose of creating a timetable to prevent liability arising from damage as well as handling prevention and settlement of disputes due to workplace violence. Relevant training sessions were offered and the timetable was separated into PDCA four stages. The training hours in 2019 took 5.5 hours (2 sessions) with a total of 53 trainees including high-risk unit supervisors, department heads, EAP employees, and members of the team that handle workplace violence. In 2019, a total of 3 sessions were organized for employees, offering professional consultation and stress relief activities. Subsequently, professional consultations were also provided for high-risk personnel to help prevent and relieve stress. In addition, operations meetings were organized regularly for review and discussion. 2020 was the maintenance period. There was an executive course on stress relief training, which lasted 8 hours (2 sessions) with 184 participants. For high-risk personnel, an EAP specialist was assigned to conduct visits and guidance programs, totaling 6 sessions. In 2021, there was an executive course on stress relief training, which lasted 6 hours (2 sessions) with 53 participants. For high-risk personnel, an EAP specialist was assigned to conduct visits and guidance programs, totaling 15 sessions. Training courses were held in an innovative way in 2022. Three sessions of improvising lecture on relieving and eliminating stress were held, which were 3 hours in total. A total of 96 people had attended the training with a 93.4% satisfaction. EAP specialists were assigned to conduct visits and provide guidance programs to high-risk personnel for a total of 5 sessions. In 2023, several initiatives were undertaken to strengthen organizational communication and listening. The "Appointment with the Chairman" event held four times and had 13 participants. Activities organized include 70 visit and guidance program sessions with EAP specialists and 8 quarterly briefing sessions for foreign employees. In addition to required on-the-job interviews, 40 resignation interviews were conducted to gather feedback and insights from employees. Also, there were three sessions employing creative board games - "ethical performance" for individual case practice and risk evaluation to ensure employees have established correct concept when dealing with ethical dilemma and relevant human rights issue. Two impromptu talk shows focused on stress relief were held with 107 participants. In addition, objectives and goals were communicated through internal journals - GK Life and on the bulletin board as reminders to help cultivate an employee-friendly workplace. The committee function was optimized in 2024 by including members from different fields to provide appropriate assistance promptly. Meanwhile, foreign employees were also involved to build a better working environment across multiple perspectives. In 2024, the "Appointment with the Chairman" event held four times and had 10 participants. Activities organized including 50 visit and guidance programs with EAP specialists and 8 quarterly briefing sessions for foreign employees. Also, two stress relief and stress management seminars were conducted for a total of four hours with 52 participants. For more details, please refer to 4.2 Talent Recruitment and Structure in CH4 Happy Workplace of the 2024 ESG Report. (2) The Company has developed reasonable welfare measures, including salary, employee vacation, and employee	No major difference
(2) Has the Company established and				

implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?			benefits. All of which were established and implemented in accordance with relevant management regulations, and reflected the Company's operational performance: i. The Board of Directors has established the Remuneration Committee in charge of handling the manager's compensation policy, system, structure, and review. ii. Salary system: Overall employee compensation includes a fixed salary and bonus. Fixed salary is based on the employee's education, work experience, professional knowledge and skill, and seniority, as well as market conditions; whereas bonus is given depending on the performance evaluation and compensation distribution policy. iii. Performance evaluation system：The initial goals for each department are set in accordance with the Company's annual important goals (including the Company's goal, department goal, and individual goal). Progress review will be confirmed in the middle of the year; whereas evaluation interview will be conducted at the end of the year. The evaluation results are used as the basis for promotion, salary adjustment, and bonus and remuneration distribution. iv. Bonus and remuneration distribution: The Company connects the bonus and remuneration distribution to its operation performance, annual net profit, and employee performance evaluation, as well as following the Articles of Incorporation to allocate 6% to 8% as employee bonus. The bonus and remuneration are distributed in accordance with the Rules for Performance Evaluation. The Company proposed to amend the Articles of Incorporation on the BOD on February 26, 2025 to withdraw no less than 30% of the employee bonus mentioned previously to its non-executive employees. The amendment is to be approved by the resolution of the 2025 shareholders' meeting on May 26, 2025. v. Employee vacation and welfare plans are fully discussed during the regular labor-management meetings, so as to ensure fairness and regulatory compliance of employee welfare programs. Unpaid leave is also applicable to long-term leaves such as childcare, major injuries, or major incidents for personal and family needs. vi. To improve employee welfare, the Company offers various subsidies (marriage, childbirth, children's education, retirement, and bereavement), birthday cash gift, cash gift/gift box during three major festivals, employee trip, and group insurance. vii. The Company conducts employee satisfaction surveys regularly and sets annual satisfaction targets. For areas that fall short, improvement plans are developed to address them. The 2024 employee satisfaction survey implementation and improvement plan are as follows: The human resource department has conducted the employee satisfaction survey in 2024 Q3, including job satisfaction, generation value, etc., in order to listen and understand employees' needs. Through integrated data analysis, qualitative feedback, and employee interviews, the Company is able to make proposals for improvement after knowing employees' needs. The 2024 employee satisfaction survey is summarized as follows: ● Survey respondents: all employees ● Survey participation rate: 90% ● Responsible survey unit: Human Resource Department ● Survey frequency: once a year (listed as Human Resource Department ESG key execution item) ● Survey period: October 1, 2023 - September 30, 2024 ● Survey result: the overall satisfaction increased 4% from 2023, and the score is 72.4. In survey aspects, employees are most satisfied with "the Company has a good image and goodwill" Based on the survey result, the Company will continue to improve and work on the followings in 2025: ● Human resource department will continue to optimize and improve good compensation structures. Through various job analysis, market compensation survey comparison, and compensation evaluation method, as well	No major difference

(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?

as considering the changes of the market environment to make planning.

- In 2025, the Company will use the Talent Pool program and work with ESG project promotion in Q3. It provides developing and talent retaining incentives for those who participated in the program, and continues to work on the talent retaining incentive program based on this experience.
- The Company asked supervisors in all departments to hold their own meetings for key strategy promotion in 2025. Supervisors and mid-level supervisors are asked to set up a efficient communication channels, as well as explaining key points and goal setting for various work to the employees to work on achieving the assigned goals together.

viii. In 2024, managerial and non-managerial positions received salary adjustments ranging from 1~3% based on company performance and individual performance.

ix. The Company has built an inclusive and friendly workplace to promote workplace diversity and gender equality. In 2019, the Company began to introduce systematic functional recruitment, and deepened the establishment of a talent recruitment and selection mechanism of "right talent and right position". There is no difference in compensation, promotion, and various company benefits regardless of gender, age, pregnancy, race, political or religious group for job seeker or employee. We are dedicated to providing a friendly workplace that upholds gender equality, the percentage of male and female employees was 50% and 50% in 2024. The proportion of male to female new employees in 2024 was 1:1. The ratio of male and female initial salary and benefit value was 1:1, ratio of male to female employees, which demonstrates the Company's right strategy in hiring talents. Recruitment is based on functionality and qualification for the job; there is no difference between male and female employees. There was an average of 50.1% female employees and 43.8% female managers in 2024.

Employee welfare programs: Regarding the Company's employee welfare programs, retirement system and their implementation, please refer to page 145-147 of this annual report. For employee safety and workplace protection measures and their implementation, please refer to page 147-149 of this annual report.

For more details, please refer to 4.3 Talent Recruitment and Structure and 4.4 Employee Compensation, Benefits and Health care in CH4 Happy Workplace of the 2024 ESG Report.

(3) The Company is dedicated to disaster prevention and protection. A total of 1,744 hours of occupational safety and health training was held in 2024. There were two occupational injuries in 2024, two person with temporary disability (0.04% of the total number of employees at the end of 2024), disabling injury frequency rate (FR) was 1.84 (comparing with peers 2.98,38% lower), disabling injury severity rate (SR) was 12.9 (comparing with peers 113, 88% lower), Frequency-Severity Indicator, FSI was 0.15(comparing with peers0.58, 74% lower).Occupational accident rate is lower than that of peers, and the Pingzhen Plant also reached an accumulation of 940,000 accident-free working hours in 2024, the goal of zero injury has yet to be achieved. The Company undertook a comprehensive safety review, implemented various project inspections and improvements, reinforced safety trainings on automatic equipment and key hazard incidents, controlled machine safety interlock devices, and reaffirmed its commitment to safety. It launched a health care management program to ensure a safe, healthy, and comfortable work environment.

There was zero fire incident and no personnel injury with 0% casualty rate in 2024. The Company will continue to focus on occupational safety training and occupational accident prevention to improve fire safety management.

The Company's training and promotion in the past two years:

Occupational safety training		2023	2024
Participant category (Employee / Contractor)	Employee	359	551
	Contractor	60	54
Total number of participants		419	605

No major difference

Occupational safety training		2023	2024
Hour	Employee	1,517	1,663
	Contractor	180	81
Total training hour		1,697	1,744

The Pingzhen plant and Longtan plant (certified in August 2023) have obtained ISO 45001 and Taiwan Occupational Safety and Health Management System (TOSHMS) certifications. (2023/08/28~2026/08/28)

For more details, please refer to 4.4 Employee Compensation, Benefits, and Health Care and 4.5 Occupational Safety in CH4 Happy Workplace of the 2024 ESG Report.

(4) Has the Company established effective career development training programs for employees?

(4) The Company's efforts have been directed toward the improvement of both business operations and employee career developments. The Company encourages employees to participate in various learning opportunities, and in turn, the employees are willing to provide feedback to the Company on the knowledge they have acquired, thus creating a positive learning cycle within the organization. Through the introduction of TTQS training quality system, the Company's training system has become more complete. The Company received the TTQS Silver Medal in 2019. The development program for potential talents has been carried out since 2019. The HR Dept. and Supply Chain Division jointly planned and designed courses to develop potential talents, which include management competency training, innovation and leadership training, practices, quality improvement proposals, etc. The program is aimed at developing and cultivating potential talents, who will be promoted to important positions in order to make significant contributions in the future. In 2020, Human Resources continued to assist departments that require staff training. Apart from providing professional training and guidance, it also implemented strategies to improve and assist in developing a training blueprint or plan of action. Human Resources maintained its TTQS Silver Medal training quality system in 2021 to ensure implementation of training quality, while launching a training academy plan for the Management Division. It completed projects such as inventory, establishment of a learning map, and talent development training. An innovative R&D center of the R&D Division and training college project of the Quality Assurance Department are set up in 2022. Items include job analysis inventory and learning map establishing while trying to connect with the training course. Implementing agile project management education training course and showcasing the result of achieving LEVEL3 learning. The connection between training effect and performance will benefit the performance result. The Company continues to maintain ESG implementing strategy and connect to human capital development strategy in 2022. There were three implementing focuses and nine checking indicators. The Company will maintain the implementation and review. In addition to completing the existing training college project, there were proposals to conduct competency assessments and training programs for the management team. The Company continues to implement ESG and human capital development strategies. It also passed the TTQS re-evaluation, receiving a silver plate certification in 2023. In 2024, the Company further refined and expanded its talent cultivation and development approach, as well as build a future-oriented talent pool that supports its goal of sustainable talent development. 38 talents were assessed and selected by the management team for the visionary talent training and carried out in accordance with their individual development plans. The achievement rate for the development plan is 100%.

The Company qualified for the TTQS corporate silver plate in 2024, which demonstrates all training and executions have met the quality requirement. It introduced an education training system in 2024. Digital training mechanisms can practically improve the training execution performance for all units. HR can also conduct analysis of various training performances and use it as a reference basis for annual training plans, so that the personnel development and promotion can be done with support and evidence from scientific data.

2024 employee cultivating plan and implementation status are as follows:

i. Professional and management competency training plan:

The Company focuses and surveys on the training needs every year based on the operational goal, development direction, and management trainee talent pool, and makes training plan proposals for the supervisor and employees from the developed training map in each unit. Training items include: new hire orientation, professional ethic salon, legal and regulation compliance promotion (such as gender equality and sexual harassment prevention, personal data and information security training, etc.), professional competency training, and

No major difference

management competency development training, to assist in developing and cultivating job competency at all level. It also has a quarterly review and report mechanism through educational training to carry out the execution results of training and development. The equivalent of 3,841 persons participated in training development with 10,068 hours in 2024.

ii. Strategic and visionary talent cultivation:

This target was designed as part of the Company's 2024 annual goal, including (1) Strategic and visionary talent nomination and development plan: each unit proposes visionary talent nomination for training. It includes training of IDP (Individual Development Plan) and has to link with personal KPI. The qualification of the personnel nominated by the supervisors for this project is subject to the General Manager's approval. 38 people have participated in this project in 2024. After various performance and applicableness evaluation, 23.7% of them have moved up. It shows the Company continues to further talent development mechanisms and builds visionary talent strategy to ensure the talent and the organization grow together, thus carrying out sustainable operation and outstanding development goals. (2) Personnel who have been approved should receive an IDP training and then propose an IDP as an execution basis after manager's approval (in compliance with the training evaluation level 3 standards). IDP planning should meet the three-year scope. The accomplishment rates of IDP training and IDP proposal plan were both 100% in 2024.

Training status according to employee position and gender in the past two years:

Item	Employee category	2023				2024			
		Total in each job title		Total in each item		Total in each job title		Total in each item	
		Male	Female	Male	Female	Male	Female	Male	Female
Total hours of annual training	Supervisor above management level	407	438	5,085	4,346	897	542	5,093	4,975
	Personnel on production line	2,114	1,196			1,307	1,033		
	Other personnel	2,564	2,712			2,889	3,400		
Total number of participants in annual training	Supervisor above management level	200	152	2,014	1,924	286	193	1,932	1,909
	Personnel on production line	862	633			535	426		
	Other personnel	952	1,139			1,111	1,290		
Annual training penetration rate	Supervisor above management level	100%	100%	100%	100%	100%	100%	100%	100%
	Personnel on production line	100%	100%			100%	100%		
	Other personnel	100%	100%			100%	100%		

No major difference

Item	Employee category	2023				2024			
		Total in each job title		Total in each item		Total in each job title		Total in each item	
		Male	Female	Male	Female	Male	Female	Male	Female
Average hours of annual training (Note)	Supervisor above management level	2.0	2.9	2.5	2.3	3.1	2.8	2.6	2.6
	Personnel on production line	2.5	1.9			2.4	2.4		
	Other personnel	2.7	2.4			2.6	2.6		

Note: It is calculated by the total hours of annual training／the total number of participants in annual training.

For more details, please refer to 4.3 Talent Cultivation and Performance Appraisals in CH4 Happy Workplace of the 2024 ESG Report.

(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?

(5) The Company follows food safety and health laws and food labeling regulations by the Taiwan Food and Drug Administration for marketing and promotion of products and services. Our product packaging and labels comply with legal requirements and we continue to review and update them as needed, including: details in general raw materials and food additives, nutrient facts on food packaging, food allergy labeling, genetic modification food labeling, fungus food labeling, health food labeling and warning, etc. The advertising slogans and claims are individually reviewed by relevant units through system form in accordance with the internal “Copywriting & Production Review Process” to provide consumers with the most complete and accurate information, as well as giving consumers reasonable knowledge and necessary message when choosing products

The Company has an established food safety policy. In addition to pursuing innovative product development, we focus more on product safety. In order to ensure consumers to choosing and consuming products safely, all products have been through rigorous quality control, research, examination, and in compliance with the regulations. In product marketing and labeling control, the Company has established a “Product materials review procedure”. Through a comprehensive review process, other than ensuring labeling has met the regulatory requirements, the Company also voluntarily discloses product features, consumption method, and precaution, etc. to provide a more complete information for the consumers to make a safe selection when purchasing. If there is any question, consumers may call the customer service hotline for consultation. There was no product recall due to labeling concern in 2024. We will continue to improve product marketing and labeling control to ensure product quality and protect consumers’ rights.

Moreover, the Company has an established “Customer complaint handling process”. If consumers have a concern regarding product quality, a specially-assigned person will take initiative to contact the consumers. A relevant analysis, review, and response on product quality will be conducted to eliminate customer’s concern. Replying rate to customer complaints was 100% in 2024. We will continue to secure customer rights and after sales service experience.

The Company values “Personal Data and Privacy Protection”, and follows the regulations in “Personal Data Protection Management” with an established “Privacy Policy” which has been disclosed on the Company’s website since 2020, which applies to the Company, subsidiary, customer, and supplier. Internally, there is also data management procedure such as “Personal Data Protection Management”. In addition to carefully protecting information security, a comprehensive inventory and risk evaluation of personal data will be done in important units that keep personal data. Risk handling plan and improvement will be made on high-risk personal data based on the evaluation result to complete personal data protection. The trustee company that collects, handles, or uses personal data will be required to sign a personal data outsourcing protection agreement as well.

In order to effectively promote and handle the privacy and personal data protection management, the Company has an established “Information Safety and Personal Data Management Committee” that is composed of an authority supervisor and execution units. It reviews implementing status, promotes privacy and personal data protection to carry out “Privacy Policy” through annual meetings. Meanwhile, the Committee also acts as a cross-department communication platform to provide support on personal data protection. The “Privacy Policy” is disclosed on the Company’s website on the following link: https://www.grapeking.com.tw/terms/privacy-policy

No major difference

			Quantitative data and management indicators invested in personal data protection in 2024 are as follows: i. Increase employees' awareness on personal data protection: 2 personal data protection relevant emails have been sent to all employees in 2024 that includes: relevant regulation on personal data labeling, transmitting, storing, accessing, and destroying of personal data and personal data email security protection. ii. Personal data inventory check and risk evaluation operation: For key units that collect, handle, and use of internal and external personal data, the Company has conducted personal data inventory and risk evaluation in June 2024. "28 sales processes" were found. Personal data files are individually checked after rolling out each sales process. Risk evaluations were done on all personal data files, and improvements were done in July 2024 based on the evaluation result. iii. Incident response and risk handling: 0 violation on personal data protection in 2024. The Company has a dedicated unit and customer service hotline to handle after sales consultation service or customer complaints. Relevant questions regarding personal data and privacy may be consulted by the service line, email address, or the "contact us" section on the Company's website. Consumer communication and customer complaint contact information are as follows: Tel: 0800-028-686 / 02-8178-3167 Email: bioshop@grapeking.com.tw For more details, please refer to 1.5 Legal Compliance in CH1 Ethical Governance, 2.2.4 Tracking and Compliance Management in CH2 Product Liability and 3.3 Customer Service in CH3 Innovation and R&D of the 2024 ESG Report.	No major difference
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?			(6) The Company has established a "Code of Conduct for Suppliers" that require suppliers to comply with related regulations on issues such as labor rights, occupational safety and health, environmental protection, and code of ethics, while following the "Supplier Appraisal Process" in consideration of regulatory compliance, good credit, protection of employee rights and interests, as well as food safety and environmental protection when auditing suppliers. It evaluates whether suppliers have complied with relevant regulations by forming a cross-department team to conduct supplier evaluations and monitor improvements, and establishes a sustainable supply chain management mechanism. In 2015, the Company added a CSR clause in the new version of the contract. According to the field assessment procedure for suppliers, if there is any major breach involving any supplier, the cooperation shall be terminated until the supplier takes corrective actions. The Grape King Bio Code of Conduct for Suppliers was formulated and announced on the Company's website in October 2019, which was read and followed by suppliers. Specific implementations are as follows: i. Supplier on-site evaluation: 51 suppliers were evaluated in 2024 (including 17 new suppliers and one self-evaluated supplier). 50 of them passed the evaluation, and one new supplier did not. According to the regulations, no trade shall be made with the supplier. ii. Supplier audit： The Company conducted audit for 218 raw material suppliers in 2024, with a 100% audit rate. iii. Management of supplier classification: Five major factors; namely, quality, cost, delivery, service/cooperation and Integrity were classified as the basis for supplier risk management. iv. Management of project contractors: The Company has set up a "hazard prevention notice" to reinforce safety awareness in the workplace along with counseling, auditing, and promoting before contractors start their work. To enhance and facilitate contractors' and suppliers' occupational safety and health management, the Company established the "Grape King Safety and Health Family" with 20 other vendors in cooperation with the Taoyuan City Government's Department of Labor in January 2022. It aims to lead and gather suppler chain members to improve overall occupational safety and health management. The Company has conducted many promotions, trainings, and sharing activities for contractors and suppliers, and was presented the "Outstanding Occupational Safety and Health Family Award" by the Taoyuan City Government's Department of Labor in October 2024, and received a Certificate of Appreciation for local outstanding safety and health family from the Ministry of Labor in December 2024. The	

			Company actively cooperated with labor inspections and held 2 occupational safety sessions as well as health promotion event in 2024. For more details, please refer to 2.1 Sustainable Supply Chain in CH2 Product Liability of the 2024 ESG Report.	
5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	V		The Company's 2024 ESG Report was based on the “Core” option of the Global Reporting Initiative (GRI) Standards, the 2021 edition requirements AA1000 (2008) Standard, and Sustainability Accounting Standards Board standards for the Household & Personal Products and Processed Foods industries. In accordance with standards such as the Taiwan Stock Exchange Corporation’s “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies”, the ISO26000 Social Responsibility Guidance, and the United Nations Global Compact. Developed in consultation with Ernst and Young. The Grape King Bio Sustainability Report’s assurance engagement was planned and executed in accordance with the Statements of Assurance Engagement Standards No.1 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” by Deloitte. Deloitte provides limited assurance on the completeness and accuracy of the claims and performance data presented in the 2024 Sustainability Report. Please refer to the ESG report for details of the assurance report. The 2024 ESG Report of the Company will be issued in May, 2025 and is also available on the Company’s website (www.grapeking.com.tw) for viewing and downloading. For more details, please refer to the About this Report section of the 2024 ESG Report.	No major difference

6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviation from the principles in the Company’s operations: No major difference.

7. Other important information to facilitate better understanding of the company’s promotion of sustainable development:

i. **Implementation of the United Nations Sustainable Development Goals (SDGS) in 2024**

- SDG 3 Good health and well-being
  (1) Conduct relevant functional material study in response to population aging, low fertility rate, and increase in the exercise population.
  (2) For groups such as infants and toddlers, pregnant women, and breastfeeding mothers who require special care, the product development unit will first confirm the raw material, dosage amount, and functional needs, then they will add warnings to the first draft of the product label content.
  (3) Conduct free health check-ups for all employees every year, develop a comprehensive labor health service plan, and establish both a friendly working environment and a friendly exercising environment to build a sustainable healthy corporate culture.
  (4) Establish a “Maternal Health Protection Procedure”, a “Special Harmful Working Experience” for Workplace Environmental Monitoring of employees, along with special health check-ups.
- SDG 5 Gender equality
  (1) 36% of female Directors.
  (2) 1:1 ratio of male and female employees.
- SDG 6 Clean water and sanitation
  (1) Saved 13,027 tons of processed water in 2024.
- SDG 7 Affordable and clean energy
  (1) The electricity generated by the Solar Photovoltaic System at the Longtan Plant was 178,611kWh in 2024.
- SDG 8 Decent work and economic growth
  (1) Collaborate with colleges and universities in the recent three years. Hold 78 plant visit sessions with a total of 2,986 people.
  (2) Officially built “Talent Pool” in 2024 to deploy an internal talent team by a systemic method with promotion rate of 23.7%.
  (3) 605 people participated in the 2024 Grape King Bio occupational safety and health educational training with a total of 1,744 training hours.
  (4) Participated in the Talent Quality-management System (TTQS) Certification Program promoted by the Workforce Development Agency, MOL and received a Bronze Award in the corporate category.
- SDG 9 Industry, innovation, and infrastructure

(1) 29 journal articles, 32 conference papers, and 23 oral presentations were published in 2024.

(2) 277 products were developed in 2024.

- SDG 11 Sustainable cities and communities

(1) NT$2,632,384 were invested in sponsoring and environment improving expenses in 2024, continuously improving the factory's impact on the surrounding neighborhood.

(2) Grape King Bio has devoted itself to social participation with 1,240 people and 687 service hours in 2024.

- SDG 12 Responsible consumption and production

(1) For a long time, Grape King Bio has been committed to environment friendly material, lightweight packaging design to reduce the hazard to the environment. The use of plastic has been reduced 29% in plastic bottles.

- SDG 13 Climate action

(1) Passed the SBTi review in 2024.

- SDG 15 Life on land

(1) Grape King Bio has been working with Northern Region Water Resources Branch, WRA, MOEA, and farmers to adopt farm lands that are rationally fertilized. Doing so will not only reduce land degradation and maintain biodiversity but also conserve water resources.

ii. Social Prosperity

- Community investment

(1) Completed campus needs survey for disadvantaged children in 2024 and donated 1.43 million dollars to 10 schools

School	Ping Jhen Junior High School	Long Xing Junior High School	Long-Gang Elementary School	Chung-Li Junior High School	Dong An Junior High School	Beishih Elementary School	Ping Hsing Junior High School	Long Tan Junior High School	Fu-Dan elementary School	Hsing-Nan Junior High School
Amount	NT$200,000	NT$150,000	NT$200,000	NT$150,000	NT$100,000	NT$180,000	NT$200,000	NT$100,000	NT$100,000	NT$50,000

(2) Donated 3 units of meal plans for disadvantaged group, serving a total of 20,190 persons in 2024.

(3) Ordered 150 boxes of Mid-Autumn Festival mooncakes from LAN-CHUI SOCIAL WELFARE FOUNDATION for sharing love and care in the neighborhood community in 2024.

(4) The Company has planned cooperation project with three associations in 2024 for "Increase in industry relevant social participation project".

- Risk or opportunity of the community:

The Company's business locations include: Head Office and Yongfeng Plant in Pingzhen Dist., Taoyuan City, Zhongli Plant in Zhongli Dist., Taoyuan City, Longtan Plant in Longtan Dist., Taoyuan City, and Taipei Office in Neihu Dist., Taipei City.

The Company makes sure to be friendly to the neighborhood. Over the years, we have provided venue, manpower, material and electricity supply for health checkup in the Zhenxing village near the Zhongli Plant to promote physical and mental health of the resident, and we send out giftboxes to the neighboring village (Beixing village, Zhenxing village, and Longxing village) every Dragon Boat Festival and Mid-Autumn Festival to celebrate the holidays and build good relations.

Type	Content	Amount
Sponsor	Dragon Boat Festival giftbox, Mid-Autumn Festival giftbox, and neighborhood activity	NT$1,380,000
Zhongli Plant - Zhenxing Village	Mid-Autumn Festival giftbox neighborhood safety, and environmental improvement	NT$300,000
Pingzhen Plant- Beixing Village	Mid-Autumn Festival gifts	NT$100,000

Because the plant is closely located near the residential area, different people may provide feedback about the different problems depending on how their feel. We value every feedback and try our best to improve and reduce impact on the neighborhood, as well as implement social responsibility as a local corporate.

Risks to the neighborhood were identified with situation analyzing chart of management system in 2024:

Issue	Current status	Action plan
Improve noise prevention	The sound-absorbing cotton in the soundproof ventilation equipment on the rooftop at the Pingzhen plant was significantly damaged. The soundproof efficiency is greatly reduced, making the operation noise very loud, which might disturb the residents at night.	New soundproof cover has been installed to effectively reduce the noise from the ventilation equipment to prevent disturbing the neighborhood.
Improve odor prevention	The sludge odor problem at Zhongli Plant caused neighborhood residents to raise concerns to environmental protection. They hope that Grape King Bio will not only comply with the regulations but also be go beyond what the law requires.	Improvement measures for waste water sludge odor problem at Zhongli Plant: 1. Centralized the storage of sludge with overhead door and PVC rapid rolling door to avoid odor escaping. 2. Install ozone deodorizer at the filter press area to dissolve odor molecules by ozone free radicals for effective deodorization.

For more details, please refer to 5.2 Community Participation in CH5 Social Prosperity of the 2024 ESG Report.

iii. Support domestic culture development

To promote corporate social responsibility and improve arts and cultural participation, the Company supported domestic cultural development in 2024 by contributing NT$36.80 million dollars to performing groups, theater productions, movies, cultural events or exhibitions. Seven festive events were held in Taipei, Taichung, and Kaohsiung, featuring local singers, famous bands, and performing groups. The total expense was NT$34.15 million, with over 35,000 participants. The Company strategically invested NT$1.13 million in the local film and television industry by supporting film productions like the movie “96 minutes” and the drama series “X! It’s Monday again.” It also hopes to spread positive energy through music, and the Company sponsored NT$850,000 in the Sakura music festival in Kaohsiung and Beer Rock Festival in Kaohsiung. Committed to sustainability, the Company also supports various domestic cultural development activities through its high-quality products.

Event period	Type	Name of event	Way of sponsor
2024.07.14~2024.07.21	Drama	Movie “I am the secret in your heart”	Sponsor energy drinks worth NT$20,000.
2024.07.20	Art event	Climate change drawing competition for elementary and junior high school	Sponsor cash NT$200,000.
2024.09.14	Art event	15th anniversary concert by Chen Qian-Wen	Sponsor cash NT$100,000.
2024.10.17~2024.10.27	Art event	Taiwan International Queer Film Festival	Sponsor energy drinks worth NT$20,000.
2024.10.19~2024.10.20	Art event	HIP HOP INTERNATIONAL TAIWAN – Dance for High	Sponsor energy drinks worth NT$20,000.

Event period	Type	Name of event	Way of sponsor
2024.11.30	Art event	Taipei Film Commission – Taipei International Golden Short Film Awards	Sponsor energy drinks worth NT$20,000.
2024.12.14	Art event	Andrew Charity Association – academic and arts competition	Sponsor cash and related expenses about NT$200,000.
2024.12.14	Art event	National Taipei University of Business – Windy Festival	Sponsor energy drinks worth NT$10,000.
2024.02.26~2024.03.26	Exhibition	NOVUS ART「Object Non-Object」	Sponsor related expenses about NT$70,000.
2024.06.26	Exhibition	Media Technology Exhibition and Conference	Sponsor energy drinks and health foods worth NT$10,000.

Note 1: If “Yes” is ticked in the “Implementation status” column, please concretely describe the major policies, strategies, and measures adopted and the status of their implementation. If “No” is ticked in the “Implementation status” column, please explain the deviations and the reasons in the “Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons” column and explain the Company’s plans for adoption of related policies, strategies, and measures in the future. However, for Items 1 and 2, the TWSE/TPEx listed company shall describe its governance and supervisory framework for sustainable development, including but not limited to management policy, strategy and goal formulation, review measures, etc. It additionally shall describe the company's risk management policies or strategies for operations-related environmental, social, and corporate governance issues, and their assessment status.

Note 2: The materiality principle refers to focusing on environmental, social and corporate governance issues likely to have a material impact on the Company’s investors and other stakeholders.

Climate-Related Information of TWSE/TPEx Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
1. Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	The Chairman holds the highest position in the Sustainable Development and ESG Committee. The representative of the senior manager acts as the committee member, and representatives from each department (Financial Division, Research and Development Division, Manufacturing Division, SCM Division, Business Division, Administration Division, Health and Safety Department, Human Resource Department, Overseas Investment or Relations Department) serve as committee members. Meetings should be held at least once every six months to discuss and execute the ESG annual plan. In January and August of every year, all members join the ESG target discussion and report on the progress of ESG initiatives, and regularly check the effectiveness of the climate risk management mechanism. The Committee establishes various task forces (including those focused on climate risk, greenhouse gas mitigation, and RE100 implementation) that convene at least once every quarter and are responsible for the development of action and target plans to address related issues. Relevant departments facilitate communication across departments to gather current information and suggestions. They also report to the Chairman and the Board of Directors on the implementation status and improvement progress.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Climate change will directly or indirectly affect the Company's finance, strategy, operation, and product. The Company prioritizes the order of significance based on indicators such as "level of impact" and "probability of occurrence" of the risk and opportunity related to climate, and comes up with relevant mitigation and adjustment measures to the risk and opportunity. Short-term to medium-term risks include cost risk of market and low-carbon technology transition. The Company continues to increase its usage ratio in renewable energy. The operation cost increases due to technology transformation. Medium-term risks include requirements and supervision of existing products and services, and reputation risk. If the Company's sustainable

Item	Implementation status
	performance makes no progress, it will lose investors' interest. The Company has come up with countermeasures to address previously identified risks. In terms of short-term to medium-term opportunities, it continues to expand ESG disclosure to attract investors and hopefully enter new and emerging markets to increase revenue. For more details, please refer to Chapter 6.1 of the 2024 ESG Report.
3. Describe the financial impact of extreme weather events and transformative actions.	The Company gradually introduces climate risk scenario analysis and appropriate physical and transition risk scenario to analyze the possible decrease in productivity caused by heat injury and operation disruptions due to flooding caused by short-duration heavy rainfall at the Company's main production location – Taoyuan City under a worst-case climate scenario. The Company has come up with countermeasures. In terms of transitional action and identified climate-related risks, the Company continues to increase its usage ratio in renewable energy, make four major strategies to prevent stock depletion, and develop low-carbon transition technologies, which may lead to increase operational costs. For more details, please refer to Chapter 6.1 of the 2024 ESG Report.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Climate risk execution and greenhouse gas issue task forces set up under the "Sustainable Development and ESG Committee" report on issues related to climate change to the Committee at least twice a year while executing climate-related risk and opportunity identification procedures. The Audit Committee supervises the risk management process that respond to climate risk. In the process of identifying and evaluating risk, the front line unit reports on the climate-related issues it faces to the top management. It also defines the significance of climate risks based on risk identification or evaluation of climate risk level or risk sequence, and adopts differentiated risk management measures and draws up relevant strategies.

Item	Implementation status
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	The Company conducts a scenario analysis every year and discloses the affected amount in the CDP Climate Change Questionnaire that best fits the international scenario, such as the Intergovernmental Panel on Climate Change (IPCC) and International Energy Agency (IEA), or the transition risk scenario and physical risk scenario are selected from climate-related scenarios in key operating regions. For more details, please refer to the Company's CDP Climate Change Questionnaire and Chapter 6.1 of the 2024 ESG Report.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	The Company created positive environmental influence through low-carbon transition technologies, existing energy-saving measures, increased usage of renewable energy, and upcycling waste to maximize energy efficiency in order to achieve carbon reduction targets. The Company has set up key indicators to measure and manage climate risk and opportunity. It uses indicators like market management, low-carbon technology transition cost, requirements and supervision of existing products and services along with reputation risk, and targets such as energy-saving efficiency, renewable energy usage rate, RE100 achievement rate, and SBTi target setting to evaluate the effectiveness of climate-related operation. For more details, please refer to Chapter 6.1 of the 2024 ESG Report.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The Company has yet to introduce internal carbon pricing.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	For progress of each indicator, please refer to Chapter 6 of the 2024 ESG Report.

Item	Implementation status
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	The Company has not received a complete assurance opinion of the 2023 Greenhouse gas inventory before the publication of this annual report. A complete assurance report will be disclosed on the ESG section of the Company's website. For more details on greenhouse gas inventory and assurance status, reduction targets, strategy, and concrete action plan, please refer to Chapter 6 of the 2024 ESG Report.

1-1 Greenhouse Gas Inventory and Assurance Status for the 2 Most Recent Fiscal Years

1-1-1 Greenhouse Gas Inventory Information

1. Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/NT$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

Company Profile	In accordance with Sustainable Development Roadmap disclosure of TWSE- and TPEx-Listed Companies
☐Paid-in capital of more than NT$10 billion, steel industry, cement industry ☐Paid-in capital of more than NT$5 billion but less than NT$10 billion ☑ Paid-in capital less than NT$5 billion	☐Parent company inventory ☐Consolidated company inventory ☐Parent company to obtain assurance ☐Consolidated company to obtain assurance

2024 (Uncertified)	Total emissions (Ton CO2e)		Density (Ton CO2e/thousand dollar) (Note 4)	Assurance institutions	Assurance status description (Note 3)
	The Company	Subsidiaries			
Scope One (Note 1)	6,368.9658	189.6295		SGS Taiwan Ltd.	The Company has not received a complete assurance opinion of the 2024 Greenhouse gas inventory before the publication of this annual report. The 2024 data of Grape King Bio Ltd. and Rivershine Ltd. will be examined by SGS Taiwan Ltd. in the second half of 2025. A complete assurance report will be disclosed on ESG section of the Company's website.
Scope Two (Note 2)	15,526.3052	2,947.9149			
Subtotal	21,895.2710	3,137.5444			
Total	25,032.8154		2.24		
2023	**Total emissions (Ton CO2e)**		**Density (Ton CO2e/thousand dollar) (Note 4)**	**Assurance institutions**	**Assurance status description (Note 3)**
	The Company	Subsidiaries			
Scope One (Note 1)	6,184.3812	63.6897		SGS Taiwan Ltd.	The 2023 data of Grape King Bio Ltd. and Rivershine Ltd. were examined by SGS Taiwan Ltd., and the audit report has been disclosed on the ESG section of the Company's website.
Scope Two (Note 2)	15,425.4568	969.0220			
Subtotal	21,609.8380	1,032.7117			
Total	22,642.5497		2.13		

Note 1: Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions may be calculated per unit of the product/service or revenue, but at least the data calculated in terms of revenue (NT$ 1 million) shall be disclosed.

1-1-2 Greenhouse Gas Assurance Information

2. Describe the status of assurance for the 2 most recent fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

- Status of assurance in 2024
  - ◆ Scope of assurance – Grape King Bio Ltd. and Rivershine Ltd.
  - ◆ Assurance institutions – SGS Taiwan Ltd.
  - ◆ Assurance standards – ISO 14064-1:2018
  - ◆ Assurance opinion – The Company has not received a complete assurance opinion of the 2024 Greenhouse gas inventory before the publication of this annual report. The 2024 data of Grape King Bio Ltd. and Rivershine Ltd. will be examined by SGS Taiwan Ltd. in the second half of 2024. A complete assurance report will be disclosed on the ESG section of the Company's website.
- Status of assurance in 2023
  - ◆ Scope of assurance – Grape King Bio Ltd., Pro-Partner Ltd. and Rivershine Ltd.
  - ◆ Assurance institutions – SGS Taiwan Ltd.
  - ◆ Assurance standards – ISO 14064-1:2018
  - ◆ Assurance opinion – (1) Grape King Bio made greenhouse gas claims in accordance with the examination guidelines. Disclosed information covers January 1, 2023 to December 31, 2023. Greenhouse gas emissions during this period reached a total of 42,927.068 tons CO2e, of which the scope 1 greenhouse gas emissions were 6,184.3812 tons CO2e, the scope 2 greenhouse gas emissions were 15,425.4568 tons CO2e, the category 3 till category 6 of scope 3 greenhouse gas emissions were 21,317.2304 tons CO2e. The emissions from the combustion of biomass reached 0.0000 ton CO2e.

    (2) The level of assurance for scope 1 and scope 2 agreed is that of reasonable assurance, and category 3 till category 6 of scope 3 agreed is that of limited assurance.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note that “Complete assurance information will be disclosed in the sustainability report.” If the Company does not prepare a sustainability report, it shall note that “Complete assurance information will be disclosed on the Market Observation Post System (MOPS),” and shall disclose the complete assurance information in the annual report of the following fiscal year.

Note 2: The assurance institutions shall meet the directions regarding assurance of sustainability reports prescribed by the TWSE and the TPEx.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

1. Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets:

- Promotional measure: Having Introduced ISO14064 greenhouse gas inventory system ahead of government regulations, the Company also obtained ISO14064 certification and committed to Science Based Targets initiative (SBTi) in 2023. It set and passed the goal for SBTi at 1.5℃ in 2024, while aiming to surpass Taiwan’s Pathway to Net-Zero Emissions in 2050.
- Goal setting: It is expected to set and pass the goal for SBTi at 1.5℃ in 2024.
- Status of achievement: The Company had set and passed the goal for SBTi at 1.5℃ in October 2024.
  Short-term goal - Grape King Bio has set the climate goal consistent with controlling temperature rising by 1.5℃. Using 2023 as the base year, it will reach a definite 58.8% reduction by 2034 in scope 1 and 2; whereas scope 3 (purchase goods and services, fuel and energy related activities, upstream transportation and distribution, downstream transportation and distribution, and end-of-life treatment of sold products) will reach a definite 35% reduction by 2034.
  Net-Zero goal - Grape King Bio is committed to achieve net zero emission by 2050. Using 2023 as the base year, scope 1, scope 2, and scope 3 will reach a definite 90% reduction by 2050.
- Carbon reduction goal, strategy, and action plan for 2030:
  - ◆ Carbon reduction goal: 5% reduction for 2030 Grape King Bio individual emission in scope 1 and 2 in comparison with 2023.
  - ◆ Carbon reduction strategy: Follow the GHG reduction path by SBTi and promote energy transformation, digital transformation, supply chain transformation and achieve greenhouse gas reduction gradually.
  - ◆ Carbon reduction action: Choose substitute energy, purchase renewable energy to replace energy with high pollution. The Company has signed a contract of green power (solar energy) from 2021 with a renewable-energy-based electricity retailing enterprise. Pingzhen Plant has been using green power (solar energy) since June 2022. A total of 1.8 million kWh green power has been used as of 2024. The usage of renewable energy is expected to reach 5% in 2026 and 15% in

2030. The Company practices energy reduction action, continues to follow the PDCA operating mode to promote energy saving and carbon reduction measures, increases energy management intensity, and sets up energy saving goals.

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

Evaluation Item	Implementation Status: Yes	Implementation Status: No	Implementation Status: Summary description	Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
1. Establishment of ethical corporate management policies and programs				
(1) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	V		(1) The Company has established “Ethical Corporate Management Best Practice Principles” approved by the Board of Directors. This set of principles outlines the policy and ethical management practices to prevent unethical behavior. It clearly states that the Company’s Directors, managers, employees or persons having substantial control over the Company shall neither directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duties that damage the interests and reputation of the Company, etc. The Board of Directors and top management have signed a “Statement of compliance with the ethical management policy” to establish and actively foster a culture of integrity and accountability. The “Ethical Corporate Management Best Practice Principles” and relevant policy have been disclosed on MOPS > Summarized report > Corporate governance > Establish rules regarding corporate governance, as well as the Investors section of the Company’s website.	No major difference
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?			(2) In accordance with “Ethical Corporate Management Best Practice Principles”, the Company has developed an “The programs to forestall unethical conduct” approved by the Board of Directors. This program includes an evaluation mechanism to identify and evaluate high-risk ethical issues within the Company’s business operations. It addresses all unethical behaviors specified in Article 7, Paragraph 2 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies,” and outlines the corresponding preventive measures. The Corporate Governance Team evaluate whether the current rules and regulations could effectively reduce unethical behavior risks annually, and the 2024 unethical conduct risk evaluation resulted in a low risk evaluation. The Company introduced the ISO37001-certified Anti-bribery System in 2023 while the “Anti-corruption and Anti-bribery Policy” was approved by the Board of Directors on August 9, 2023. It is committed to upholding high ethical standards when conducting business with other parties, and takes a zero tolerance approach to corruption and bribery. Guided by its commitment to ethical management principles, the Company has established, the “Anti-corruption and Anti-bribery Management Procedures” to prevent corruption and bribery, ensuring compliance to the ethical management policy. The Company has passed the system operation effectiveness audit by an external verification unit (BSI) in 2024, for the second consecutive year. A total of 698 hours of employee training on ISO 37001 anti-corruption and bribery issues has been conducted with 821 participants.	
(3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?			(3) The Company has set out relevant operating procedures and guidelines specified in the "The programs to forestall unethical conduct" to prevent unethical behavior, and formulated related disciplinary and appeal systems in Article 18 of the "The programs to forestall unethical conduct" and the "Management Procedures for Rewards and Punishments". We have zero tolerance for corruption and prohibit any form of bribery, fraud, or misuse of Company assets, or damage to Company interests in exchange for personal benefits. Our integrity management unit is responsible for evaluating integrity risks, modifying prevention plans and other	

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			related measures regularly in order to strengthen and implement our integrity management system. The "Corporate Governance Team," dedicated to ethical management, actively monitors government regulations to ensure that the Company's corporate governance and ethical management regulations and procedures remain up-to-date. It also conducts regular unethical risk assessments and amends prevention plans accordingly. The team then reports on the implementation progress to the Board of Directors annually. We have also published the abovementioned regulations on our internal website to let employees inquire anytime and to keep everyone informed about issues such as anti-corruption, integrity and ethics. The ethics clauses are added into the labor contract signed by new recruits. Through annual education, advocacy and testing related to business integrity management, the values of integrity and justice are disseminated, so as to deepen ethical principles. An anti-corruption course and supplementary test have been included in the new employee orientation to ensure employee awareness of anti-corruption practices.117 peoples in total were tested in 2024.	No major difference
2. Ethical Management Practice (1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts? (2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation? (3) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	V		(1) The Company fulfills the contract of commercial activities in accordance with the principle of fairness and integrity, the provisions of the relevant laws and regulations and the contract terms, and follow the "Code of Ethics" and "Code of Conduct for Suppliers" to evaluate the integrity of business partners. Unethical business behavior and practices such as bribery, corruption, and extortion are included in the contract with business partners to ensure compliance. (2) The Corporate Governance Team of the Company is the dedicated business integrity unit that helps formulate the "Ethical Corporate Management Best Practice Principles" and promotes the implementation of business integrity. Through annual education, advocacy and testing related to business integrity management, it promotes the values of integrity and justice, and reports the implementation status to the Board on an annual basis. The promotion of "Business Integrity and Insider Trading Prevention in 2024" was reported at the 4th meeting of the 21st Board of Directors held on January 18, 2025. (3) We included an avoidance of conflict of interest clause in the "Ethical Corporate Management Best Practice Principles" and "Corporate Governance Best Practice Principles", requiring Directors, managers and all employees to avoid conflict of interest and to refrain from receiving illegal interest. Furthermore, do not use their position or influence in the company to obtain improper benefits for themselves or others. The Directors and Managers of the Company have issued a statement of compliance with the Ethical Corporate Management Best Practice Principles and have declared to comply with the "Ethical Corporate Management Best Practice Principles", and "Anti-corruption and Anti-bribery Policy". The Rules of Procedures in the Board of Directors and Audit Committee Charter include an avoidance of conflict of interest clause to prevent situations where personal interests might influence decisions. If a Director or juristic representative of a Director has personal interest in any of the agenda items which could be prejudicial to the Company's interests, the Director shall be recused from discussion and voting on the matter, and may not exercise voting rights as proxy on behalf of another Director. The Company's transactions with related parties and companies follow Article 17 of the " Corporate Governance Best Practice Principles" and the "Rules Governing Financial and Business Matters Between the Company and its Affiliated Enterprises". Business transactions are	No major difference

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			based on the principle of fairness and reasonableness. The financial and business transactions between related parties are governed by written regulations. These regulations clearly define pricing terms and payment conditions for contracted matters, eliminating the possibility of unconventional transactions and strictly prohibiting any transfer of interests. Furthermore, significant transactions between the Company's related parties and affiliated companies should be submitted for Board of Directors' resolution upon the approval by the Audit Committee. The Company has appointed Independent Directors who should provide suggestions based on their expertise and experience in an objective and impartial way. Whenever the Board of Directors are discussing any proposal, each Independent Director's opinion should be fully considered. The specific consenting or opposing views of the Independent Directors and reasons for the opposition shall be recorded in the minutes of the board meeting to effectively protect the Company's interest. We also developed a complete internal control system and operating regulations, as well as provided educational training for all employees based on their scope of work to facilitate division of labor and to prevent internal conflict of interest. In addition, we established open reporting channels, fair and reasonable investigation mechanisms, and a statement system to further reduce the risk and impact of any conflict of interest.	No major difference
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?			(4) The Company follows the Regulations Governing the Preparation of Financial Reports by Security Issuers and IFRSs (approved by the FSC, IAS, and Standing Interpretation Committee) in establishing an accounting system and preparing financial statements, and entrusts the auditing work to Deloitte Taiwan. The Company has established an accounting system and an internal control system for the integrity operation of the Company, and the internal audit unit conducts checks in accordance with the annual audit plan based on the results of assessment of the risk of involvement in unethical conduct, so managers can understand the implementation of internal controls for reaching management goals.	
(5) Does the company provide internal and external ethical corporate management training programs on a regular basis?			(5) The Company has established an ethical code of conduct to regularly ensure integrity management among directors, managers, and employees, enabling them to fully understand relevant regulations. The internal and external education training on integrity management (Includes Taiwan Intellectual Property Management System TIPS, ISO37001 Anti-bribery System, Intellectual Property, Information security risk management, Trade secret management, and ISO-related courses) with a total of 2,730 participants for 5,782 hours. New employees were also required to attend training and take a supplementary test on the Ethical Code of Conduct as well as a course on anti-corruption practices. Topics include: ethical regulations, business confidentiality, rules and regulations, and filing complaints. Following successful completion of the training and signing of employment contract (includes Employee Integrity Commitment Letter), employees will take a test. In 2024, a total of 117 people participated in the testing process. The Company introduced the ISO37001 Anti-corruption and Anti-bribery Management Procedures in 2023 to standardize ethical conduct across the organization. This comprehensive system ensures that all employees, business partners, Directors and Managers uphold ethical principles by adhering to the Company's anti-corruption and anti-bribery policies and signing the "Employee Integrity Commitment Letter". As of 2024, a total of 691 employees signed the pledge. Furthermore a total of 151 colleagues participated in the training which conducted for personnel with medium to high risk level, promoting anti-corruption and anti-bribery policies.	

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
3. Implementation of Complaint Procedures (1) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers?	V		(1) The Company supports the creation of a transparent culture that upholds ethical standards and integrity. Internal employees and external personnel are encouraged to report any act in violation of laws and regulations or related policies of the Company through relevant reporting channels, which also allow anonymous reporting. The Company has established the “Ethical Corporate Management Best Practice Principles” and the “Procedures for Accusation and Complaint Management”. The Company has set up a clear accusation system, and detailed specific accusation channels, a reward system, and ad hoc units as follows: Grievance channels： (i) Internal suggestion box (ii) Grievance and complaint hotlines A. Grievance hotline：(03)4572121#1999 B. Appeal hotline：(03)4582121#1995 (iii) Feedback via email or website A. Grievance box：companyopinion@grapeking.com.tw B. Complaint box：employeeopinion@grapeking.com.tw Reward system: (i) Non-employees: Company gift for the reporting of an incident. (ii) Internal staff: Rewards according to the Company's personnel regulations. Designated handling units: (i) Express opinion via internal suggestion box. A. The grievance opinions are consolidated and handled by the audit department. B. Appeal opinions are consolidated and handled by the human resources department. (ii) Express opinion via email or website: Opinions will be handled by the Company’s designated personnel. All reports and appeals should consolidate and report to the general manager for review and instruction, and then could be closed. Article 74 The “Whistleblower Protection Clause” of the Labor Standards Act is included in the Company’s “Management Procedures for Rewards and Punishments” to ensure clear and effective safeguards for employees who choose to file a complaint and report.	No major difference
(2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?			(2) The Company's “Grievance and Complaint Management Procedures” is the standard operating procedure for handling grievances, follow-up measures to be adopted after investigations of cases reported are completed and related confidentiality matters. Any personnel shall treat the case with strict confidentiality. Any information breach shall be subject to severe punishment in accordance with relevant disciplinary regulations to prevent any form of retaliation or mistreatment against a reporter.	
(3) Has the company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?			(3) The safety of the complainant shall be protected. Care shall be taken in accordance with the precautionary notes of the confidentiality statement, and no improper punishment shall be imposed for the grievance.	

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
4. Strengthening Information Disclosure (1) Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	V		The Company has the "Ethical Corporate Management Best Practice Principles" which are published on the Investors section of the Company's website and on MOPS > Report summary > Corporate governance > Regulations for establishing corporate governance related rules. The Company has disclosed the implementation and effectiveness on website.	No major difference

5. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviations between the principles and their implementation:

In order to establish a corporate culture of integrity and improve its operation, the Company has formulated and followed Ethical Corporate Management Best Practice Principles with reference to "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies". No difference.

6. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles):

Anti-corruption, integrity management and implement ethical values practices constitutes as our core values and basic operating principles. The Board of Directors has established the "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines Conduct", "The programs to forestall unethical conducts", "Code of Integrity Practice", "Code of Conduct for Suppliers" and "Anti-corruption and Anti-bribery Policy" as guidelines for all employees and business partners to follow.

Anti-corruption, Ethical Corporate Management practices and implement ethical values cover the following:

(1) Employees (Including Managers):

i. On the day of employment, all newcomers should take an anti-corruption course and test to ensure their understanding of the subject, the Company holds an "Ethics and Morals" course for all employees in order to improve their business ethics. To demonstrate the Company's core competency of integrity, the goal is to have all employees fully participate in the training course within three years. In 2024, 96% of the non-managerial and indirect personnel have completed training.

ii. The Company has rules regarding acceptance of gifts, all employees must decline lavish gifts or corporate gifts including dinners, kickbacks, bribes, hospitality, etc. Whether a gift is big or small, the employee is required to report to it to their line manager.

iii. When dealing with unethical behavior, all employees are asked to notify the Company through the proper channels, internal suggestion box, whistleblowing hotline, email or website.

iv. The whistleblowing procedures clearly state that whistleblowers and employees involved in the investigation are protected from unfair retaliatory action or treatment.

v. In 2024, there were 0 (zero) complaints and reports (including anonymous reports) related to integrity management.

vi. In 2024, there were no instances of corruption or bribery, conflict of interest, money laundering or insider trading.

vii. The Company introduced the ISO37001 Anti-bribery System in 2023, while the "anti-corruption and anti-bribery policy" was approved by the Board of Directors. All employees have signed the "Employee Integrity Commitment Letter", a total of 691 letters of commitment were signed as of 2024.

The system operating effectiveness was audited and certified by an external unit (BSI) in 2024. The Company has obtained certification for two consecutive years.

viii. The Company prevents employees in conducting unethical behaviors through the regulations in the Code of Integrity Practice, strict internal control system, and continuous internal communication and training. In the 2024 Employee Satisfaction Survey, "corporate image and goodwill" and "moral integrity" were the index that employees valued and highly recognized.

ix. The Company organizes information campaigns every year, promoting integrity management, reporting and filing of complaints, and the Ethical Code of Conduct, as well as holding relevant prize quizzes. This helps take precautionary measures while on the job, strengthen anti-corruption practices and establish a mechanism for managing and preventing unethical behavior.

(2) Business Partners:

i. Before establishing a business relationship with distributors, suppliers or other business partners, it is important to evaluate the entity's commercial legitimacy and reasonableness, as well as relevant records indicating any ethical management violation. During the business process, it is necessary to refuse to provide, promise, demand or accept commissions in any form or name whether directly or indirectly, and to cease communication and transaction once there is evidence of unethical activity. Suppliers are also required to sign "Supplier Integrity Commitment Letter" which includes ethical corporate regulations.

ii. Distributors are required to state in the contract the reasonable terms of payment, prohibitions against bribery, commissions, kickbacks, gifts and other aspects related to profiteering.

iii. Suppliers should abide by the "Supplier Code of Conduct" during the purchasing process and signed the supplier commitment to integrity. It is necessary to add warnings on the purchase orders to reinforce promoting trade secrets and anti-corruption policies, as well as to remove violators from the supplier list as punishment.

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	

iv. Sent out policy questionnaire to 307 raw material suppliers in 2024 and received 252 in return, which equaled to 94.38% feedback to complete the questionnaire of the Company's business confidentiality policy and anti-corruption policy. Meanwhile, irregular announcement and propaganda was made through supplier smart management platform to strengthen policies of business confidentiality and anti-corruption. No corruption incidents or violations of integrity management and ethical value behavior were incurred by our distributors or suppliers in 2024.

v. The Company has set up report and complaint hotlines and a dedicated mailbox for business partners on the Company's website, and will be handled by designated personnel. To protect the complainant and whistleblower/reporter, the designated personnel will investigate the case confidentially. It is strictly forbidden to disclose information to anyone who is irrelevant to the case. When investigating with relevant personnel, only information related to that personnel and the case may be discussed in order to protect the complainant's right. In 2024, there were 0 (zero) complaints and reports (including anonymous reports) related to ethical management.

(3) Evaluation of Anti-corruption and Ethical Corporate Management Practices：

i. The Corporate Governance Team specifically evaluates operating activities with high ethical risk and ensures that internal rules and regulations are capable of reducing corruption and unethical corporate management risks by implementing corresponding prevention plans. Based on the 2024 evaluation, the risk was assessed as low. The result was provided to internal audit to support their development of the audit plan.

ii. As for political donation, it may be done in accordance with the Political Donations Act after obtaining approval with the "Verification Authority Form". All donations shall obtain legal certification and be recorded in the accounting books for inspection. The Company does not have any inner account or secret account. The political donations in 2024 and 2023 were NT$0 and NT$200,000 respectively, which accounted for 0% and 0.002% of the total revenue.

iii. The Company established an “Anti-Corruption and Anti-Bribery Promotion Task Force” in 2023. The team is led by the Legal Department, which supervises the promotion and planning of the management system as well as cross-departmental consultations. It is also responsible for reviewing the management system design and evaluating its effectiveness. The team reports the implementation status of the system to the Board of Directors at least once every six months. The 2024 implementation progress was reported to the Board of Directors on August 12, 2024 and February 26, 2025 respectively.

(4) Supervisory functions of the Board of Directors：

i. The Board of Directors has established the "Code of Ethical Conduct", "Insider Trading Prevention Management Regulations”, "The programs to forestall unethical conduct", "Procedures for Ethical Management and Behavior Guidelines", “Procedures for Handling Material Inside Information” and “Anti-corruption and Anti-bribery Policy” to implement anti-corruption, integrity management practices, and instill moral values.

ii. The Company's "Code of Ethical Conduct" explicitly prohibits insiders from using undisclosed information in the market to trade securities. Trainings are held for insiders at least once a year to prohibit insiders from using undisclosed information in the market to conduct their business, so that shareholders' interest may be protected.

iii. The amendment was approved by the Board of Directors to amended Article 10 of the “Corporate Governance Best Practice Principles", which stipulated that insiders who are familiar with the Company's annual financial report or sales performance, are prohibited from trading shares during the closed period, which is 30 days before the publication of the Company's financial report and 15 days prior to the publication of the quarterly financial report.

iv. The Corporate Governance Team presents the anti-corruption and ethical corporate management results to the Board of Directors on a regular basis, so the Board of Directors could monitor the implementation of anti-corruption, integrity management practices, and moral values. The Corporate Governance Team would also review relevant regulations and see if any addition or amendment is required, and shall be implemented after the Board of Directors' approval. The “Code of Ethical Conduct” and the “Corporate Governance Best Practice Principles” were amended in 2024.

v. The Audit Department will conduct internal control review and report to the Audit Committee and Board of Directors when any non-compliance is identified, and to assist the Audit Committee and Board of Directors to verify the implementation of anti-corruption and integrity management practices, and instilling of moral values.

vi. “Promotion of ethical management, prevention of insider trading and material information handling in 2024” was reported at the 4th meeting of the 21st Board of Directors on January 18, 2025. Summary of the report is as follows:

- The Company obtained the ISO37001 Anti-bribery management system certification for the first time in 2023. In 2024Examined by external certifying unit (BSI) and passed in August, 2024 for the second consecutive year (as the 8th company in Taiwan, the 1st company in the biotechnology industry).
- The “Employee Integrity Commitment Letter” was signed by all employees. Training was conducted to a list of personnel provided by the Legal department with medium to high risk level in 2024 to promote anti-corruption and anti-bribery policy. A total of 151 people participated.

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
● The Company sent out an advocacy letter; i.e., “Business Integrity, Insider Trading Prevention and Regulations for Handling Material Inside Information” to all employees (including managers), including the importance of business integrity, confidentiality of material information, legal liabilities in case of breach and case studies. ● The "Business Integrity, Insider Trading Prevention and Regulations for Handling Material Inside Information” test was conducted for leaders above section chief level. A total of 122 people was tested, with 100% passing rate (score above 80 points). ● The Company provided training programs on “Business Integrity and Insider Trading Prevention and Procedures for Handling Material Inside Information” for all Directors. ● A total of 32 participants of Directors participated in the integrity management-related courses (including courses related to corporate governance) for 94 hours in total. ● The Company held internal and external training related to the issues of integrity management, (Includes Taiwan Intellectual Property Management System TIPS, ISO37001 Anti-bribery anti-corruption, Intellectual Property, Information security risk management, Trade secret management, and ISO-related courses.) with a total of 2,730 participants for 5,782 hours. ● The number of cases for ethical corporate relevant complaints or reports was 0 in 2024.				

(8) Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance: They can be checked on MOPS or on the Investors section of the Company's website.

(9) Implementation of the internal control system

i. Internal Control Statement: The statement has been reported in accordance with regulations and may be inquired on MOPS > Single company > Corporate governance > Internal control statement announcement（https://mops.twse.com.tw/mops/#/web/t06sg20）.

ii. If the Securities and Futures Commission requires the Company to commission an accountant to audit its internal control system, please disclose the accountant’s audit report: Nil.

(10) Important resolutions of the shareholders’ meeting and the board meetings in the latest year and as of the date of publication of the annual report:

i. Important resolutions of the shareholders’ meeting and the status of implementation

The Company’s 2024 general shareholders' meeting was held on May 30, 2024 at No. 402, Section 2, Jinling Road, Pingzhen District, Taoyuan City (Pingzhen Headquarters). The resolution by the attending shareholders and the implementation status are as follows:

<table>
<tr><th>No.</th><th>Resolution of shareholders' meetings</th><th>Status of implementation</th><th>approval votes</th><th>disapproval votes</th><th>invalid votes</th><th>abstention votes／no votes</th></tr>
<tr><td>1</td><td>Acknowledgement of the Company's 2023 business report and financial statements.</td><td>The relevant documents have been filed with the competent authorities for record and announcement in accordance with the Company Art and other relevant laws and regulations.</td><td>112,679,029 votes, 98.62% of total votes</td><td>22,007 votes, 0.01% of total votes</td><td>0 votes, 0.00% of total votes</td><td>1,551,401 votes, 1.35% of total votes</td></tr>
<tr><td>2</td><td>Acknowledgement of the Company's 2023 profit distribution.</td><td>Proposed June 27, 2024 as the record date, and July 18, 2024 as the payment date (cash dividend of NT$$6.9 per share).</td><td>112,722,631 votes, 98.66% of total votes</td><td>35,268 votes, 0.03% of total votes</td><td>0 votes, 0.00% of total votes</td><td>1,494,538 votes, 1.30% of total votes</td></tr>
<tr><td>3</td><td>Passed the amendments on “Articles of Incorporation”.</td><td>The resolution was passed and announced on the Company’s website.</td><td>103,647,224 votes, 90.71% of total votes</td><td>9,109,242 votes, 7.97% of total votes</td><td>0 votes, 0.00% of total votes</td><td>1,496,171 votes, 1.30% of total votes</td></tr>
<tr><td>4</td><td>Passed the amendments on “Rules of Procedure for Shareholders’ Meetings”.</td><td>The resolution was passed and announced on the MOPS and the Company’s website in accordance with regulations.</td><td>112,734,200 votes, 98.67% of total votes</td><td>23,204 votes, 0.02% of total votes</td><td>0 votes, 0.00% of total votes</td><td>1,495,033 votes, 1.30% of total votes</td></tr>
<tr><td rowspan="7">5</td><td rowspan="7">Re-election of the Directors.</td><td rowspan="7">The re-election was completed and announced on the MOPS in accordance with regulations. It was approved for registration by the Ministry of Economic Affairs on June 12, 2024.</td><th colspan="2">Name/Name of the account</th><th colspan="2">Number of votes</th></tr>
<tr><td colspan="2">Chairman: Shenglin Andrew Tseng</td><td colspan="2">143,023,649 votes</td></tr>
<tr><td colspan="2">Director: UNI-PRESIDENT ENTERPRISES CORP. Representative: Jia-Fong Chai</td><td colspan="2">127,289,125 votes</td></tr>
<tr><td colspan="2">Director: Mei-Ching Tseng</td><td colspan="2">118,054,758 votes</td></tr>
<tr><td colspan="2">Director: Jue-Jia Chang</td><td colspan="2">104,314,323 votes</td></tr>
<tr><td colspan="2">Director: Yen-Shiang Huang</td><td colspan="2">99,714,188 votes</td></tr>
<tr><td colspan="2">Director: Hsing-Chun Chen</td><td colspan="2">95,800,400 votes</td></tr>
</table>

No.	Resolution of shareholders' meetings	Status of implementation	approval votes	disapproval votes	invalid votes	abstention votes／no votes
			Director: Chih-Wei Lai		91,199,299 votes	
			Independent Director: Chen Jing Ning		74,713,179 votes	
			Independent Director: Chi J. Yu		70,408,732 votes	
			Independent Director: Ting-Ju Chen		67,151,892 votes	
			Independent Director: Pang-Chung Chin		63,228,831 votes	
6	Lifting the non-compete clause restriction for the newly elected Directors.	Take effective after resolution by the shareholders' meeting.	109,371,035 votes, 95.72% of total votes	276,189 votes, 0.24% of total votes	0 votes, 0.00% of total votes	4,605,214 votes, 4.03% of total votes

ii. Important resolutions of the Board of Directors:

Board of Directors	Resolution content and subsequent handling	Matters in §14-3of the Securities and Exchange Act	Independent Directors' objection or reserved opinion
The 15th board meeting of the 20th-term Board of Directors January 19, 2024	1. Passed the "2023 management year-end bonus scheme" proposed by the Remuneration Committee.	V	
	2. Passed the 2024 business plan.	V	
	3. Passed the amendments to "Code of Integrity Practice".	V	
	Independent Directors' opinions: Nil.		
	The Company's handling of Independent Directors' opinions: Nil.		
	Results of the Board of Directors; For Motion 1, the Directors except for the concerned party who had abstained, approved the proposal. All other motions were approved upon the consent of all attending Directors. Interest avoidance situation: For Motion 1, Chairman and General Manager Shenglin Andrew Tseng, CFO and Corporate Governance Officer Nick Hung, and Chief Internal Auditor Yi Chun Lee have a stake in a matter under discussion in the meeting, shall recuse themselves from the voting due to the conflict of interests.		
The 16th board meeting of the 20th-term Board of Directors February 26, 2024	1. Passed the 2023 remuneration distribution for employees and Directors.	V	
	2. Passed the 2023 business report and financial statements.	V	
	3. Passed the Company's 2023 earnings distribution proposal.	V	
	4. Passed the Company's Articles of Incorporation.	V	
	5. Passed the Company's Rules of Procedure for Shareholders' Meetings.	V	
	6. Passed the elect the Directors.	V	
	7. Passed the list of Director and Independent Director candidates nominated by the Board of Directors.	V	
	8. Passed the assignment of Company Director Representative for subsidiary, Pro-Partner Ltd.	V	
	9. Passed the motion of lifting the business strife limitation for new Directors.	V	

Board of Directors	Resolution content and subsequent handling	Matters in §14-3of the Securities and Exchange Act	Independent Directors' objection or reserved opinion
	10. Passed the Company's 2024 shareholders' meeting date, venue and agenda: Date: 9am on May 30, 2024 (Thursday) Place: No.402, Sec. 2, Jinling Rd., Pingzhen Dist., Taoyuan City, Taiwan (R.O.C.), (Pingzhen Headquarters) Method of Convening the Meeting: Physical shareholders meeting Agenda of the shareholders' meeting: (1) 2023 business report. (2) 2023 Audit report by the Audit Committee. (3) Report on 2023 remuneration distribution for employees and Directors. Matters for Ratification: (1) Adoption of the 2023 business report and financial statements. (2) Adoption of the proposal for distribution of 2023 profits. Matters for discussion: (1) Amend the Company's Articles of Incorporation. (2) Amend the Company's Rules of Procedure for Shareholders' Meetings. Matters for Election (1) To elect the Directors. Other Matters (1) To release from non-competition restrictions on Directors. Extempore motion	V	
	11. Passed the audit quality index (AQI) evaluation and CPA appointment of 2024.	V	
	12. Passed the 2024 certification fee for financial statements prepared by CPAs.	V	
	13. Approved the remuneration adjustment of Independent Directors.	V	
	14. Passed the 2023 "internal control system and assess the efficiency of its operations" and "internal control system statement".	V	
	Independent Directors' opinions: Nil.		
	The Company's handling of Independent Directors' opinions: Nil.		
	Results of the Board of Directors; For Motion 9 and Motion 13, the Directors except for the concerned party who had abstained, approved the proposal. All other motions were approved upon the consent of all attending Directors. Interest avoidance situation: For Motion 8, since the Directors' remuneration belongs to the Company, recusal is no longer necessary; For Motion 9, Chairman Shenglin Andrew Tseng, Director Mei-Ching Tseng, Director Yen-Shiang Huang and Director Jue-Jia Chang who were eligible for transferee, avoided the voting due to the conflict of interests; For Motion 13, Independent Director Feng-I Lin, Independent Director Ching-Pu Chen, Independent Director I-Fan Miao and Independent Director Chen Jing Ning who were eligible for transferee, avoided the voting due to the conflict of interests.		
The 17th board meeting of the 20th-term Board of Directors May 13, 2024	1. Passed the "2023 management remuneration (paid in 2024) scheme" proposed by the Remuneration Committee.	V	
	2. Approved the Company's 2024Q1 consolidated financial statements.	V	
	3. Passed the proposal for retroactive handling of public issuance procedures for privately placed common stock in 2021 and the application for listing.	V	
	4. Passed the proposal to appoint CPA (Deloitte & Touché) to execute non-assurance services.	V	
	5. Passed the motion of lifting the non-competition restrictions on the General Manager of the Lontan branch.	V	
	6. Passed the motion of lifting the non-competition restrictions on the Deputy General Manager of Business Division of the Company.	V	
	7. Passed the motion of lifting the non-competition restrictions on the Deputy General Manager of Business Division of the Company.	V	
	8. Passed the assignment of Company Chairman and Directors for re-investment subsidiary, GRAPE KING INTERNATIONAL INVESTMENT INC.	V	

Board of Directors	Resolution content and subsequent handling	Matters in §14-3of the Securities and Exchange Act	Independent Directors' objection or reserved opinion
	9. Passed the assignment of Company Chairman, Directors and Supervisors for re-investment subsidiary, Shanghai Grape King Enterprise Co., Ltd.	V	
	10. Passed the assignment of Company Directors and Supervisors for re-investment subsidiary, Rivershine Ltd.	V	
	11. Passed the 2023 ESG Report.	V	
	12. Passed the amendments to "Rules of Procedure for Board of Directors Meetings".	V	
	Independent Directors' opinions: Nil.		
	The Company's handling of Independent Directors' opinions: Nil.		
	Results of the Board of Directors; For Motion 1, the Directors except for the concerned party who had abstained, approved the proposal. All other motions were approved upon the consent of all attending Directors. Interest avoidance situation: For Motion 1, Chairman and General Manager Shenglin Andrew Tseng, CFO and Corporate Governance Officer Nick Hung, and Chief Internal Auditor Yi Chun Lee have a stake in a matter under discussion in the meeting, shall recuse themselves from the voting due to the conflict of interests; For Motion 8, 9, 10, since the reassigned Chairmans, Directors and Supervisors did not receive remuneration or any benefits, recusal is no longer necessary.		
The 1st board meeting of the 21st-term Board of Directors May 30, 2024	1. Passed the election of the 21st Chairman of the Company.	V	
	Independent Directors' opinions: Nil.		
	The Company's handling of Independent Directors' opinions: Nil.		
	Result of the resolutions: All attending Directors agreed that Shenglin Andrew Tseng will act as Chairman for the Board of Directors		
The 2nd board meeting of the 21st-term Board of Directors August 12, 2024	1. Approved the Company's 2024Q2 consolidated financial statements.	V	
	2. Passed the appointment of Remuneration Committee members.	V	
	3. Passed the appointment of Digital Transformation Committee members.	V	
	4. Passed the appointment of Chief Internal Auditor.	V	
	5. Passed the motion of lifting the non-competition restrictions on the Deputy General Manager of Business Division of the Company.	V	
	6. Passed the Company's proposed credit line and credit line renewal application with Hua Nan Bank for its business operation's needs.	V	
	7. Passed the Company's proposed credit line and credit line renewal application with Chang Hwa Bank for its business operation's needs.	V	
	Independent Directors' opinions: For Motion 7, Independent Directors asked if the line of credit, contract renewal condition, and interest rate are the same as the previous term.		
	The Company's handling of Independent Directors' opinions: For Motion 7, CFO reported the condition and interest rate are the same as the previous term.		
	Results of the Board of Directors; For Motion 2 and Motion 3, the Directors except for the concerned party who had abstained, approved the proposal. All other motions were approved upon the consent of all attending Directors. Interest avoidance situation: For Motion 2, Independent Director Chi J. Yu, Independent Director Ting-Ju Chen, and Independent Director Chen Jing Ning have a stake in a matter under discussion in the meeting, shall recuse themselves from the voting due to the conflict of interests; For Motion 3, Chairman Shenglin Andrew Tseng, Independent Director Ting-Ju Chen, and Independent Director Pang-Chung Chin have a stake in a matter under discussion in the meeting, shall recuse themselves from the voting due to the conflict of interests; For Motion 4, Acting Chief Internal Auditor Chung-Chi, Hung has a stake in a matter under discussion in the meeting, shall recuse themselves from the voting due to the conflict of interests.		
The 3rd board meeting of the 21st-term Board of Directors November 11, 2024	1. Approved the Company's 2024Q3 consolidated financial statements.	V	
	2. Approved the Company's first half of 2024 earnings distribution of cash dividends proposal.	V	
	3. Passed the 2025 Audit Plan.	V	
	4. Passed the amendments to "Corporate Governance Best Practice Principles".	V	
	5. Passed the amendments to "Rules Governing Financial and Business Matters Between the Company and its Affiliated Enterprises".	V	

Board of Directors	Resolution content and subsequent handling	Matters in §14-3of the Securities and Exchange Act	Independent Directors' objection or reserved opinion
	6. Passed the amendments to "Audit Committee Organizational Charter".	V	
	7. Passed the newly edited internal control system "Sustainable Information Management Regulations".	V	
	8. Passed the Company's proposed credit line and credit line renewal application with Land Bank for its business operation's needs.	V	
	Independent Directors' opinions: Nil.		
	The Company's handling of Independent Directors' opinions: Nil.		
	Result of the resolutions: All attending Directors agreed to pass the resolutions.		
The 4th board meeting of the 21st-term Board of Directors January 18, 2025	1. Passed the "2024 management year-end bonus scheme" proposed by the Remuneration Committee.	V	
	2. Passed the 2025 business plan.	V	
	3. Passed the increasement in investment limit of building the first phase of Grape King Bio Park and authorized the Chairman to handle relevant matters.	V	
	Independent Directors' opinions: Nil.		
	The Company's handling of Independent Directors' opinions: Nil.		
	Results of the Board of Directors; For Motion 1, the Directors except for the concerned party who had abstained, approved the proposal. All other motions were approved upon the consent of all attending Directors. Interest avoidance situation: For Motion 1, Chairman and General Manager Shenglin Andrew Tseng, CFO and Corporate Governance Officer Nick Hung, and Chief Internal Auditor Chung-Chi, Hung have a stake in a matter under discussion in the meeting, shall recuse themselves from the voting due to the conflict of interests.		
The 5th board meeting of the 21st-term Board of Directors February 26, 2025	1. Passed the 2024 remuneration distribution for employees and Directors.	V	
	2. Passed the 2024 business report and financial statements.	V	
	3. Passed the Company's 2024 earnings distribution proposal.	V	
	4. Passed the amendments to the Company's Articles of Incorporation.	V	
	5. Passed the motion of lifting the non-competition restrictions on the Directors.	V	
	6. Passed the Company's 2025 shareholders' meeting date, venue and agenda: Date: 9am on May 26, 2025 Monday) Place: No.402, Sec. 2, Jinling Rd., Pingzhen Dist., Taoyuan City, Taiwan (R.O.C.), (Pingzhen Headquarters) Method of Convening the Meeting: Physical shareholders meeting Agenda of the shareholders' meeting: (1) 2024 business report. (2) 2024 Audit report by the Audit Committee. (3) Report on 2024 remuneration distribution for employees and Directors. (4) Report on 2024 Cash Dividend Earnings Distribution. Matters for Ratification: (1) Adoption of the 2024 business report and financial statements. (2) Adoption of the proposal for distribution of 2024 profits. Matters for discussion: (1) Amend the Company's Articles of Incorporation. (2) To release from non-competition restrictions on Directors. Extempore motion	V	
	7. Passed the change of CPA.	V	
	8. Passed the audit quality index (AQI) evaluation and CPA appointment of 2025.	V	
	9. Passed the 2025 certification fee for financial statements prepared by CPAs.	V	
	10. Passed the 2024 "internal control system and assess the efficiency of its operations" and "internal control system statement".	V	

Board of Directors	Resolution content and subsequent handling	Matters in §14-3of the Securities and Exchange Act	Independent Directors' objection or reserved opinion
	11. Passed the amendments to documents pertaining to "Production cycle", "Internal control system principles", "Management regulation of receipt", and "Management regulation of the use of seals"	V	
	12. Passed the motion of lifting the non-competition restrictions on the Deputy General Manager of Business Division of the Company.	V	
	Independent Directors' opinions: Nil.		
	The Company's handling of Independent Directors' opinions: Nil.		
	Results of the Board of Directors; For Motion 5, the Directors except for the concerned party who had abstained, approved the proposal. All other motions were approved upon the consent of all attending Directors. Interest avoidance situation: For Motion 5, Director Mei-Ching Tseng has a stake in a matter under discussion in the meeting, shall recuse themselves from the voting due to the conflict of interests.		

(11) If the Directors or supervisors have different opinions about important resolutions adopted by the board in the latest year and as of the date of publication of the annual report, and there are records or written statements: Nil.

4. Accountant Fees

Unit: NT$ thousand

Accounting firm	CPA name		Audit period	Audit fee	Non-audit fee	Total	Remarks
Deloitte & Touché	Ming Yuan Chung	Yu Feng Huang	Jan 1, 2024 - Dec. 31, 2024	3,705	1,922	5,627	

Please describe the service content of the non-audit fees: Transfer pricing report is NT$1,060,000, tax certification is NT$445,000, assurance services for ESG report is NT$407,000, and inventory for bonded goods is NT$10,000.

(1) If there is a change of the accounting firm, and in the year of the change the audit fee is lower than that in the previous year, please disclose the audit fees before and after the change and the reasons: Nil.

(2) If the audit fee is reduced by more than 10% over that in the previous year, please disclose the amount of audit fee reduced, the proportion and reason for the reduction: NA.

5. Change of Accountants:

As part of the accounting firm’s internal adjustment in 2025, the concurring accountant will be changed from Yu Feng Huang to Wen, Chih-Yuan.

6. The Employment of the Company’s Chairman, General Manager, Financial or Accounting Manager with the Firm of the Auditing CPA or Its Affiliated Businesses in the Past Year: Nil.

7. Particulars about Changes in Shareholding and Equity Pledge of Directors, Managers and Shareholders Holding More than 10% of the Company's Shares in the Past Year and as of the Date of Publication of the Annual Report:

(1) Changes in Shareholding of Directors, Managers and Major Shareholders

March 28, 2025 Unit: share

Title (Note 1)	Name	2024		Current year as of March 28	
		Shareholding Increase/ (Decrease)	Pledged share Increase/ (Decrease)	Shareholding Increase/ (Decrease)	Pledged share Increase/ (Decrease)
Chairman and GM	Shenglin Andrew Tseng	-	-	-	-
Director	Mei-Ching Tseng	-	-	-	-
Director	UNI-PRESIDENT ENTERPRISES CORP. (Note2)(Note 3)	-	-	-	-
Director (Legal representative)	Kao Shiow Ling (Note2)	(Note 4)	(Note 4)	(Note 4)	(Note 4)
Director (Legal representative)	Jia-Fong Chai (Note3)	-(Note 5)	-(Note 5)	-	-
Director	Yen-Shiang Huang	-	-	-	-
Director	Jue-Jia Chang	-	-	-	-
Director	Chih-Sheng Chang	(Note 4)	(Note 4)	(Note 4)	(Note 4)
Director	Hsing-Chun Chen	36,000	-	-	-
Director	Chih-Wei Lai	-	-	-	-
Independent Director	Chen Jing Ning	-	-	-	-
Independent Director	Chi J. Yu	-(Note 5)	-(Note 5)	-	-
Independent Director	Ting-Ju Chen	-(Note 5)	-(Note 5)	-	-
Independent Director	Pang-Chung Chin	-(Note 5)	-(Note 5)	-	-
Independent Director	Feng-I Lin	(Note 4)	(Note 4)	(Note 4)	(Note 4)
Independent Director	Ching-Pu Chen	(Note 4)	(Note 4)	(Note 4)	(Note 4)
Independent Director	I-Fan Miao	(Note 4)	(Note 4)	(Note 4)	(Note 4)
GM of Longtan branch	Jin-Chu Chen	-	-	-	-
Deputy GM, Business Division	Yuan-Tsung Lin	-	-	-	-
CFO and Corporate Governance Officer	Nick Hung	(5,000)	-	-	-
CLO	Bing-Jyun Cuei	-	-	-	-
Director of Management	Du-Sheng Wang	-	-	-	-
Director of R&D	Hsu Sheng-Chieh	-	-	-	-
CSO	Duncan Aitken	-(Note 6)	-(Note 6)	-	-
Director of SCM Division	Ryan Chou	(Note 7)	(Note 7)	-	-
Director of Manufacturing Division	Yi-Ru Hu	(Note 7)	(Note 7)	-	-

Note 1: The Company has no shareholders with more than 10% of the Company's total shares.

Note 2: Uni-President Enterprises Corp. has appointed Kao Shiow Ling as the corporate shareholder representative on June 15, 2021 and was elected as a Director.

Note 3: Uni-President Enterprises Corp. has appointed Jia-Fong Chai as the corporate shareholder representative on May 30, 2024 and was elected as a Director.

Note 4: Stepped down on May 30, 2024, therefore the changes in shareholding and pledged share were not calculated.

Note 5: Took office on May 30, 2024, the number of shares here were compared to the changes in shareholding as of December 31, 2024.

Note 6: Took office on February 16, 2024, the number of shares here were compared to the changes in shareholding as of December 31, 2024.

Note 7: Took office on January 1, 2025, therefore the changes in shareholding and pledged share were not calculated.

(2) Share Trading Information: NA.

(3) Share pledge Information: NA.

8. Information about the Top 10 Shareholders who are related parties

January 27, 2025 (Note) Unit: share; %

Name	Own shareholding		Shareholdings of the spouse and minor children		Shareholding in other people's names		Name and relationship of top 10 shareholder who has the interested-party relationship per the Financial Accounting Standards Bulletin No. 6		Remarks
	Shareholding	Shareholding %	Shareholding	Shareholding %	Shareholding	Shareholding %	Name	Relationship	
UNI-PRESIDENT ENTERPRISES CORP.	11,851,000	8.00	-	-	-	-	Nil	Nil	
Representative: Chih-Hsien Lo	-	-	-	-	-	-	Nil	Nil	
Shenglin Andrew Tseng	6,511,244	4.40	-	-	1,396,557	0.94	Mei-Ching Tseng/ Chang-Yeh Tseng	Sister and brother/ Mother and son	
Citi (Taiwan) Bank Trustee of the Norwegian Central Bank - External Manager Assets Management Asia Co., Ltd. investing account	4,398,000	2.97	-	-	-	-	Nil	Nil	
Nanshan Life Insurance Co., Ltd.	3,927,000	2.65	-	-	-	-	Nil	Nil	
Representative: Chung-Yao Yin	Not Available						Nil	Nil	
BANK SINOPAC COMPANY LIMITED	3,193,000	2.16	-	-	-	-	Nil	Nil	
Representative: Wei-Thyr TSAO	Not Available						Nil	Nil	
Ching Biao Biotech Co., Ltd.	3,051,000	2.06	-	-	49,000	0.03	Nil	Nil	
Representative: Yen-Shiang Huang	203,000	0.13	-	-	-	-	Nil	Nil	
Mei-Ching Tseng	2,954,117	1.99	-	-	-	-	Shenglin Andrew Tseng/ Chang-Yeh Tseng	Sister and brother/ Mother and daughter	
BNP Paribas Wealth Management Taipei. Branch	2,200,000	1.49	-	-	-	-	Nil	Nil	
Tseng Shui Chao Welfare Charitable Foundation	1,916,385	1.29	-	-	-	-	Nil	Nil	
Representative: Chang-Yeh Tseng	Not Available						Shenglin Andrew Tseng/ Mei-Ching Tseng	Mother and son/ Mother and daughter	
Chih-Sheng Chang	1,902,957	1.29	Not Available				Nil	Nil	

Note: Record date for the first half of 2024 cash dividends distribution.

9. Total comprehensive shareholding ratio for the number of shares held by the Company, the Company's Directors, managers and the Company directly or indirectly controlled by the Company in the same investment business.

December 31, 2024 Unit: thousand shares; %

Re-invested businesses (Note)	The Company’s investment		Investment by Directors, supervisors, managers or directly or indirectly controlled businesses		Total investment	
	Shareholding	Shareholding %	Shareholding	Shareholding %	Shareholding	Shareholding %
Pro-Partner Ltd.	10,560	60	-	-	10,560	60
GRAPE KING INTERNATIONAL INVESTMENT INC.	24,890	100	-	-	24,890	100
Rivershine Ltd.	3,000	100	-	-	3,000	100
GK BIO INTERNATIONAL SDN. BHD.	2,100	35	-	-	2,100	35
Shanghai Changhong Biotechnology Co., Ltd.	No shareholding as it is a limited company	35.1	-	-	No shareholding as it is a limited company	35.1

Note: The investment of the Company based on the equity method.

IV

Operations Profile

1.Business Scope

2.Market and Sales Overview

3.Employee Information for the Past Two Years and as of the Publication of the Annual Report

4.Environmental Expenditure Information

5.Labor Relations

6.Cyber security management

7.Important Contracts

1. Capital and shares

(1) Source of Share Capital

April 1, 2024 Unit: NT$; share

Year	Par Value (NT$)	Approved Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Capital Increased by Assets Other than Cash	Others
1969	1000	5,000	5,000,000	5,000	5,000,000	Establishment with cash	Nil	China Fusang
1971	1000	18,000	18,000,000	18,000	18,000,000	Capital increase	Nil	
1971	1000	500	500,000	500	500,000	Establishment with cash	Nil	Grape King Food
1973	1000	25,000	25,000,000	25,000	25,000,000	Capital increase	Nil	
1973	1000	500	500,000	500	500,000	Establishment with cash	Nil	Head & Shoulders
1977	1000	66,100	66,100,000	66,100	66,100,000	Capital increase	Nil	
1977	1000	48,600	48,600,000	48,600	48,600,000	Capital increase	Nil	
1977	1000	10,000	10,000,000	10,000	10,000,000	Capital increase	Nil	
1979	10	15,000,000	150,000,000	15,000,000	150,000,000	Capital increase	Nil	Grape King Enterprise
1982	10	19,380,000	193,800,000	19,380,000	193,800,000	In 1981, there was a capital increase of NT$10,500,000 from earnings, an appreciation from asset revaluation of NT$25,104,000, a merger with Head & Shoulders for NT$3,696,000, and a capital increase of NT$4,500,000.	Nil	
1984	10	23,000,000	230,000,000	23,000,000	230,000,000	Approval ref. “73 Tai-Tsai-Cheng (1) No. 1925” for a capital increase of NT$36,200,000	Nil	
1990	10	27,692,000	276,920,000	27,692,000	276,920,000	Approval ref. “79 Tai-Tsai-Cheng (1) No. 31424” for a capital increase of NT$46,920,000 from 1988 earnings	Nil	
1990	10	53,365,700	533,657,000	53,365,700	533,657,000	Approval ref. “79 Tai-Tsai-Cheng (1) No. 02854” for a capital increase of NT$200 million and a capital increase of NT$56,737,000 from 1989 earnings	Nil	
1991	10	75,000,000	750,000,000	58,857,550	588,575,500	Approval ref. “80 Tai-Tsai-Cheng (1) No. 03453” for a capital increase of NT$54,918,500 from 1991 earnings	Nil	
1992	10	75,000,000	750,000,000	64,909,085	649,090,850	Approval ref. “81 Tai-Tsai-Cheng (1) No. 02709” for a capital increase of NT$60,515,350 from 1991 earnings	Nil	
1993	10	75,000,000	750,000,000	71,543,276	715,432,760	Approval ref. “82 Tai-Tsai-Cheng (1) No. 30931” for a capital increase of NT$66,341,910 from 1992 earnings	Nil	
1994	10	78,920,310	789,203,100	78,920,310	789,203,100	Approval ref. “83 Tai-Tsai-Cheng (1) No. 42929” for a capital increase of NT$73,770,340 from 1993 earnings	Nil	
1995	10	111,000,000	1,110,000,000	86,945,448	869,454,480	Approval ref. “84 Tai-Tsai-Cheng (1) No. 39338” for a capital increase of NT$80,251,380 from 1994 earnings	Nil	

April 1, 2024 Unit: NT$; share

Year	Par Value (NT$)	Approved Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Capital Increased by Assets Other than Cash	Others
1996	10	111,000,000	1,110,000,000	95,768,491	957,684,910	Approval ref. “85 Tai-Tsai-Cheng (1) No. 41796” for a capital increase of NT$88,230,430 from 1995 earnings	Nil	
1997	10	111,000,000	1,110,000,000	105,441,166	1,054,411,660	Approval ref. “86 Tai-Tsai-Cheng (1) No. 73312” for a capital increase of NT$96,726,750 from 1996 earnings	Nil	
1998	10	130,920,000	1,309,200,000	111,818,587	1,118,185,870	Approval ref. “87 Tai-Tsai-Cheng (1) No. 71962” for a capital increase of NT$63,774,210 from 1998 earnings	Nil	
1999	10	130,920,000	1,309,200,000	130,818,587	1,308,185,870	Approval ref. “87 Tai-Tsai-Cheng (1) No. 92331” for a capital increase of NT$190,000,000	Nil	
2005	10	150,000,000	1,500,000,000	133,435,040	1,334,350,400	Approval ref. “Jin-Guan-Cheng (1) No. 0940133992” dated Aug 17, 2005 for a capital increase of NT$26,164,530 from earnings	Nil	
2008	10	150,000,000	1,500,000,000	130,235,040	1,302,350,400	Approval ref. “Tai-Cheng-Shang No. 09700286141” dated Sept. 23, 2008 for a capital cancellation of NT$32,000,000	Nil	
2015	10	150,000,000	1,500,000,000	130,300,141	1,303,001,410	Conversion of convertible corporate bond into shares for NT$651,010, approval ref. “Jing-Shou-Shang No. 10501040870” dated Mar 8, 2016	Nil	
2016	10	150,000,000	1,500,000,000	135,214,211	1,352,142,110	Conversion of convertible corporate bond into shares for NT$49,140,700, approval ref. “Jing-Shou-Shang No. 10601033480” dated Mar 17, 2017	Nil	
2017	10	150,000,000	1,500,000,000	135,221,060	1,352,210,600	Conversion of convertible corporate bond into shares for NT$68,490, approval ref. “Jing-Shou-Shang No. 10701023750” dated Mar 16, 2018	Nil	
2018	10	150,000,000	1,500,000,000	136,286,373	1,362,863,730	Conversion of convertible corporate bond into shares for NT$10,653,130, approval ref. “Jing-Shou-Shang No.10701150430” dated Nov 11, 2018	Nil	
2019	10	180,000,000	1,800,000,000	136,286,373	1,362,863,730	Authorized Capital increased, approval ref. “Jing-Shou-Shang No. 10801073880” dated June 20, 2019	Nil	
2021	10	180,000,000	1,800,000,000	148,137,373	1,481,373,730	Authorized issuing new common shares-11,851,000 shares for cash in private placement to increase capital, approval ref. “Jing-Shou-Shang No. 11001016050” dated February 8, 2021. A Public issuance of privately placed common shares-11,851,000 shares was declared effective, approval ref Taiwan Stock Exchange letter “Tai-Zheng-Shang-Yi No. 1130014804” dated August 14, 2024.	Nil	

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total	
Common Stock	148,137,373 shares	31,862,627 shares	180,000,000 shares	

Summary reporting system related information: NA

(2) Major Shareholders

January 27, 2025 (Note) Unit: share; %

Name \ Shares	Shareholding	%
UNI-PRESIDENT ENTERPRISES CORP.	11,851,000	8.00
Shenglin Andrew Tseng	6,511,244	4.40
Citi (Taiwan) Bank Trustee of the Norwegian Central Bank - External Manager Assets Management Asia Co., Ltd. investing account	4,398,000	2.97
Nanshan Life Insurance Co., Ltd.	3,927,000	2.65
BANK SINOPAC COMPANY LIMITED	3,193,000	2.16
Ching Biao Biotech Co., Ltd.	3,051,000	2.06
Mei-Ching Tseng	2,954,117	1.99
BNP Paribas Wealth Management Taipei. Branch	2,200,000	1.49
Tseng Shui Chao Welfare Charitable Foundation	1,916,385	1.29
Chih-Sheng Chang	1,902,957	1.29

Note: Record date for the first half of 2024 cash dividends distribution.

(3) Dividend Policy and Implementation Status

i. The Company is in a stable growth stage. It takes into account the current and future development plans, the investment environment, capital requirement and domestic and overseas competitions, as well as the interests of shareholders and other factors in order to maintain a stable and sustainable operation. The distribution of shareholders dividend shall not be lower than 60% of the unappropriated earnings of the current year. However, the shareholders may resolve not to distribute dividends if the accumulated earnings is lower than 10% of the paid-in capital. Dividends can be distributed in the form of cash or shares or combination of both cash and shares, out of which at least 10% of the total dividends distributed shall be in cash.

To be in line with international standards and increase corporate governance flexibility, as well as comply with the Dividend Policy in Article 30 of the “Articles of Incorporation” which states that surplus allocation shall be not lower than 60%, the amendments to the Company’s Articles of Incorporation were resolved in the shareholders’ meeting on May 30, 2024. The Company’s earnings distribution or loss off-setting proposal may be proposed at the close of each half a year.

Where the Company has a profit at the end of first half of the year, the Company shall estimate and reserve the taxes to be paid, offset losses according to regulation, estimate and reserve employees and Directors’ remuneration, and allocate 10% as legal reserve, unless accumulated legal reserve has reached the total paid-in capital. Then, set aside or reverse a special reserve in accordance with relevant regulations. If a surplus remains, the balance combined with undistributed unappropriated earnings from preceding periods shall be distributed according to the distribution plan proposed by the Board of Directors. If distributing in the form of cash, it shall be approved by the Board of Directors. If distributing in the form of new shares to be issue, the plan shall be submitted to the shareholders’ meeting for approval.

The Company shall pay taxes and cover accumulated deficits and then make appropriate provisions of about 10% for legal reserve. In the case of making profit earnings at the close of business year after settlement, while the legal reserve reaches the paid-in capital of the Company, it may not make a provision anymore. The Company may make appropriate provision or reverse to special reserve for the surplus. In the event of an undistributed earnings of current year, it shall combine with accumulated undistributed earnings to apply for formulating earning distribution proposal to Board of Directors. Distribution in cash shall be determined after a resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of Directors; and in addition thereto a report of such distribution shall be submitted to the shareholders’ meeting. Distribution in new share issuance shall be determined after a resolution at the shareholders’ meeting.

The Company, in accordance with No.241 of the Articles of Incorporation, may authorize the distributable legal reserve and capital reserve in whole or in part to be paid in new stock issuance or in cash according to the proportion of the shareholding of shareholders. Distribution according to the method specified in the preceding paragraph.

ii. The dividend distribution:

In accordance with Article 30 of the Company’s Articles of Incorporation, the Board of Directors is authorized to distribute cash dividends on a semi-annual basis. The earnings distribution of cash dividends in 2024 is as follows:

2024	Board of Directors resolution Date	Dividend Payout Date	Cash Dividends Per Share	Total Cash Dividends
First Half	2024.11.11	2025.02.21	NT$2.7	NT$399,970,907
Second Half	2025.02.26	2025.07.18	NT$4.2	NT$622,176,967
Total			NT$6.9	NT$1,022,147,874

The case has been approved by the Board of Directors. In the event that the proposed earnings distribution approved is affected by the changes in share capital, as well as the number of shares outstanding, it is proposed that the Chairman be authorized to adjust the cash dividends to be distributed to each share based on the number of actual shares outstanding on the record date for distribution.

iii. Is there any significant change to be made to the dividend policy: Nil.

(4) Impact of the Proposed Bonus Shares on the Company's Operating Performance and Earnings per Share: There were no bonus shares.

(5) Employee and Director Remuneration:

i. The percentage or scope of the remuneration for Employees and Directors stipulated in the Articles of Incorporation：
According to the stipulations of the Articles of Incorporation, if there is a profit for the year, the Company shall pay 6% to 8% of it for the employee bonus and not more than 2% for the Director remuneration. However, if there is still a cumulative loss, an amount to make up for the loss should be retained in advance. The aforesaid employee bonus shall be paid in shares or cash, and shall be approved by a board meeting with the attendance of more than two-thirds of the Directors and the consent of more than half of the attending Directors, and then be reported to the shareholders' meeting. The Company also has an “Employee Remuneration Management Procedure”, which has been reviewed by the Remuneration Committee and approved by the Board of Directors, to regulate the details and methods of distribution. The Company proposed to amend the regulations on the Directors’ meeting on February 26, 2025 to withdraw no less than 30% of the employee bonus mentioned previously to non-executive employees. The amendment is to be approved by the resolution of the shareholders’ meeting on May 26, 2025.

ii. The basis for the estimation of the amount of remuneration for employees and Directors in the current period, and the accounting treatment if there is a difference between the actual employee bonus paid in shares or cash and the estimated amount: If there is a discrepancy between the estimated number and the actual amount in the resolution of the Board of Directors, it will recognize as profit and loss for the next year.

iii. Remuneration distribution as passed by the board meeting:

(i) Remuneration distribution for employees and Directors paid in shares or cash:

A. Employee bonus: cash NT$132,782,213; share distribution: Nil.

B. Remuneration to Directors: NT$33,195,553.

(ii) Employee bonus paid in shares as a percentage of the total amount of the current net profit after tax and the total employee bonus: Nil.

iv. If there is a difference between the actual distribution of bonus of employees, Directors and supervisors (including the number of shares, the amount and the share price) in the previous year and the provision for the bonus, please describe the difference, the reason and the

accounting treatment:
There is no discrepancy between the actual remuneration paid to employees, Directors and supervisors in 2024 and the amount in the resolution of the Board of Directors.

v. To effectively achieve our two goals of talent retention and motivation, we have designed a competitive compensation system that exceeds industry standards.
   (i) Compensation and bonus: considering factors such as employee's annual performance, goal achievement status, and the Company's annual surplus.
   (ii) Changes and raise: considering factors such as rationality of employee's current salary, performance, future potential, annual budget increase, internal and external salary balance, and price level.

(6) Buyback of Treasury Stock: Nil.

2. Corporate Bonds: Nil.

3. Preferred Shares: Nil.

4. Overseas Depositary Receipts: Nil.

5. Employee Stock Options:

(1) Employee Stock Options: Nil.

(2) The name, acquisition and subscription of the manager, as well as the top 10 employees, who have obtained the Employee Stock Options: Nil.

6. Issuance of Restricted Share for Employees:

(1) Issuance of restricted share for employees: Nil.

(2) The name, acquisition and subscription of the manager, as well as the top 10 employees, who have obtained the restricted share for employees: Nil.

7. Issuance of New Shares for Merger, Acquisition or Exchange of Other Companies' Shares: Nil.

8. Financing Plans and Implementation:

For the period as of the quarter preceding the date of publication of the annual report, with respect to each uncompleted public issue or private placement of securities, and to such issues and placements that were completed in the most recent 3 years but have not yet fully yielded the planned benefits: In 2021, we completed the capital increase through private placement. No circumstance of matters that are completed with unrealized project benefits within three years.

V

Review and Analysis of Financial Status and Business Results and Risk Issues

1. Financial Status
2. Financial Performance
3. Cash Flow
4. Impact of Major Capital Expenditure in the Past Year on the Financial Status
5. Re-investment Policy in the Past Year, the Main Reason for Its Profit or Loss, the Improvement Plan and Investment Plan in the Next Year
6. Analysis and Assessment of Risk Issues in the Past Year and as of the Date of Publication of the Annual Report
7. Other Important Matters

1. **Business Scope:**

(1) Business scope

i. Main businesses:

(i) C103050 Canned, Frozen, Dehydrated Food Manufacturing
(ii) C106010 Flour Milling
(iii) F203010 Retail sale of Food and Grocery
(iv) F102170 Wholesale of Food and Grocery
(v) C201010 Prepared Animal Feeds Manufacturing
(vi) F202010 Retail sale of Animal Feeds
(vii) F102040 Wholesale of Nonalcoholic Beverages
(viii) C114010 Food Additives Manufacturing
(ix) F121010Wholesale of food additives
(x) F221010 Retail of food additives
(xi) C109010Seasoning Manufacturing
(xii) F501030 Coffee/Tea Shops and Bars
(xiii) C802041Drugs and Medicines Manufacturing
(xiv) F108021 Wholesale of Drugs and Medicines
(xv) F208021 Retail Sale of Drugs and Medicines
(xvi) F208050 Retail Sale of the Second Type Patent Medicine
(xvii) F108031 Wholesale of Drugs, Medical Goods
(xviii) F208031 Retail sale of Medical Equipment’s
(xix) C802100 Cosmetics Manufacturing
(xx) F108040 Wholesale of Cosmetics
(xxi) F208040 Retail Sale of Cosmetics
(xxii) C802090 Cleaning Products Manufacturing
(xxiii) F207030 Retail Sale of Cleaning Preparations
(xxiv) F107030 Wholesale of Cleaning Preparation
(xxv) C105010 Edible Oil Manufacturing
(xxvi) C102010 Dairy Products Manufacturing
(xxvii) F206020 Retail Sale of Articles for Daily Use
(xxviii) F106020 Wholesale of Articles for Daily Use
(xxix) F104110 Wholesale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products
(xxx) F204110 Retail sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products
(xxxi) F401010 International Trade
(xxxii) H201010 Investment
(xxxiii) H701010 Residence and Buildings Lease Construction and Development
(xxxiv) C110010 Beverage Manufacturing
(xxxv) C199990 Other Food Manufacturing Not Elsewhere Classified
(xxxvi) F102030 Wholesale of Tobacco Products and Alcoholic Beverages
(xxxvii) F203020 Retail Sale of Tobacco and Alcoholic Beverages
(xxxviii) I401010 General Advertising Services
(xxxix) JE01010 Rental and Leasing Business
(xl) IZ12010 Manpower Services
(xli) A101040 Edible Fungus and Algae
(xlii) A101030 Special Crops
(xliii) A101050 Flower Gardening
(xliv) IG01010 Biotechnology Services
(xlv) F401171 Alcohol Drink Import

(xlvi) F107080 Wholesale of Environment Medicines
(xlvii) F207080 Retail Sale of Environment Medicine
(xlviii) C802080 Pesticides Manufacturing
(xlix) H703100 Real Estate Rental and Leasing
(l) F601010 Intellectual Property
(li) I101090 Food Consultancy
(lii) C201020 Pet food processing
(liii) F106060 Wholesale of pet food and appliances
(liv) F206050 Retail of pet food and appliances
(lv) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

ii. Business weighting:

Unit: NT$ thousand; %

Product Type	Amount	Percentage
Health food	8,826,724	79
ODM	944,991	8
Cosmetic	371,485	3
Sales Channel(Note1)	657,156	6
Beverage	331,377	3
Others(Note2)	28,272	1
Total	11,160,005	100

Note1: The sales channel is focused on selling products from other companies to establish a distribution network for the Group’s own brand.

Note2: Others refer to general food and pet food, etc.

iii. The Company's current products:
Manufacturing and trading of healthcare products, beverages, ODM, etc.

iv. Development plan for new products in 2025:

Grape King Bio plans to launch 23 products under its own brands in 2025. These include products for specific distribution channels, upgraded versions of popular items, functional beverages, and functional foods, etc. These new products will cater to a wider range of consumer nutritional supplement and health promotion needs, targeting distribution across various channels by following emerging market trend, such as the aging population market, telemarketing, etc. The products will focus on joint health, beauty maintenance, male health, children’s health, elderly care, also supporting physique and physiological function with formulations that meet ESG product standards. The Company will also enhance its clinical research on self-developed fermentation raw materials, such as probiotics and mushroom-based raw materials to improve product competitiveness and application scope. Additionally, expanding market development and increasing market share.

Leveraging its expertise in MLM, Pro-Partner is set to upgrade existing products and launch a variety of products in 2025, featuring new dosages and enhanced efficacy. It is also strategically expanding its product portfolio to encompass healthcare and cleaning solutions to carry out the principle of comprehensive care. In addition to health food products that improve stamina for specific customer groups and digestive health, it will include probiotics with new dosages and functional drinks formulated with unique technology. The Company will also focus more on product research using unique high-end ingredients to create health-promoting products. In product development, Grape King Bio will also increase self-developed raw materials for daily applications to expand its product benefits that provide health and nutrition for the entire family.

(2) Industry overview

i. Industry status and development

With COVID-19 now leaving only a minor impact on the global economy, global political situations remain tense, exacerbated by the China-United States trade tensions. The Russia-Ukraine war continues thus too the deteriorating situation in the Middle East, all relating to the global demand and supply of energy and resources. If these situations worsen, they might have further impact on global economy and industry, therefore requiring our continuous attention.

The global biotechnology and pharmaceutical industry benefits from innovative technology development and the introduction of interdisciplinary technology, such as mRNA-related technology, genome editing, antibody technology, etc. This not only accelerates the development and launch of pharmaceuticals, but also provides new treatment strategies to increase the cure rates by using innovative pharmaceuticals to address unmet medical needs. As manufacturers continue to provide diversified products in response to market demand, the market scale is gradually increasing in agricultural biotechnology and health food.

In response to a shifting supply and demand landscape, the global healthcare supplement industry is prioritizing four key areas with significant growth potential: healthy aging, stress relief and sleep improvement, gut health improvement, and personal healthcare. According to the research from The Business Research Company, the global functional material market was US$110.6 billion in 2023 and will increase to US$120.3 billion in 2024 with a 9.9% growth rate. It is estimated to grow to US$175.3 billion in 2028. Sales of probiotic products continues to grow as expected, mainly due to their benefits in promoting gut health, cholesterol reduction, and blood sugar control. With the close connection between the change in supply and demand environment and the rapid adoption of AI and other technology, the global health and nutrition food ecosystem focuses on the revolution and business opportunity of four major issues: the application value of microorganism, the potential of precision fermentation technology, health systems and complete nutrition, and the multifaceted integration of AI, among others. Compared with raw material from plants or animals, the growing process of microorganisms (algae, mushroom, etc.) aligns with the low-carbon sustainable needs of food. The culture medium of microorganisms may consist of wastes or by-products, adding circular economy value. These functional and healthy products are being widely applied in the development of various alternative ingredients. This includes expanding collaboration of mycoprotein and other raw materials for large-scale production, or focusing on the implementation of low-carbon in the manufacturing process. Through precision fermentation, specific and high-value ingredients can be produced by understanding the characteristics of microbial growth, creating new possibilities of variety, high efficiency, and economic production.

With the efforts of the government and the private sector over the years, the turnover in biotechnology reached NT$757.8 billion, an increase of 8.12% in 2023. Private sector investment exceeded NT$55.055 billion. The sales volume breakdown was as follows: health and wellness industry was the largest with NT$289.5 billion (4.51% growth); medical equipment, NT$147 billion; biotech applications, NT$137.2 billion; pharmaceuticals, NT$129.1 billion; and digital health industry, NT$55 billion (9.56% growth).

In recent years, the development of Taiwan’s health and nutrition food industry continues to focus on improving the health and nutrition value of critical raw products in microorganisms, plants and animals through research, design, manufacturing, and customization. The industry is largely applying its existing advantages and the collaborative influence of the international industry chain for microorganism raw materials, such as probiotics, red yeast rice, antrodia, and algae, etc. This aims to incorporate changes in cross-industry trends, new consumer behaviors, and social media. The industry is adopting a more proactive approach in every aspect of its operations.

The domestic health and nutritional food market is experiencing sustained growth fueled by a heightened focus on healthcare, healthy aging, strengthened immunity, eye health, and muscle joints, catering to outdoor physical fitness and other pursuits of a good lifestyle. Based on the Ministry of Economic Affairs' industrial production statistics, the domestic production value of health food products reached NT$35.8 billion in 2023, representing a 0.5% increase from 2022. This category includes capsules, tablets, granules, powder, infant and toddler formula supplements, patient supplements, and other nutritional foods. According to research by the food institute ITIS, Taiwan's health food market reached NT$170.3 billion in 2022, which is equivalent to a 5.9% growth. The growth rates in dietary supplements and traditional food was 7.7% and 3.6%, respectively. Overall health requirements have grown significantly, however the performance differences among different materials, products and manufacturers vary more greatly.

Higher wages and living standards depend on a country's economic growth. Changing one's dietary habit could cause imbalanced nutrition. The rapid development of technology has led to faster communication, making life changes and work more stressful which are the factors that can be harmful people's health. Although seeking medical care is convenient in Taiwan, taking nutritional supplements has become widely accepted by many people. In recent years, the demand for nutritional supplements has been growing with various types and sources of nutritional supplements now available. Health requirements have accelerated the expansion of local nutritional supplements, which in turn attracted suppliers in the same industry and other industries, utilizing their core advantages as product focus, e.g. raw material selection, health care request, product type, physical or platform channel cooperation and marketing operation strategy. It emphasized on diverse cooperation with domestic and international companies.

As health care products have high added values, and different health care products can be offered to meet the needs of different groups of customers, they can easily form a separate market segment and attract manufacturers in the food, biotechnology and drug industries to invest in the development. Even upstream dealers of food ingredients or direct marketing/marketing companies are optimistic about the rapid growth of the health food market, and are investing in the development of health care products. In view of the large volume of foreign health food imports, domestic health food manufacturers have taken a localization strategy to incorporate the resources of research institutions to jointly develop Taiwan's local health care ingredients for their products. This can not only reduce the price fluctuation impact of foreign resources, but because of the use of local health care ingredients, the products are easy to be accepted by the local people, and can form a separate market segment from the international market. In order to expand their businesses more quickly, manufacturers also actively seek suitable products or partners to penetrate foreign markets. For example: Invest in Shanghai Pujun Trading Co., Ltd. and Shanghai Puyou Trading Co., Ltd. to establish retail channels for its proprietary products in Mainland China, continued partnership with All Cosmos Bio-Tech to run GK BIO International SDN. BHD., a joint venture in Malaysia. By combining the advantages of both agencies and distributors, it has tapped the nutrition and health food market in Malaysia.

With the "Health Food Management Law" published, health food is differentiated from general food. The Department of Health announced the effectiveness assessment of health care products to serve as a basis for manufacturers' application for health food product reviews. At present, the health food safety assessment items announced by the Department of Health include 13 items: the regulation of blood fat, regulation of blood sugar, allergy adjustment, immunity improvement, anti-formation of body fat, fatigue resistance, bone care, aging resistance, gastrointestinal function improvement, liver protection, dental care, and regulation of blood pressure and promotion of iron absorption. The Department has also established health food standards for products such as meniscus and fish oil, etc. Moreover, joint care efficacy was added in 2020.

In direct marketing, there were 331 multilevel marketing companies registered with the Fair Trade Commission as of the end of 2023. Domestic companies were about 81.87%; whereas foreign companies were 18.13%. The total number of multi-level distributors in Taiwan were 3.713 million in 2023, with a total revenue of NT$108.368 billion. The majority of multi-level marketing products were nutritional food and beauty care products, followed by cleaning products. These have not changed over the years. However, these multi-level marketing companies changed their sales strategy from face-to-face sales to e-commerce, a business mode with no direct contact or interaction with customers. With the new community and distribution channel becoming active, the fast growing contactless economy post-pandemic has enabled domestic companies to have new distribution channels for health and nutritional food. The traditional face-to-face sale may be combined with digital technology. Many companies have brought their businesses to e-commerce platforms, or invested in an original e-commerce platform. Multi-level marketing business that adopts internet marketing is 64.65% in 2023. Most of the business types of the online store are self-built. The sales potential for online, multi-level marketing, and live stream sales looks promising.

In the Mainland China market, the National Health Commission (“NHC”) promotes the “Healthy China Initiative (2019-2030)” development strategy and launches work plans to strengthen the health industry. The nutrition and health food industries are key industries for development, and support in the health industry is continuously increasing. In the first half of 2024, NHC and relevant units have published policies and regulations regarding nutrition and health food. These include the “Opinions of the General Office of the State Council on Developing the Silver Economy and Improving the Well-being of the Elderly”, which encourages the development of health food and special medical formula food suitable for chewing, swallowing, and the nutritional requirements of the elderly. Also included is the implementation plan for the “Weight Management Year”, which provides nutrition and exercise guidelines for four types of chronic diseases and actively promotes prevention of chronic diseases. In order to further promote health food record management, safeguard quality safety, and develop a special food industry, the NHC seeks corporate opinion publicly. This includes confectionery products (such as candy, chocolate, and jelly) and drinks in the health food record product dosage form, and to set up relevant technique requirements. The NHC also aims to speed up on promotion of health food raw material and novel food raw material categories. All these policies indicate the determination to promote and improve public health management awareness and develop the nutrition and health food industry development.

In China, the number of people aged over 60 has reached 300 million in 2023. The average medical and healthcare expense increased by 16%. The Euromonitor global consumer survey data shows that elderly group is the major consumer segment in the nutrition and healthcare industry, while the young is becoming an important factor in the market growth. With nutrition and health food becoming a leisure lifestyle, the frequency of daily intake of nutritional supplements by people of all ages is gradually increasing globally, as well as the penetration rate of the health food industry. This indicates significant room for development in the industry. Industry growth is driven by consumers' higher demand for healthy living. This trend constantly attracts fast moving consumer goods such as food and drink, cosmetics, and health industries like medicine, insurance, physical check-up, retirement living. Therefore, the number of companies engaged in the production and operation of nutritional and health food has also grown rapidly. With more product categories, the replacement speed is accelerating. New marketing promotion methods and channels are emerging, and demands are versatile and diverse. Consumers' demand for health food is becoming more life-oriented, with increasing product segmentation, which makes the OEM/ODM business more competitive and challenging.

Using Grape King Bio's 50 years of raw material research and development expertise, Shanghai Grape King stands out by self-developing and producing exclusive functional products for the China market. This commitment to innovation allows them to provide customers with customized, differentiated and comprehensive product solutions, while ensuring high quality and great service. In addition to retaining its existing valued customers and strengthening those partnerships, the Company actively seeks out new, promising clients to build long-term, stable cooperation. To address the need for diverse product dosage forms, the Company maintains strategic cooperation with high-potential ODM partners. These partnerships create a win-win situation for all parties by leveraging complementary expertise.

ii. Relationship among the industry's up, mid and down streams

Upstream: material development, formula development and upgrading.

Midstream: manufacturing.

Downstream: distribution channels, including the traditional physical stores (such as discount stores, beauty shops and supermarket chains), virtual channels such as online shopping malls or TV shopping, and direct marketing channels.

The Company has a complete industry chain. The upstream is the core manufacturing technology of microbial fermentation which is used to develop key ingredients such as lactic acid bacteria, Ganoderma lucidum and Antrodia mycelium. The midstream is the preparation and packaging capability and the downstream is the Company's own distribution channels and brands. Therefore, the Company can make a flexible response to the overall industry change and continue to win consumer favor and trust.

iii. Product development trends

(i) Immunoregulation is the focus of the Company's development of health care products, and Ganoderma lucidum related products have obtained the health food certification of the Department of Health.

(ii) Lactic acid bacteria products have become one of the most popular intestinal health products in recent years. The lactic acid bacteria products of the Company are not only rich in bacteria, but are very popular with consumers. They also obtained health food certification numbers, and have the two functions of gastrointestinal function improvement and allergy adjustment.

(iii) For Taiwan's common liver diseases, the Company developed health care products such as Antrodia King and Antrodia Aqua has obtained a health food certification number from the Department of Health for liver protection and blood pressure regulation functions).

(iv) For the aging society, the Company developed health care products for the silver-haired group for delay of aging and prevention of Alzheimer's disease.

(v) The Company developed ergot sulfide beauty drinks with a strong anti-oxidative ability.

(vi) For the different health needs of men and women, the Company developed energy drinks for men and beauty drinks for women.

(vii) Develop and add precious plant extracts that protect the eyes and provide essential healthcare foods for 3C users.

(viii) Develop a series of unique “Grape King” style snack and beverages to be sold exclusively at the Company's tourist factory.

(ix) For the increase in health demand and environmental awareness, fungi from fermentation is developed to replace protein and its derivatives.

(x) The next-generation probiotics NGP can not only be used as food or dietary supplement, but also developed into treatment medicine. The next-generation probiotics will be developed.

(xi) Functional food such as jelly, gummy, and small drinks dosage will be developed.

iv. Competition

(i) Product competition:

A. With the expansion of the domestic health food market, domestic Chinese and western pharmaceutical manufacturers and biotech companies have also stepped into the health food market, and grown quickly with their name recognition and existing technology in the pharmaceutical industry.

B. With their policy changes, some foreign governments have allowed the sales of health care products in foreign countries which were originally for domestic sales only. Because of the citizens’ infatuation with overseas brands, the participation of overseas health care brands will make the competition keener.

C. On the direct marketing side, the increasing output value of the multi-level marketing industry year after year reflects the high potential of the direct marketing channel. However, the greater the output value, the higher the attractiveness for more enterprises to transform into multi-level marketing companies, and the more foreign multi-level marketing companies will enter the Taiwan market for market shares. The degree of competition is therefore increasing every year.

D. In the China market, segmentation competition is divided into two completely opposing groups in the OEM/ODM industry. Medium to small corporates and newly founded brands lack the self-development and self-production ability and tend to outsource to ODM factories. Therefore, the medium to small scale OEM/ODM factories that can flexibly meet the customer’s production capacity and demand have more advantages. On the other hand, medium to large brands at the retail end have higher demand in the quality, research and development, and production ability in OEM/ODM factories, so the large scale OEM/ODM factories with innovative technology have more advantages.

(ii) Channel competition:

With the change of market demand and consumption habits, health care products and beauty care products can be seen not only in the roadside open-shelf drug stores, suburban discount stores and existing multi-level marketing channels, but also in convenience stores around the corner. This accessibility has offered more options to consumers. Various industry groups have increased their investments in health food products and actively promote them through online media and physical channels, enabling customers to enjoy the most convenient way to purchase. Therefore, how to enhance product uniqueness, attract the attention of consumers and provide better after-sales service are the matters which require careful consideration.

The output value of the multilevel marketing has been increasing over the years, which demonstrates the consuming capacity in multilevel marketing distribution. All companies work together, forming a positive and healthy competition. It is through everyone's efforts that competition continues to grow and remain stable. It is also important to maintain good relationships to further enhance sales performance in the years to come.

(3) Overview of Technology and R&D

i. Hericium mycelium fermentation technology: The 40 ton-liquid fermentation technology is now in production.

ii. Lactic acid bacteria recovery technology: The continuous centrifugal technology in the recovery of lactic acid bacteria was developed, and the first domestic liquid nitrogen process was completed.

iii. The anti-aging Hericium health care product was developed and launched.

iv. Grape King Biotech Research Institute was expanded and an automatic freeze-drying process was introduced in 2020.

v. Added 4 fermentation tanks at the Grape King Bio Park (Yongfeng Plant) with a total ferment volume of 120 tons. After large-scale production ramped up in 2024 Q3, the Company's total fermentation volume has reached 506 tons.

vi. Awards won

(i) Gold medal and special prize at the 2024 Russian Archimedes International Invention Exhibition for "Mycelium in filamentous fungus and its manufacturing method".

(ii) Silver medal at the 2024 Russian Archimedes International Invention Exhibition for "Phellinus linteus composition to manage obesity and relevant metabolic syndrome".

(iii) Silver medal at the 2024 MTE for "Mycelium in filamentous fungus and its manufacturing method".

(iv) Gold medal at the 2024 MTE for "Bifidobacterium lactis GKK2, a composition comprising thereof and its use to improve allergic asthma (MY)".

(v) Gold medal at the 2024 ITEX for "Phellinus linteus composition to manage obesity and relevant metabolic syndrome".

(vi) Gold medal and special prize at the 2024 ITEX for "Lactobacillus Fermentum GKF3, Composition Comprising the Strain and method for improving Psychataxia using the same (MY)".

(vii) Gold medal at the 2024 World Genius Convention for "Composition with Lactococcus ferment for external skin wound and its usage M3 (JP)".

(viii) Gold medal and special prize at the 2024 World Genius Convention for "Pediococcus pentosaceus GKP4 and composition to prevent sarcopenia (JP)".

(ix) Gold medal at the 2024 Shanghai International Invention Expo for "the use of the active substance of bifidobacterium lactis GKK2, compounds and its use for promoting longevity".

(x) Gold medal and special prize at the 2024 Shanghai International Invention Expo for "Preparation for compositions to boost immunity".

(xi) Gold medal at the 2024 Shanghai International Invention Expo for "Lactobacillus rhamnosus GKLC1, compounds and methods to relieve alcoholic liver disease, stomach and/or intestinal injury".

(xii) Gold medal and special prize at the 2024 INNOVERSE Invention & Innovation Expo for "Composition with Lactococcus ferment for external skin wound and its usage (US)".

(xiii) Gold medal and special prize at the 2024 INNOVERSE Invention & Innovation Expo for "Bifidobacterium lactis GKK2, a composition comprising thereof and its use to improve allergic asthma (US)".

(xiv) Gold medal at the 2024 WIC for “Hericium Erinaceus mycelium extracts, its pharmaceutical compositions and methods of use to improve myelinization of the central nervous system (JP)”.

(xv) Gold medal at the 2024 WIC for “the use of the active substance of Lactobacillus paracasei GKS6, compounds and its use for promoting longevity (JP)”.

(xvi) Gold medal and special prize at the 2024 All American DAVINCI International Innovation for “the use of the active substance of bifidobacterium lactis GKK2, compounds and its use for promoting longevity (US)”.

(xvii) Gold medal at the 2024 All American DAVINCI International Innovation for “Compositions comprising an active compound to manage dementia and methods of use”.

(xviii) Gold medal and special prize at the 2024 ICAN for “Cicada mycelium active essence for preventing, delaying or treating anterior and posterior chamber expansion, as well as vitreous humor expansion of the eyes and/or detachment of the retina (CA)”.

(xix) Gold medal and special prize at the 2024 ICAN for “Composition with Lactococcus ferment for external skin wound and its usage (US)”.

(xx) Gold medal and special prize at the 2024 IITE for “Lactobacillus plantarum GKD7 used in preparing composition to manage osteoarthritis and degenerative joint disease”.

(xxi) Gold medal and special prize at the 2024 IITE for “Composition with Lactococcus ferment for external skin wound and its usage”.

(xxii) Gold medal at the 2024 IIIC for “Phellinus linteus used in preparing composition to manage Sarcopenia (TW)”.

(xxiii) Gold medal at the 2024 IIIC for “Mycelium in filamentous fungus and its manufacturing method”.

(xxiv) Gold medal at the 2024 IIIC for “Cicada mycelium active substance for improving eyesight”.

(xxv) Gold medal at the 2024 Hong Kong International Invention and Design Competition for “Composition with Lactococcus ferment for external skin wound and its usage (US)”.

(xxvi) Gold medal at the 2024 Hong Kong International Invention and Design Competition for “Phellinus linteus used in preparing composition to manage Sarcopenia”.

(xxvii) Gold medal at the 2024 Ukraine Innovation Awards for “Composition with Lactococcus ferment for external skin wound and its usage”.

(xxviii) Gold medal at the 2024 Ukraine Innovation Awards for “Bifidobacterium lactis GKK2, a composition comprising thereof and its use to improve allergic asthma (US)”.

(xxix) Gold medal and special prize at the 18th International Warsaw Invention Show in 2024 for “Oral composition (probiotics) to manage Sarcopenia”.

(xxx) Gold medal at the 18th International Warsaw Invention Show in 2024 for “Lactobacillus plantarum GKD7 used in preparing composition to manage osteoarthritis and degenerative joint disease”.

(xxxi) Gold medal and special prize at the 2024 INOVA for “Phellinus linteus used in preparing composition to manage Sarcopenia”.

(xxxii) Gold medal and special prize at the 2024 INOVA for “the use of the active substance of bifidobacterium lactis GKK2, compounds and its use for promoting longevity”.

(xxxiii) Silver medal at the 2024 SIIF for “Phellinus linteus used in preparing composition to manage Sarcopenia”.

(xxxiv) Special prize at the 2024 SIIF for “solid cosmetics composition and its process of manufacturing (TW)”.

(xxxv) Bronze medal at the 2024 SIIF for “Composition with Lactococcus ferment for external skin wound and its usage (JP)”.

(xxxvi) Gold medal and special prize at the 2024 EUROINVENT for “Composition with Lactococcus ferment for external skin wound and its usage M3 (US)”.

(xxxvii) Gold medal and special prize at the 2024 EUROINVENT for “Lactobacillus Fermentum GKF3, Composition Comprising the Strain and method for improving Psychataxia using the same (US)”.

(xxxviii)Gold medal and special prize at the 2024 Geneva International Exhibition of Inventions for “Composition with Lactococcus ferment for external skin wound and its usage M3 (TW)”.

(xxxix) Silver medal and special prize at the 2024 Geneva International Exhibition of Inventions for “Phellinus linteus used in preparing composition to manage Sarcopenia (TW)”.

(xl) Bronze medal at the 2024 National Biotechnology and Medicine Care Quality Award for “Antrodia cinnamomea fermentation powder”.

(xli) Symbol of National Quality (SNQ) for “Kang Er Chang Pro & Prebiotics”.

(xlii) Symbol of National Quality (SNQ) for “Kang Er Dong Pro & Prebiotics”.

(xliii) Symbol of National Quality (SNQ) for “Hericium Erinaceus Mycelium powder”.

(xliv) High Distinction Award of Innovative products at the Taiwan Association for Lactic Acid Bacteria for “Kang Er Dong Pro & Prebiotics”.

(xlv) Excellence Award of Innovative product at the Taiwan Association for Lactic Acid Bacteria for “Kang Er Chang Pro & Prebiotics”.

vii. Patents obtained in 2024:

Approving Country	Patent Name	Date	Patent No.
ROC	Preparation for oral administration composition of Lactobacillus Fermentum GKF3 to reduce smoking addiction	2024.04.01	I837529
America	Phellinus linteus used in preparing composition to manage Sarcopenia	2024.04.02	11,944,659
ROC	Composition and its usage in preventing or treating oral mucosa fibrosis	2024.04.01	I838163
China	Lactobacillus Fermentum composition and its usage for preventing or treating skin aging	2024.04.19	ZL 202110244793.1
China	Hericium mycelium active substance for preventing or treating retinopathy	2024.05.10	ZL 202111561046.7
ROC	Peri-implantitis composition and its usage	2024.05.11	I842366
China	Phellinus Linteus Extract Concentrate, its compound for improving sleep quality and methods of use thereof		Applied for the license
ROC	Lactobacillus plantarum, fermentation and its process of manufacturing, and a composition comprising thereof and its use for improving sperm quality in heat stress	2024.06.21	I846368
ROC	Lactobacillus plantarum GKD7 used in preparing composition to manage osteoarthritis and degenerative joint disease	2024.06.21	I846367
China	Phellinus linteus used in preparing composition to manage Sarcopenia	2024.06.14	ZL 2021 1 0225797.5

Approving Country	Patent Name	Date	Patent No.
ROC	Pediococcus acidilactici GKA4, a composition comprising thereof and its use for preventing or treating kidney failure	2024.07.21	I849717
ROC	The use of an extract of Sanghuang GKPI to prepare a composition for increasing glycogen content after exercise training and reducing blood urea nitrogen levels after exercise	2024.08.01	I851117
China	Phellinus linteus GKPI composition comprising thereof and its use for manage obesity		Applied for the license
Singapore	Lactic acid bacteria and its composition to prevent muscle loss and muscle strength loss	2024.05.28	10202114088U
Japan	Pediococcus acidilactici GKA4, a composition comprising thereof and its use for preventing or treating kidney failure	2024.09.09	7553634
ROC	Clostridium butyricum GKB7 used in preparing composition to manage osteoarthritis and degenerative joint disease	2024.11.01	I860688
ROC	Probiotic composition and its usage for improving sleep quality	2024.11.11	I861750
Korea	Oral administration composition to reduce smoking addiction	2024.11.11	10-2726654
ROC	Mycelium in filamentous fungus and its manufacturing method	2024.12.01	I864800
China	Composition with Lactococcus ferment for external skin wound and its usage	2024.10.18	ZL 2020 1 1267520.0
ROC	Hericium mycelium active substance for preventing or treating retinopathy	2024.12.21	I867935
Japan	Composition containing Lactobacillus plantarum GKD7 for improving osteoarthritis and osteoarthritis	2024.12.09	7601959
Malaysia	Hericium mycelium active substance for preventing or treating retinopathy	2024.11.18	MY-205870-A
Japan	Composition containing Clostridium butyricum GKB7 for improving osteoarthritis and degenerative arthritis	2024.12.19	7607709
ROC	Lactobacillus fermentum GKF3 for healing skin wound and antioxidant its usage of partial composition	2025.01.01	I869314
ROC	Lactobacillus fermentum GKF3 for healing skin wound and antioxidant its usage of partial composition	2025.01.01	I868553
Singapore	Preparation for oral administration composition of Lactobacillus Fermentum GKF3 to reduce smoking addiction	2025.01.03	10202114093Y
Japan	Preparation for composition of probiotic compound to manage innate weakness when performing aerobic exercises		Applied for the license
Singapore	Preparation and application of Phellinus Linteus composition that promotes Irisin and brown adipose cell production		Applied for the license
Singapore	Cicada mycelium active substance applied for treating macular degeneration		Applied for the license
Singapore	Hericium mycelium active substance for preventing or treating retinopathy		Applied for the license
ROC	Lactobacillus johnsonii for easing hyperoxia-induced lung injury		Applied for the license
ROC	Lactic acid group for preventing or treating NSAID-induced stomach ulcer		Applied for the license
ROC	Composition of Pediococcus pentosaceus GKP4 and usage for regulating blood glucose		Applied for the license

viii. New products developed in the past five years:

Combest 200P EX Energy Drink, Super Fish Oil 369, Day&Night Sliim Turmeric Double Action, Sliim Probiotics King EX, Probiotics King EX400, Ganoderma Almond Mushroom Probiotics

Complex, LGG Probiotics, Night Sliim Turmeric Complex, Deer Placenta Beauty Capsule, Ganoderma King Essential Drink (Low Sugar), Natto Red Yeast Rice EX, Marigold Lutein Complex, Premium Antrodia King, Tumeric & Red Vine Leaf Extract Complex Capsule, PowerBOMB Lichi, Salt & Hops Flavor, Premium Ganoderma King, Probiotic King Powder, Fiber Enzyme Sachet, Marigold Lutein Gummy for Kids, Power of 8 Probiotics, Vegetable Protein Instant Drink (chocolate flavor), Marigold Lutein Powder, Marigold Lutein Powder EX, Premium Sliim Turmeric Complex, Premium Deer Placenta Beauty Capsule, Ren Shen Essence Drink, Anti Starch 2.0, Antrodia King Double Action, Ganoderma King Double Action, Marigold Lutein QQ Jelly, Marigold Lutein Complex (less sugar), Power Cordyceps King, CHANG QIE LI, Happy Probiotics, Baby Drink, Qing Cai Xian Capsule, Elderly Meal Supplement, Wei Jay Capsule (Vegetarian), Bai Ke Sz Capsule (Vegan), Meal Supplement (Original), Meal Supplement (General), Ai Yi Capsule, Ai Yi Capsule (Vegan), Lutein complex Capsule(Vegan), Xin Run Beauty Drink, Hericium Erinaceus Mycelium Capsule, Beauty Drink, TANG LI JIA Capsule, Ning Kang Fu Capsule, Q10 Capsule, Xin Run Beauty Drink, Qi Rui Probiotics Powder(for cats), Shu Wei Guo Chewy Candy, Qi Rui Probiotics Powder(for dogs), Kang Er Dong Pro & Prebiotics, Kang Er Chang Pro & Prebiotics.

ix. R&D Expenses in the past three years

Unit: NT$ thousand

Year	2022	2023	2024
Amount	289,884	289,545	291,906

(4) Long-term and Short-term Development

With the continuous stimulation of market sales incentives, consumer spending habits change year by year, and the existing distribution channels are bound to face difficulties and the development is limited. For the sustainable development of the business, the short and long-term business directions are mainly on new channels and the development of new products to meet consumer demands better and expand the consumer base for performance growth. The business development plan is as follows:

i. Short-term business development

Looking forward, Taiwan Grape King Bio will stay committed to our mission "Live Healthy, Think Grape King" while achieving our product objectives and meeting the health needs of the whole family. Besides maintaining our best-selling products, we also successfully launched new eye care and cardiovascular health products. Grape King Bio is set to expand its healthcare portfolio in 2025 to include products for boosting metabolism, health care, and vascular health. Combining Grape King Bio’s excellent research and development strategies with the growing domestic health trend towards functional foods and various dosages makes it easy to integrate healthcare in one’s daily diet. Big data operation in digital marketing is introduced for the strategic planning of the distribution channel. It allows the Company to accurately determine potential customers with a positive business flow, to drive the membership growth, and to diligently improve the quality of customer service. We also strengthen our analysis from our member database, through which consumers are segmented accordingly with different promotions to increase reoccurring sales. Through this improvement in both the quality of our members and services, an overall performance growth is expected.

In ODM and overseas business fields, Grape King Bio will carry out the belief of “Your Vision, Our Mission” and is committed to providing high-quality health product development and manufacturing services for global customers. Based on 2024 sales data, the market demand for granule and powder packs dosage forms stays on top. Next comes capsules, drinks in aluminum bags, drinks in glass bottles, soft capsules, and jelly dosage forms. As the production from newly built soft capsules and jelly production lines begins, it will significantly improve the flexibility for ODM business. With scientifically proven probiotics and mushroom raw materials, it provides comprehensive ODM services including raw material research and development, formula design, high quality production, and customized marketing resources, promoting the production of multiple best-selling products. It is expected to bring a strong growth momentum in 2025 by the launch of a new dosage form, combined with increased interest in our The local market awareness of the best-selling products has substantially increased with hericium mycelium (for improving cognitive functions), antrodia cinnamomea (for liver health), and cicada mycelium (for eye health) being highly recognized by the market in 2024. The Company will continue to publish clinical research results and actively participate in international seminars and exhibitions to further expand the scope of the overseas market in 2025.

Pro-Partner will continuously develop and diversify its product range, meeting the various needs of Pro-Partner members, and further expand the sales performance of Pro-Partner brand operators / supporters, as well as intensify market expansion. Pro-Partner will enter the direct selling market in Malaysia, in 25Q4 to open up overseas territory.

In Shanghai, we continue to devote ourselves to the health and nutrition food field, using OEM/ODM as the foundation for sales development and providing a one-stop ODM service by providing research, product development, manufacturing, packaging, logistics, and marketing. With the consumers' pursuit of healthy living, the demand for healthcare products is growing. Shanghai Grape King has been actively developing private labels since 2023 to promote health and nutritional products and fast-moving consumer snacks. It established an M2C e-commerce platform, invested in Shanghai Pujun Trading Co., Ltd., collaborated with mature offline channels, and connected supply chains and distribution channels. The Company invested in Shanghai Puxun Supply Chain Management Co., Ltd. in 2024 to integrate delivery on behalf of customers and logistics and distribution business. Additionally, by investing in Shanghai Puyou Trading Co., Ltd., the Company is expanding the business sales in China through the vending machines channels. The Company is working towards diversified development in helping own brands and ODM business.

ii. Long-term business development

In response to the diversity of consumer health care requirements, we have planned the implementation, application and development of health food certification to comply with the regulatory requirements on the sales of products. In addition to the existing gastrointestinal, immunoregulatory, liver protecting, blood pressure reducing, anti-fatigue and preventing body fat accumulation products, we will add anti-allergy, bone health, blood glucose regulating and blood fats and other functional products to expand our product function range as the long-term product plan to expand the consumer base.

With the channel deployment getting steady, every channel is responsible for channel development and sales promotion in its long-term plan. In the e-commerce online channel and telemarketing membership channel, we continue to acquire new members with good quality products, and extend the membership operations by building a steady after-sales maintenance and repurchase sales channel, as well as providing comprehensive product recommendations. Given the changes in sales channels and consumer movement within physical sales channels, the Company stabilizes operation in convenient store, supermarket, and wholesales channels with new product development in healthy beverages and functional beverages, while promoting health food sales in drugstores, Costco, and PXmart sales channels. The Company will work with the customer attributes from different channels and combine its innovative development ability to launch products that cater to consumer preference in each channel to drive the sales growth and expand brand power.

In ODM and overseas business, Grape King Bio will launch the synchronous promotion of dual-track development in exclusive brand raw materials and ODM service for end products. With the competitive advantages of exclusive raw materials and customized ODM service, we can strengthen our relationship with our customers and expand market share. Meanwhile, Grape King Bio actively deploys to international markets from Southeast Asia to Japan and Korea, and plans to enter the US, Canadian, and European market. We will use AI and digital tools to build a virtual reality factory visit and audio guide to reduce the cost and time limitations for cross-country communication, while strengthening international sales development capabilities to attract more collaboration with overseas customers and improve sales growth.

Pro-Partner's multi-level marketing (MLM) business has reached stability in Taiwan, and is now looking to branch out into markets abroad. Pro-Partner Ltd. is ready to expand to overseas markets, with Malaysia as its first stop to develop direct selling business and gradually open up the international market. Key evaluation points such as regulation, tax, culture, stability of politics and economy etc., will be carefully planned.

The China market, is now ramping up and is ready to welcome a new lively and vigorous consumer market. We continue to combine Grape King Taiwan's development capabilities through the competitive advantages of exclusive patent raw materials with Shanghai Grape King's ODM advantage to plan and manufacture good quality products for the sales distribution team in China, aimed at restoring demand for health products post-pandemic as well as beauty and cosmetic products. Meanwhile, with the sales distribution system from Shanghai Pujun and combined with Shanghai Puxun logistic service and Shanghai Puyou’s vending machine for brand exposure, the Company gradually improves the sales in private labels, expands market share, and grows the global operational scale.

2. Market and Sales Overview

(1) Market analysis

i. Main product sales area: Metropolitan areas of Taiwan Island.

ii. Market share:

The Company's Ganoderma lucidum and Antrodia camphorate products have been the leading brands over the years with a market share of more than 50% respectively. While there are other competing products, with our brand name recognition and quality, we are able to maintain a substantial market share. On the direct marketing side, Pro-partner Ltd. revenue reached NT$8. 57billion in 2023, accounting for 9.36% of the total multi-level marketing. With changes in China’s national policy and better public awareness of health issues, the health food industry is poised to rebound with high growth potential, drawing interest from other industries. Many new companies have invested in the industry, creating a fiercer competition. Shanghai Grape King is a well-recognized ODM/OEM in the health food industry based on the positive feedback from customers. It has support from the strong R&D team of Grape King Bio Group. Hence, its overall sales development remains stable and is able to thrive in a fast-changing market and complex competitive environment.

iii. Future market supply and demand and growth:

The Company spares no effort in the development of new products to meet the health needs of the people. We apply accurate marketing strategies, supplemented by distribution channels which are familiar with the market, to introduce a variety of new products to continue the growth of our business. In the multi-level marketing industry, Pro-Partner Ltd. currently has around 46 products and competes with various companies. In the future, we intend to expand the product range both horizontally and vertically, and continue to develop various products in different categories, such as beauty care, daily-life, etc., so as to improve sales performance and gain market share.

In China, Shanghai Grape King has the advantage of large-scale automotive production with abundant and complete formula database. The Distribution Center was set up in recent years to provide direct distribution from the factory. It has been working with production facilities that have a similar operating philosophy and manufacturing capacity to meet customer demand for various health and nutritional food products. In the post-epidemic era, the Chinese economy is undergoing transformation and upgrading. Weak domestic demand is leading to oversupply and the competition is more intense in the industry. Hence, in addition to consolidating its core ODM business, the Company has established various platform channels, promoted its own brand, and partnered with high value brands. We also connected supply chains and distribution channels to continue to improve overall competitiveness, increase market and sales advantage, and achieve sustainable operations.

iv. Favorable and unfavorable factors for development and countermeasures

(i) Favorable and unfavorable factors for development:

Favorable Factors	Unfavorable Factors
Health food industry: 1. Because of an aging population, the demand for health care products will increase year by year, and is not affected by the financial turmoil. 2. The Company set up its biological center in 1991 and had an early start. As the hardware and software have matured, the Company is stepping into the development of key components to improve profitability and raise the entry barrier. 3. The Company's products such as Ganoderma lucidum and Antrodia camphorate have been selected as those with high entry barriers for world-class manufacturers, etc. The Company therefore has an advantage in international competition. 4. The Government provides NT$10 billion per year to support the biotechnology industry, and the industry outlook is promising.	Health food industry: 1. The implementation of the Health Food Law raises the cost of product research and development and increases operational difficulties. However, in the long run this can phase out the weak and only the strong will stay, and professional manufacturers will be protected as a result. 2. As government regulations on healthcare advertising tighten, marketing strategies may face stricter limitations, potentially impacting their effectiveness.
Food and beverage industry: 1. Taiwan has a warm weather, and the demand for beverage is strong. 2. With the development of the economy, the national income level is improving, and people are paying more attention to the quality of life and leisure activities. With the expansion of consumption, beverage demand has improved, and there is a great potential in the development of the beverage market.	Food and beverage industry: 1. Government will significantly reduce import tariffs in order to join the WTO, and there will be more imported goods. In the future, the competition in the beverage market will be high. 2. Beverage manufacturers like to swarm into a particular type of beverage, and the price competition will lower the profit. 3. The product homogeneity of beverages is high, and the market competition is keen. In order to maintain the consumer's recognition of the brand and purchase intent, advertising expenses have to increase significantly.
Pharmaceutical Industry: 1. The pharmaceutical industry is one of the top ten emerging industries of the country, and a key industry promoted and supported by the Government. 2. As the population is aging and the living standards are	Pharmaceutical Industry: 1. Most consumers prefer foreign original drugs. Though domestic GMP manufacturers produce drugs with the same effect, due to people's medication habits, domestic GMP

Favorable Factors	Unfavorable Factors
improving, health issues are attracting more attention and the demand for drugs is increasing. Therefore, the size of the drug market is expanding. 3. With the rise of health awareness, consumers are more attracted to health and health care related products. 4. The Company was certified by the Department of Health as a "Pharmaceutical Manufacturer Implementing G.M.P" in 1987. The plant management and product quality are affirmed by the industry.	manufacturers have long been in an inferior competitive position which is disadvantageous to the development of domestic pharmaceutical manufacturers. 2. Large foreign pharmaceutical companies have come to Taiwan to erode the domestic drug market. This is disadvantageous to the development of domestic pharmaceutical manufacturers. 3. At present, there are more than 100 domestic GMP pharmaceutical manufacturers and numerous small manufacturers. There is a fear of vicious competition.

(ii) Countermeasures

The Company capitalizes on innovative research and development and quality management to lower costs, create differentiation and increase profitability, and a central concept of "continuous R&D" to constantly upgrade the manufacturing process, introduce academic resources, and apply for government subsidies to ensure a leading position in the industry. The Company also increases its R&D expenses year by year, uses technology transfer and industry-academia cooperation to actively develop new products and new effects, and enhances the added value of the products by obtaining patents and health food certifications. The R&D focus is "going clinical and international", that means working with foreign scholars to publish journals and complete clinical trials to prove to foreign buyers the effectiveness of the Company’s products or raw materials and raise their interest, so as to enter the international market.

(2) Important usage of the main products and production process

i. Important usage of the main products

(i) Probiotics & Prebiotics: The product can change the body’s bacterial plexus ecology, maintain the digestive function and adjust the physiological function.

(ii) Bio Aid 995: The product can provide the necessary nutrients for a balanced body to help maintain good health.

(iii) Antrodia Aqua: The health drink can balance the body’s constitution, and has no side effects on the human body.

(iv) Meal Supplement: The product can promote the body's metabolism, provide balanced nutrition for growth and help the body regain strength.

(v) Li Sheng: The product can adjust the body’s constitution and promote metabolism.

(vi) Bai Ke Sz capsule: The product can nourish the body and adjust the body’s constitution

ii. The production process of the main products

(i) Super 13 Pro & Prebiotics

Material collecting	Cultivating	Blending	Capsule sorting	Filling	Packaging	Quality control	Awaiting testing	Warehousing

(ii) Bio Aid 995 and Antrodia Aqua

Material collecting	Cultivating	Blending	Sterilizing	Flavoring	Filling	Sealing	Spray printing
Sterilizing	Packaging	Labeling	Packaging	Quality control	Awaiting testing	Warehousing	

(iii) Meal Supplement, Li Sheng and Bai Ke Sz capsule

Material collecting	Blending	Testing	Filling	Testing	Packaging	Warehousing

(3) Supply of major raw materials

Main Materials		
Raw Material	Main Source	Status of Supply
Capsule	Domestic manufacturer	Normal
Granulated sugar	Domestic manufacturer	Normal
Vitamins and food additives	Foreign manufacturer	Normal
Alcohol	Foreign manufacturer	Normal
Chinese medicine	Domestic manufacturer	Normal
Aluminum foil carton	Foreign manufacturer	Normal
Carton	Domestic manufacturer	Normal
Carton box	Domestic manufacturer	Normal
Glass bottle	Domestic manufacturer	Normal

(4) Names of customers who accounted for more than 10% of the total amount of goods purchased/sold in the past two years, the amounts and percentages of the goods purchased/sold and the reasons for the increase or decrease.

i. Major Suppliers in the past two years: The Company did not have any supplier who accounted for more than 10% of the total goods purchased in the past two years.

ii. Major Customers in the past two years: The Company did not have any customer who accounted for more than 10% of the total goods sold in the past two years.

3. Employee Information for the Past Two Years and as of the Publication of the Annual Report:

Unit: person; %

Year		2023	2024	2025 as of the date of publication of the Annual Report (March 28, 2024)
Number of employees	Staff	556	544	527
	Technician	129	135	124
	Operator	179	172	156
	Total	864	851	807
Average age		37.73	39.27	39.73
Average service year		4.75	7.23	7.45
Academic distribution	Ph.D.	1.72	1.62	1.73
	Master’s degree	15.62	13.89	14.83
	College	60.17	55.32	54.76
	High school	20.49	21.42	21.26
	Below high school	2.00	7.75	7.42

Note: The number of employees is the total number of employees of the Company and its subsidiaries (including contracted and expatriate employees).

4. Environmental Expenditure Information:

(1) Environmental expenditure items are mainly divided into water pollution preventing management, waste management, air pollution prevention, noise management and other related expenses.

(2) Various environmental management expenses are as follows:

Environmental administrative fees, environmental facilities maintenance costs, environmental treatment costs, environmental testing costs and environmental improvement costs.

(3) The overall environmental protection investment planning and cost in 2024 are as follows:

Unit: NT$ thousand

Environmental management	Zhongli plant	Pingzhen plant	Yongfeng plant	Longtan branch	Total
Water pollution preventing management	39,671	2,781	1,085	4,004	47,541
Waste management	3,897	2,008	122	2,711	8,738
Air pollution management	507	-	108	203	818
Noise management	-	470	-	-	470
Total	44,075	5,259	1,315	6,918	57,567

(4) Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: In 2024, and as of the printing date of the 2024 annual report, a total of NT$294,500 in fines were incurred (explanation below).

Zhongli plant:

Disposition dates	Fine Notification No.	Articles of law violated	Content of law violated	Content of the dispositions	Estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken
2024.01.05	40-113-010007	Paragraph 1, Article 36 of the Waste Disposal Act	The brine chiller was damaged and the waste of antifreeze produced by the chiller was stored in a low concentration reservoir (T01-23). However, the odor from the antifreeze waste has spread out.	Fine NT$6,000. Deadline for improvement: January 5, 2024. With 1 hour of environmental training.	The plant was unable to process the odor from the antifreeze waste, so the waste was transported to the waste water plant at the Pingzhen Industrial Park. No odor was spreading from the plant. The improvement was completed on February 6, 2024.
2024.03.14	30-113-030010	Subparagraph 2, Paragraph 1, Article 30 of the Water Pollution Control Act	Wastewater was discharged into a pipe on the back wall in Zhongli Plant. A sample from the discharge pipe was collected onsite, and the COD test kit results indicated water quality exceeding 250 ppm. This polluted the water in the restricted area by the public announcement of letter No.1040151682 issued on June 17, 2015 and had affected the water quality.	Fine NT$30,000. Deadline for improvement: November 30, 2023. With 2 hours of environmental training.	The abnormal pipe on the back wall of Zhongli Plant had been sealed by PVC cap and cement. The drains on the floor were also fixed to ensure no abnormal waste water will discharge from the back wall in Zhongli Plant. The improvement was completed on November 30, 2024.

Disposition dates	Fine Notification No.	Articles of law violated	Content of law violated	Content of the dispositions	Estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken
2024.03.15	30-113-030012	Article 18 of the Water Pollution Control Act	The cooling water from the blower was transported to sludge concentrated pool T01-41 by pipe, which also transported rain water. Waste water and rain water were collected together and transported to sludge concentrated pool T01-41 without separation	Fine NT$32,500. Deadline for improvement: December 20, 2023. With 2 hours of environmental training.	An individual pipe was installed to transport the cooling water from the blower to the waste water collecting pool without going through the rain water pipe in Zhongli Plant to ensure rain water and waste water were collected separately. The improvement was completed in January 2025.
2024.04.23	30-113-040021	Paragraph 1, Article 14 of the Water Pollution Control Act	There were two unknown waste water tanks in Zhongli Plant that were not registered in the water pollution control permit, which was not in compliance with the permit.	Fine NT$126,000. With 2 hours of environmental training.	For the two unknown waste water tanks, one waste water tank was sealed by cement due to being idle and unused for a long time (The improvement was completed on April 28, 2024). Another waste water tank was added on the new discharge permit in cooperation with the audit inspection by the Department of Environmental Protection. It is expected to obtain the permit by May 2025.

Longtan plant:

Disposition dates	Fine Notification No.	Articles of law violated	Content of law violated	Content of the dispositions	Estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken
2025.02.18	20-114-020005	Article 3 of the Regulations of Self-inspection or Entrusted Inspection and Reporting of Fixed Pollution Sources	Did not conduct regular inspection and report of the fixed pollution sources	Fine NT$100,000.	The Company will conduct regular inspection on NOx within the improvement period, and expect to be done before May 12, 2025.

5. Labor Relations:

(1) Employee welfare:

The Company adopts a dual welfare system (dual welfare from the Company itself and the Welfare Committee). In order to ensure the Company’s compensation and welfare system is advantageously above the industry level, we actively introduced various management system, such as the performance and target management system to effectively distinguish between the superior and inferior employees, so as to make the performance assessment fair and transparent. The Company also set up a merit and demerit compensation weighting system to effectively encourage employees to set high standards for themselves and exceed the goals set for them. The Company also introduced a reward and punishment system and a model employee system to create a positive influence through excellent employees and create a sense of honor. The welfare items are summarized as follows:

List of Welfare Items			
Year-end bonus	Festival gifts	Uniform and free cleaning	Salary account remittance fee discount
Employee bonus	Wedding cash gift	Shopping privilege	Parking facilities
Group insurance	Funeral support	Scholarship	Health center, breast feeding room
Employee dependency Insurance	Child birth cash gift	Scholarship for children	Employee travel

List of Welfare Items			
Travel insurance	Hospital support	Designated store discount	Retirement program
Overseas employee insurance	Employee Gym	Model employee selection	Meal subsidies
New staff health check	Birthday cash gift	Dragon Boat Festival Cash gift	Mid-Autumn Festival Cash gift
Regular staff health check	Year-end activity or cash gift	Mental health counseling services	On-site massage service

(2) Staff advanced study and training:

In order to implement the Company's training policy of "adhering to quality system training and developing not just the business but the careers of the employees as well", the Company continues to cultivate talents and receives the honor of “Silver Medal” from the TTQS system (a quality management system for talent development). We will continue to deepen and expand the theory of talents cultivation and development to build a talent echelon, while encouraging employees to participate in various learning opportunities to form a good learning atmosphere within the organization.

i. Training performance over the years:

(i) The employees are encouraged to participate in relevant training courses organized by domestic and foreign government agencies and civil organizations to acquire the latest information and market trends.

(ii) The Company combined government resources to develop training courses, and actively cultivated the employees for diversified talent development.

(iii) The Company conducted orientation training to newcomers, and the training content included a description of the Company’s business philosophy, operations, organizational structure, products and services, code of conduct, business confidentiality, personal data protection, internal rules and regulations, as well as an introduction to the information environment, labor safety, food safety, work content and work environment.

(iv) Through regular access to the "GPS Navigation - Seeing the Technology of Grape King" each quarter, the staff will be able to understand more about the Company's operations and related hardware and software equipment and environment, so as to build staff loyalty.

(v) The Company actively invited professional lecturers from domestic and foreign academic or educational institutions to make thematic speeches. Through a variety of interactive activities, the employees could absorb new knowledge and exchange technical know-how.

ii. Analysis of training performance over the years:

Year / Item	2023	2024	2025 as of the date of publication of the Annual Report (March 28, 2025)
Average no. of external training hours per month	200.3	279.7	351.2
Average no. of internal training hours per month	585.6	559.3	852.5
Average no. of employees receiving external training per month	22.3	36.4	37.7
Average no. of employees receiving internal training per month	305.9	283.7	301.3

Item \ Year	2023	2024	2025 as of the date of publication of the Annual Report (March 28, 2025)
Total annual training hours	9,431	10,068	3,611
Total no. of employees receiving training during the year	3,938	3,841	1,017
Annual training penetration rate (%)	100%	100%	77.9%

(3) Retirement system and its implementation:

The Company has formulated a staff retirement scheme in accordance with the Employee Retirement Measures of the Labor Law, and will fund a dedicated account on a monthly basis for such use in accordance with the provisions of the Employee Retirement Fund Provision and Management Measures. Employees who have served the Company for more than 15 years and are 55 years of age or older, or who have served the Company for more than 25 years, or who have served the Company for more than 10 years and are 60 years of age or older are entitled to old retirement applications. The Company will give a multiplier of 2 for every year of service, but for a service of more than 15 years, after the 15th year a multiplier of 1 will be given for every year of service, with the highest total of 45. A service of less than half a year will be calculated as half a year, and more than half a year will be calculated as a year. With the new employee pension scheme, the monthly allocation covered by the Company should not be lower than 6% of the employee’s monthly salary transferred to the individual pension account of the Labor Insurance Bureau.

(4) In order to promote the harmonious relationship between the employees and the Company, we actively promote various measures to safeguard the rights and interests of all employees to ensure that the Company’s corporate governance conforms to the relevant laws and regulations. The relevant safeguarding measures are as follows:

i. Regularly holding labor meetings to ensure a smooth communication channel between the employees and the Company.

ii. Providing multiple complaint and report channels (such as a report and complaint telephone line and email address).

iii. Implementing satisfaction surveys to listen to the employees’ voices.

iv. The old and new employees meet from time to time to provide assistance or advice regarding the work of other employees.

v. Implementing internal and external audit systems to strengthen the Company's operations.

vi. Increasing policy advocacy methods (such as internal sites, email address, bulletin boards, meetings, briefings and written tests) to enhance the employees’ understanding and participation.

(5) Working environment and employee personal safety protection measures:

The Company has long been committed to staff care, and looks forward to its growth as well as fulfilling its social responsibility in order to achieve sustainable development. The specific measures are as follows:

i. Company structure:

(i) Establishment of a level-one unit: Work Safety Department and Environmental Protection Department.

(ii) Establishment of a cross-department disaster prevention unit: The Occupational Safety and Health Committee.

(iii) Establishment of the Employee Health Management Center: Employed full-time

Registered Nurses and Occupational Physician (concurrent).

(iv) Set up a report and complaint unit of unlawful infringement at workplace: Unlawful infringement team.

ii. Management policy:

(i) Following the strategy, "Perform compliance obligation, reduce risk of danger, implement environmental protection policy, friendly environment for workplace, promote participation of all and cycle improvement for sustainability" to promote occupational safety, healthcare and management solution.

(ii) Set up ISO45001, Taiwan Occupational Safety and Health Management System (TOSHMS). The Company has compiled a total of 36 procedures (i.e., occupational safety and health manuals, management of environmental safety and health risks and opportunities) and a total of 38 SOPs (i.e., code of conduct for occupational safety and health), that serve as operating guidelines to employees.

(iii) Fire prevention and public safety: To ensure safety, the Company maintains a comprehensive program that includes regular reporting on hazardous materials, fire equipment repairs, and annual public building safety inspections. It also has an emergency control facility and conducts fire drills and emergency evacuation training to promote employee preparedness.

(iv) Education and training: Orientation training for new staff, fire prevention training (twice a year), vocational license annual re-training (for hazardous operation executives, stacker operators, crane operators, pressure vessel operators, etc.).

(v) Health protection related operating rules: The Company has formulated the “Working Rules for the Protection of Maternal Labor’s Health”, “Operating Procedures for Prevention of Abnormal Workloads Which Trigger Diseases”, “Management Procedures for Prevention of Hazards Due to Human Factors”, “Operating Procedures for Prevention of Unlawful Infringement in the Execution of Duties", "Operating Procedures for Worker Selection and Assessment", "Operating Procedures for Work Resumption Assessment", "Operating Procedures for Worker Dispatch Assessment" and "Health Management Procedures", and has arranged regular health checks, special operation-related health checks, influenza vaccinations, etc. for the staff health protection.

(vi) Encourage all employees to have work safety goals: To improve occupational safety, implement safety training for all employees, set up personal occupational safety slogans, and propose improvement activities. Through observing and learning from each other and healthy competition, our goal is to build a comprehensive safe culture.

iii. Implementation status:

(i) Confined space: For the cleaning and maintenance of fermentation tanks and other confined spaces, the Company has established the "Management Approach for Confined Space Operation" and requires the operator to wear oxygen detection equipment, anti-fall equipment, a helmet and other personal safety equipment before the work.

(ii) Chemicals and toxicants: The Company manages chemicals and toxicants for R&D and commodity inspection purposes in accordance with the requirements of the Occupational Safety and Health Ordinance and the Environmental Protection Regulations (on the storage of liquid ingredients and waste liquids, entry and exit registration, periodic filing and regular SDS updates).

(iii) Evaluation of machinery purchases, acceptance of checks focusing on essential safety features, regular safety project implementation, joint inspections and irregular audits, emphasis on operator behavior, and safe working environment.

(iv) Health management: According to the "Employee Health Check Practices" and related regulations, the Company annually offers special-operation health checks to employees who are exposed to noises or chemicals or in contact with the products, and offers a general health check for employees over a certain age every 3 to 5 years. From 2022 to 2024, the Company followed and excelled the statutory requirement of providing free health checks for all employees. In the future, the Company will strive for the goal of annual health checks to all employees.

Year	Number of Health Checks Performed
2022	445
2023	550
2024	523

For the prevention and handling of accidents in the plant, the plant is currently equipped with qualified nursing staff, nursing carts and the Health Management Center, and each production unit (at the entrance) is equipped with a first-aid box and AED equipment for emergency use.

(v) Occupational hazards: The Company did not have any major occupational hazards from 2022 to 2024. As of 2024, there was an accumulation of 940,000 accident-free working hours recorded at Pingzhen Plant.

iv. Relevant Certification：

(i) Received the “Influenza Prevention Alliance Gold Award” from the Centers for Disease Control.

(ii) Received the “Excellent & Healthy Workplace, and Health Caring Award” from the Health Promotion Administration, Ministry of Health and Welfare.

(iii) Excellent corporate by the “Corporate Sustainability Reports disclose occupational health and safety performance initiative evaluation” from Occupational Safety and Health Administration, MOL.

(iv) Received the “Excellent unit in the Grape King Bio health and safety family” from Taoyuan City.

(6) Other important agreements: Nil. The Company regularly holds labor meetings to facilitate communication between the employees and the Company.

(7) Any loss due to labor disputes in the past year and as of the date of publication of the annual report: In 2024 and as of the Date of Publication of the Annual Report, the Ministry of Labor has imposed penalties which are listed below. The Company has since set up complete and efficient labor-management communication channels, and has provided employees with a good working environment and comprehensive welfare program. There have been no major labor disputes or incidents that caused major losses. The Company will continue to safeguard labor rights and interests, and strive to maintain a harmonious labor-management relationship.

Penalty date	Penalty No.	Breach of law	Breach of provisions	Penalty
2024.09.26	No. 1130270505 of Labor Inspection in 2024	Article 30-6 of Labor Standards Act	The labor attendance is not recorded up to minute by day	Fine NT$20,000
2025.02.08 (Note)	Labor-Na-No. 11401856550	Article 70 to 72 of the Labor Insurance Act	Failed to withdraw or pay pension in full on time	Fine NT$57,024
2025.02.13	No. 1140032945 of Labor Inspection in 2025	Article 58-1-5 of Regulations for the Occupational Safety and Health Equipments and Measures; and Article 6-1 of Occupational Safety and Health Act	Hazardous parts of computer numerical control (CNC) or other automated machinery should be equipped with protective guards, enclosures, or interlocked safety doors.	Fine NT$100,000

Penalty date	Penalty No.	Breach of law	Breach of provisions	Penalty
2025.02.13	Bao-Tui-San-No. 11460014421	Article 15-2 of the Labor Pension Act	Failed to accurately report and adjust the pension contribution wages for workers in accordance with regulations	Fine NT$5,000

Note: This is the issuance date of the case.

6. Cyber security management:

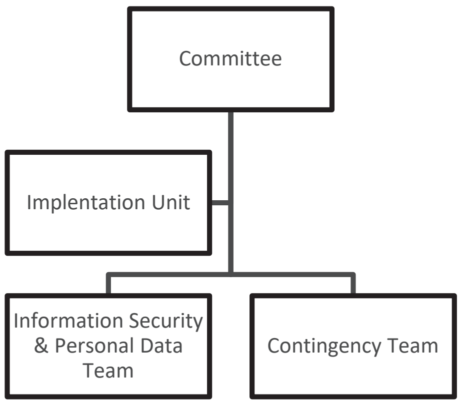
(1) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management:

i. Cyber security risk management framework

(i) Corporate information security governance organization

In order to establish proper management structure to effectively promote and handle internal information security and personal data protection management, the Company has established “Information Security & Personal Data Protection Committee”. The duties and responsibilities of the Committee include reviewing information security safety policy and personal data file security maintenance plan, assigning responsibility of information security and data protection, and coordinating implementation of each information security measure, so the information security and personal data protection management system can continue its steady operation. The Company’s “Information Security & Personal Data Protection Committee” is under the jurisdiction of “Information Security and Personal Information Team”, which is formed by managers from each division in R&D Division, Manufacturing and SCM Division, Supply Chain, Sales and Marketing Division, Finance Division, and Management Division. It reports information security management performance and information security relevant matters and directions regularly at the Board of Directors meeting every year. The duties and responsibilities of the team include discussing information security management regulations, promoting information security event, conducting information security training, establishing risk management system, implementing risk management, establishing contingency and recovery plans for security incident, tracking the improvement item and corrective and preventive action after the internal and external audit on information security, analyzing incident frequency and make action plan for records of information security incident, summarizing applicable laws and regulations of the information security, establishing risk management system, and implementing risk management.

(ii) Information Security & Personal Data Protection Committee Organization



ii. Information security policy

The Company constructed the information security policy that complies with the Company's information security management in accordance with the regulations of "ISO 27001" and the information security management strategy with business needs consideration to strengthen information security management, and also ensured the confidentiality, integrity, and availability have met the requirement of relevant regulations to avoid internal or external threats that are either deliberated or accidental. Regular meetings are held to all staff of the Company, outsourced staff, and security management of all relevant information and assets. We review the applicability of the information security policy and protective measure by Plan-Do-Check-Act (PDCA) mechanism, while regularly reporting the implementation result to the Information Security & Personal Data Protection Committee.

iii. Management Plan

The Company grasps cyber security through four phases: In the "Planning Phase", it emphasizes on information security risk management and establishes a complete Information Security Management System (ISMS). The Company successfully revalidated its ISO27001 certification on May 27, 2023. The validity period of the new certificate is from May 27, 2023 to October 31, 2025 and continue to keep the standard of ISO/IEC 27001 certification in all plants. It reduced corporate information security threat from the system, technology, and procedure aspects, and established a high standard protection service for confidential information that met the customers' needs. In the "Doing Phase", it constructs a multi-layer information security protection, continues to introduce new defensives technology for information security, and integrates the control mechanism of information security in daily operation procedures such as software and hardware operations and supplier information security management, while systematically monitoring information security, maintaining the confidentiality, integrity, and availability of the Company's valuable assets. In the "Checking Phase", the Company actively monitors the information security management performance and measures information security indicator and quantitative analysis based on the checking result. It also evaluates information security through regular stimulation drill. In the "Acting Phase", it focuses on review and continuous improvement, implements supervision, and conducts audit to keep the information security regulation effective. In addition to its incident response and intelligence-driven incident response, the Company has strategically joined relevant organizations to obtain information security information in advance, including information security threats and vulnerability assessments.

- Science Park Information Sharing and Analysis Center (SP-ISAC)
- International Collaborative Cyber Defense · Cross-National Cyber Intelligence Exchange · Entrepreneurial Cybersecurity Incident (TWCERT/CC)

In addition, threat intelligence collecting resource may include the following channels:

- Warning information issued by the authority such as: National Institute of Cyber Security, Administration for Cyber Security, MODA, etc.
- Information security update, vulnerability announcement, or repair suggestion from the equipment supplier or original manufacturer. It is usually issued by technology support announcement, regular report, or urgent notice.

iv. 2024 initiatives:

(i) Assign information security personnel: 3

(ii) The total amount invested in certification, authorization, and equipment were 4.34 million dollars.

(iii) Conduct cyber security audit regularly.

(iv) Promote Information security regularly and conduct email social engineering drill regularly (every 2 weeks), in order to enhance the employees' adaptability and alertness on information security risk.

(v) In response to changes in the ERP network architecture, a business continuity planning drill is implemented.

(vi) Perform one offsite backup and restore tests.

(vii) Hold one meeting of the Personal Data Committee.

(viii) The Sustainable Development and ESG Committee convened four status meetings on the progress of the Company's sustainability goals.

(ix) The information security implementation status was reported at the 4th meeting of the 21st session of the Board of Directors on January 18, 2025.

(x) Given the import plan of the ISMS system, we have revalidated and certified ISO27001 certification on May 27, 2023, which is valid from 2023/5/27 to 2025/10/31.

(2) List any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

No significant information security incident occurred in 2024 and as of the publication of this annual report. The Company continues to take precautionary measures and has budget allocation for strengthening information technology security and reducing risk of malware attack.

7. Important Contracts:

In addition to regular supply and sales contracts with its distributors and agents throughout the province, the Company has the following contracts in place:

No.	Contract Type	Counterparty	Contract Start and Ending Dates	Contents
1.	Engineering contract	(1) KING POLYTECHNIC ENGINEERING CO.LTD. (2) HONG SIANG CONSTRUCTION CO., LTD.	June 1, 2024 – June 16, 2025	Construction of mechanical engineering of the second phrase of Longtan Plant
2.	Engineering contract	Taimaofeng Construction Co., Ltd.	February 18, 2025	Additional steel structure construction in the first phase of Pingzhen Yongfeng Plant
3.	Equipment purchase contract	LISKY-TW ENTERPRISE CO., LTD.	April 23, 2024 – February 28, 2025	Purchase of drying equipment
4.	Equipment purchase contract	BIO-TOP PROCESS & EQUIPMENT INC.	June 14, 2024 – February 28, 2025	Purchase of barrel and tank

V

Review and Analysis of Financial Status and Business Results and Risk Issues

1. Financial Status
2. Financial Performance
3. Cash Flow
4. Impact of Major Capital Expenditure in the Past Year on the Financial Status
5. Re-investment Policy in the Past Year, the Main Reason for Its Profit or Loss, the Improvement Plan and Investment Plan in the Next Year
6. Analysis and Assessment of Risk Issues in the Past Year and as of the Date of Publication of the Annual Report
7. Other Important Matters

1. Financial Status

(1) Main reasons for significant changes in assets, liabilities and equity in the last two years and their impact:

Unit: NT$ thousand; %

Item / Year	December 31, 2024	December 31, 2023	Difference	% of change
Current assets	5,596,174	6,038,777	(442,603)	(7.33%)
Property, plant and equipment	7,699,215	7,538,682	160,533	2.13%
Intangible assets	118,720	125,087	(6,367)	(5.09%)
Other assets	1,909,529	1,809,295	100,234	5.54%
Total assets	15,323,638	15,511,841	(188,203)	(1.21%)
Current liabilities	3,323,043	3,647,384	(324,341)	(8.89%)
Other liabilities	209,900	234,522	(24,622)	(10.50%)
Total liabilities	3,532,943	3,881,906	(348,963)	(8.99%)
Common stock	1,481,374	1,481,374	-	0.00%
Additional paid-in capital	2,878,597	2,876,346	2,251	0.08%
Retained earnings	5,730,489	5,700,136	30,353	0.53%
Other components of equity	(34,761)	(79,557)	44,796	(56.31%)
Non-controlling interests	1,734,996	1,651,636	83,360	5.05%
Total equity	11,790,695	11,629,935	160,760	1.38%

(2) Analysis and description (for the changes of 20% or more, and the changes with an amount of NT$10 million or more):

i. Other components of equity: It was mainly due to the decrease in exchange differences of translating the financial statements of foreign operations of foreign investments accounted for using the equity methods.

(3) Major impact and corresponding plan on the Company's future financial operations: The above changes had no major impact on the Company.

2. Financial Performance

(1) Main reasons for significant changes in operating income, net operating profit and pre-tax net profit in the last two years, sales forecast and the basis, and possible impact on the Company's future financial status and the contingency plan:

Unit: NT$ thousand; %

Item / Year	2024	2023	Difference	% of change
Operating revenues	11,160,005	10,635,464	524,541	4.93%
Operating costs	(2,502,472)	(2,101,926)	(400,546)	19.06%
Gross profit	8,657,533	8,533,538	123,995	1.45%
Operating expenses	(6,157,698)	(6,036,873)	(120,825)	2.00%
Operating income	2,499,835	2,496,665	3,170	0.13%
Non-operating income and expenses	173,470	163,955	9,515	5.80%
Income from continuing operations before income tax	2,673,305	2,660,620	12,685	0.48%
Income tax expense	(502,152)	(519,109)	16,957	(3.27%)
Net income	2,171,153	2,141,511	29,642	1.38%
Other comprehensive income	50,194	(24,500)	74,694	(304.87%)
Total comprehensive income	2,221,347	2,117,011	104,336	4.93%
Net profit attributable to the Stockholders of the parent	1,448,299	1,452,728	(4,429)	(0.30%)
Net profit attributable to non-controlling interests	722,854	688,783	34,071	4.95%
Total comprehensive income (loss) attributable to the Stockholders of the parent	1,497,268	1,428,561	68,707	4.81%
Total comprehensive income (loss) attributable to non-controlling interests	724,079	688,450	35,629	5.18%

(2) Analysis and description (for the change of 20% or more, and the amount of change of NT$10 million or more):

i. Other comprehensive income: It was mainly due to exchange differences of translating the financial statements of foreign operations of foreign investments accounted for using the equity methods.

(3) Sales volume forecast and related information: For more details, please refer to “I. Letter to Shareholders”.

(4) Major impact and corresponding plan on the Company’s future financial operations: The above changes had no major impact on the Company.

3. Cash Flow

(1) Cash flow analysis for the current year:

Unit: NT$ thousand

Beginning cash balance (1)	Net cash flow from operating activities throughout the year (2)	Net cash flow from investment and financing activities throughout the year (3)	Cash surplus (Deficit) (1)+(2)+(3)	Leverage of Cash Deficit	
				Investment plan	Financing plan
4,818,703	1,875,912	(2,352,010)	4,342,605	-	-

i. Analysis of changes in cash flow:

(i) Operating activities: Operational source reflected as the source of net cash flow driven by continued operating growth and steady earnings.

(ii) Investment activities: Plant building, machine and equipment purchase was the major reason for cash outflows from investing activities.

(iii) Financing activities: The net cash outflow from financing activities mainly due to cash dividends paid.

ii. Remedy for a lack of liquidity: NA

(2) Analysis of cash flow in the coming year

Unit: NT$ thousand

Beginning cash balance (1)	Net cash flow from operating activities throughout the year (2)	Net cash flow forecast for the year (3)	Cash surplus (Deficit) forecast (1)+(2)+(3)	Leverage of Cash Deficit	
				Investment plan	Financing plan
4,342,605	2,289,960	(2,905,145)	3,727,420	-	-

i. Analysis of changes in cash flow:

(i) The forecasted net cash inflow from operating activities is mainly due to the continued business growth and an increase in revenue.

(ii) The forecasted net cash outflow for the whole year is mainly due to the capital expenditure and the payment of cash dividends.

ii. Remedy for a lack of liquidity: NA.

4. Impact of Major Capital Expenditure in the Past Year on the Financial Status

In order to provide a more stable production capacity for market demand, the Company builds the first phase of the Grape King Bio Park. The amount paid for purchasing real estate, plant, and equipment was NT$340 million in 2024. The Company expands the second phase of the Longtan plant. The amount paid for purchasing real estate, plant, and equipment was NT$105 million as of 2024. The source of funds of the two major capital expenditures mentioned previously mainly came from equity fund and had no major impact on the Company’s financial status.

5. Re-investment Policy in the Past Year, the Main Reason for Its Profit or Loss, the Improvement Plan and Investment Plan in the Next Year

(1) Reinvestment policy in the past year: Vigilantly evaluate investment plans that are in line with the long-term development strategy.

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

The Company's main reinvestment businesses are as follows:

i. Pro-Partner Ltd.

(i) The net income was NT$1,812,074 thousand in 2024, and the Company holds 60% of its shares. The profit recognized was NT$1,088,893 thousand.

(ii) Pro-Partner Ltd. mainly sells health food products of the Company. In recent years, the concept of health care has become popular, and the related products of the Company are effective and widely recognized by consumers, thus generating a good business performance.

ii. Shanghai Grape King Enterprise Co., Ltd. (100% owned by BVI GRAPE KING INTERNATIONAL INVESTMENT INC)

(i) The net income was NT$9,070 thousand in 2024.

(ii) Shanghai Grape King Enterprise Co., Ltd. mainly focuses on ODM and OEM orders. As the health food demand increases in various sales channels such as direct sales and e-commerce, it is actively soliciting ODM orders, and in the future, it will continue cooperating with its parent company in Taiwan to increase the business volume.

iii. Rivershine Ltd.

(i) The net income was NT$21,349 thousand in 2024.

(ii) Rivershine Ltd. mainly sells the beverage and health care products of the Company. It is actively expanding its physical channels and through marketing partners to increase the sales amount.

iv. Shanghai Rivershine Ltd. (100% owned by BVI GRAPE KING INTERNATIONAL INVESTMENT INC)

(i) The net loss was NT$215 thousand in 2024.

(ii) Shanghai Rivershine Ltd. mainly sells the health care products of the Company. It will continue expanding its physical channels and increase marketing partners.

v. GK BIO International SDN. BHD.

(i) The net income was NT$64,114 thousand in 2024, and the Company holds 35% of its shares. The profit recognized was NT$22,445 thousand.

(ii) GK BIO International SDN. BHD. is a major sales partner of the Company in the Southeast Asia. It will keep expanding its sales channels in the future in hopes of further penetrating into the ASEAN and Muslim markets.

vi. Shanghai Changhong Biotechnology Co., Ltd.

(i) The Company re-invested US$245.7 thousand in Shanghai Changhong Biotechnology Co., Ltd., and hold 35.1% of its shares. The major business item is technological development and consultancy in the professional field of biotechnology. Shanghai Changhong Biotechnology Co., Ltd is currently undergoing its liquidation procedures in November 2022, resulting in a recoverable amount less than the amount of the Company's investment, the Company recognized investment losses of $2,538 thousand for the year ended December 31, 2022. 2024 Liquidation process has yet to be completed yet.

vii. Shanghai Xinquan Biotechnology Co., Ltd.

(i) The net loss was NT$458 thousand in 2024, and the Company holds 45% of its shares. The loss recognized was NT$206 thousand.

(ii) The Company re-invested RMB2.25 million in Shanghai Xinquan Biotechnology Co., Ltd., and holds 45% of its shares. The major business item is technological development and consultancy in the professional field of biotechnology.

viii. ELITE PROPARTNER HOLDINGS SDN. BHD.

(i) The net loss was NT$328 thousand in 2024.

(ii) It is a subsidiary of Pro-Partner Ltd. with 100% shareholding to expand the market in Malaysia.

ix. UVACO MY SDN. BHD.

(i) The net loss was NT$777 thousand in 2024.

(ii) A subsidiary of Pro-partner Ltd. with 100% shareholding for market expansion in Malaysia.

x. Shanghai Pujun Trading Co., Ltd.

(i) The net income was NT$8,692 thousand in 2024, and the Company holds 51% of its shares. The profit recognized was NT$4,432 thousand.

(ii) A subsidiary of Grape King Bio Shanghai with 51% shareholding, focused on selling other companies' products to establish a distribution channel for its own brand.

xi. PUBAI LIMITED

(i) The net loss was NT$661 thousand in 2024, and the Company holds 55% of its shares. The loss recognized was NT$363 thousand.

(ii) A subsidiary of Grape King Bio Shanghai with 55% shareholding, focused on expanding products of private labels and making sales in China through cross-border e-commerce.

xii. Shanghai Puxun Supply Chain Management Co., Ltd.

(i) The net loss was NT$931 thousand in 2024, and the Company holds 67% of its shares. The loss recognized was NT$624 thousand.

(ii) A subsidiary of Grape King Bio Shanghai with 67% shareholding, focused on integrating customer delivery services with logistics and distribution business to enhance customer loyalty.

xiii. Shanghai Puyou Trading Co., Ltd.

(i) The net income was NT$753 thousand in 2024, and the Company holds 61% of its shares. The profit recognized was NT$459 thousand.

(ii) A subsidiary of Shanghai Pujun Trading Co., Ltd. with 55% shareholding and Grape King Bio Shanghai with 51% shareholding. To expand the sales in China, vending machine sales module is adopted.

(3) Investment plan in the coming year:

The Company remains long-term and strategic investment as a principle and continuously evaluates its re-investment plans.

6. Analysis and Assessment of Risk Issues in the Past Year and as of the Date of Publication of the Annual Report

(1) The impact of interest and exchange rate changes and inflation on the Company's profit and loss and future counter measures:

i. Interest rate changes: The interest rate risk of the Company and its subsidiaries mainly comes from bank loans. The interest expense of bank loans in 2024 was 0.0001% of the pre-tax net profit. Therefore, interest rate changes have little effect on the profit and loss of the Company. In the future the Company will adjust its use of funds in response to interest rate changes.

ii. Exchange rate changes: The business of the Company and its subsidiaries mainly depends on the local market and raw materials, and less on imported raw materials and exports. Therefore, the ratios of foreign currency assets to total assets and foreign currency liabilities to total liabilities are small, and the impact of exchange rate changes on the Company is limited.

iii. Inflation: The price indices of the places where the Company and its subsidiaries operate are stable, and there has been no significant inflation. The Company will keep paying attention to the fluctuation of prices in various places and take timely measures to minimize the impact.

(2) Policies of engagement in high-risk and highly leveraged investments, loans to others, endorsements and guarantees and derivative trading, main reasons for profit or loss and future counter measures: Nil.

(3) R&D plans and estimated R&D expenses in the future:
In 2024, the key focus is to strengthen the efficacy of the existing materials and actively explore the new purpose of those materials. The Company secured NT$4.23 million funding from the Hsinchu Science Park Bureau, National Science and Technology Council for its emerging technology application project of 2024 - “Analysis on cognitive behavioral patterns and neural structural function for using erinacine A in the treatment of ischemic stroke - a preclinical research project”, and successfully completed the “Clinical research on the precise application of clostridium butyricum in osteoarthritis” of 2023. The Company also completed clinical research on: probiotics for anti-fatigue, mushroom to improve emotional disorder. Grape King Bio is actively advancing its probiotic research which includes: probiotics to prevent oral submucous fibrosis, strengthen stomach protection (intestine and mucosa, ulcer caused by drugs), and improve emotion. Hericium erinaceus is targeted at treating ischemic stroke and neurodegenerative diseases. Regarding the development of new botanical drugs, the safety testing on antrodia cinnamomea is completed and the application for IND is expected to be completed in 2025. There are ongoing clinical trials: mushrooms for sarcopenia relief, hericium for Parkinsons disease improvement, and mushrooms for improving exercise performance. The Company is expected to invest NT $25.01 million in 2025.

(4) The impact of important domestic and overseas policy and regulation changes on the financial status of the Company and counter measures:
All businesses of the Company shall be handled in accordance with the regulations of the competent authority, and shall stay vigilant to any revisions made by the competent authority at all times. As of the date of publication of the annual report, the Company has not been affected by any important domestic or international policy or law changes.

(5) The impact of technological (including cyber security risk) and industrial changes on the financial status of the Company and counter measures:

Risk and management measures for information technology security
The Company has built a comprehensive cyber protection measures on network and computers and proactively avoid any network attack from a third party that could paralyze the system. These network attacks would hack into the internal network system and conduct activities that could destroy the Company’s operation and damage the goodwill. They might also steal trade secrets and other confidential information, such as customers’ or other stakeholders’ proprietary information and confidential development results under severe circumstances. The production lines could also have been stopped for this. To ensure its appropriateness and effectiveness, the Company continues to review and evaluate the information security regulation and procedure, and therefore not be

affected by the risk and attack that are constantly updated in the ever-changing information security threat.

To prevent and reduce such damage caused by this kind of attack, the Company implemented relevant improving measures and keeps them up-to-date, such as introduced advanced solution to detect and take care of malware, introduced new technology to enhance data protection, and enhanced phishing email detection. With previously described protection measures, it can prevent and reduce the chances of hacking and malware intrusion. There was no major information security incident occurred in 2024 that had impact on the operation and financial business of the Company.

(6) The impact of corporate image change on the Company’s crisis management and counter measures: Nil.

(7) Expected benefits and possible risks of plant expansion: Nil.

(8) Expected benefits and possible risks of plant expansion:

In response to the increasing demand for health foods at home and abroad, as well as for multi-dose products in the market, and the increase in existing production lines, the Company plans to develop new production lines as part of its capacity expansion in the future. The first phase of the “Grape King Bio Park” was completed in Pingzhen Industrial Park in 2023. The steel structure second phase of the building was under construction and the fermentation tank was fully operational in the second half of 2024. In consideration of the rising construction costs and the overall production line planning, the investment budget is increased for the equipment of the back end of line in 2025. The second phase of the Longtan Plant is being built in 2024 and is expected to be completed in the second half of 2025. The capacity expansion will increase capital expenditure at the initial stage and the operating cost in subsequent stages. Hence, the Company will evaluate industry changes to reduce operating risks.

(9) The impact of concentration of purchase or sales and counter measures:
The risk is not significant due to a lack of concentration of the Company's purchase and sales.

(10) The impact of mass share transfer of or change of Directors, Supervisors or shareholders holding more than 10% of the Company's shares, the risks and counter measures: Nil.

(11) The impact of the change of management on the Company, the risks and counter measures: Nil.

(12) If there is any litigation or non-litigation, please list the significant litigation, non-litigation or administrative litigation with its judgment already made or pending which is related to the Company or the Company’s Directors, General Manager, actual person in charge, shareholders holding more than 10% of the Company's shares or affiliates. If the result may have a significant impact on the shareholders' equity or the price of the Company’s shares, please disclose the fact of the dispute, the claim amount, the date of commencement of the litigation, the principal litigants and the handling of the situation as of the date of publication of the annual report: Nil.

(13) Other important risks and counter measures: Nil.

7. Other Important Matters: Nil

VI

Special Notes

1. Information about the Company's Affiliates
2. Private Securities in the Past Year and as of the Date of Publication of the Annual Report
3. Other Necessary Supplementary Notes
4. Matters in the Past Year and as of the Date of Publication of the Annual Report Which Have a Substantial Impact on Owner's Equity or Share Price as Stipulated in Item 2, Paragraph 2 of Article 36 of the Securities Exchange Law

1. **Information about the Company's Affiliates:** The information has been reported in accordance with regulations and may be inquired on MOPS > Single company > Electronic file download > Three reports of the affiliated company（https://mopsov.twse.com.tw/mops/web/t57sb01_q10）.
2. **Private Securities in the Past Year and as of the Date of Publication of the Annual Report:** Nil.
3. **Other Necessary Supplementary Notes:** Nil.
4. **Matters in the Past Year and as of the Date of Publication of the Annual Report Which Have a Substantial Impact on Owner's Equity or Share Price as Stipulated in Item 2, Paragraph 2 of Article 36 of the Securities Exchange Law:** Nil.

GRAPE KING BIO

Chairman:

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