



Stock Code : 4116

明基三豐醫療器材股份有限公司
BenQ Medical Technology Corp.

Annual General Shareholders' Meeting
Handbook 2025

June 05, 2025

BENQ MEDICAL TECHNOLOGY CORP.

2025 Annual General Shareholders' Meeting

Method of Convening the Meeting: Physical Shareholders' Meeting

Time: 09:30 am., June 05, 2025

Place: 2F, No. 327, Section 1, Tiding Blvd., Neihu Dist., Taipei City
(Li-Ren Hall / LILY Conference)

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I. Report Items

1. Business Report of 2024

Looking back at 2024, under the efforts of the Company's management team and all employees, BenQ Medical achieved steady growth. Consolidated revenue reached NT\$4.767 billion, representing a 5% increase compared to the previous year. Gross profit amounted to NT\$1.448 billion, with a gross margin of 30.4%. Net income attributable to owners of the parent company was NT\$105 million, resulting in earnings per share (EPS) of NT\$2.35.

Enhancing Product Functions and Expanding Agency Product Lines

For proprietary products, with the active involvement of the R&D and management teams, the Company has upgraded product functions, enhanced operational efficiency, and strengthened cost control to strike a balance between quality and price, thereby maintaining product competitiveness. In response to overseas "local manufacturing" policies, the Company has proactively adapted and deployed strategies in a timely manner to drive revenue growth through strategic collaborations. As for agency products, the Company continues to expand the presence in the home-use pet consumer market. In 2024, recognizing the steady growth of the global endoscope equipment market, BenQ Medical Group invested in ERA Biotech, entering the endoscopic market and further expanding the layout of medical equipment field.

Expanding Medical Service Channels

In 2024, BenQ Medical is striving to expand its presence in the medical service sector. NEW BEST HEARING INTERNATIONAL TRADE Co., LTD. has added six new outlets, enhancing customer service through retail expansion. BenQ Healthcare, in collaboration with Tin Tin Drugstore, launched store-in-store locations within Carrefour Taiwan, leveraging the group's synergy. Additionally, BenQ Medical secured the direct dealership rights for "Cheong Kwan Jang" retail outlets. By the fourth quarter of 2024, the BenQ Medical fleet had surpassed 70 sales outlets across Taiwan.

Looking ahead to 2025, BenQ Medical will continue to focus on three major operational directions: "Optimizing Existing Businesses," "Expanding Medical Services," and "Developing Smart Healthcare," aiming for greater achievements and creating long-term value for the Company.

Optimizing Existing Businesses

In 2024, BenQ Medical prepared to establish a manufacturing facility in China. By leveraging the advantages of three production bases — MIT (Made in Taiwan), MII (Made in India), and MIC (Made in China) — the Company aims to enhance its global market competitiveness. At the same time, it continues to develop high-end surgical equipment while expanding into postoperative rehabilitation and home healthcare products. EASTECH LTD. "EASTECH PET" series continues to promote home rehabilitation and healthcare equipment for pets, and plans to introduce pet wellness products to offer a comprehensive product line for the pet market.

In the medical consumables segment, LILY Medical Corp. is actively expanding distribution channels to promote its feeding product line and is developing a chemotherapy drug infusion system to broaden its existing product range. It also continues efforts towards automation in production, thereby improving product quality and gross margins. Through its subsidiary, ERA Biotech, K2 International Medical Inc. has entered the endoscopy market. The endoscopic medical device business is expected to complete new product registrations and officially launch in 2025, targeting applications such as laparoscopic surgeries and endoscopic fundoplication. Additionally, the business unit plans to establish a new department focused on the agency and distribution of professional rehabilitation equipment, further expanding its business scope and enhancing market competitiveness.

Expanding Medical Services

BenQ Healthcare will broaden its product portfolio, introduce new agency product lines, and venture into overseas sales markets. NEW BEST HEARING INTERNATIONAL TRADE Co., LTD. plans to develop the infant and young child hearing loss market while continuing to promote sleep apnea care solutions. CKCARE CO., LTD. (CK-Care Pharmacy) will consolidate logistics needs from allied pharmacies and provide integrated logistics services for strategic alliance pharmacies.

Concord Medical Co., Ltd. focuses on the needs of the aging population, assisting regional hospitals in developing geriatric care departments. It also plans to leverage group resources to organize activities that support disadvantaged communities, thereby strengthening connections between regional hospitals and communities

while practicing ESG principles. Concord HealthCare Corp. continues to enhance management support for dental clinics to improve their operational performance. BenQ AB DentCare Corp. aims to become a full-service provider of digital dental solutions by actively launching new products and increasing the proportion of proprietary product sales. Through co-hosted courses with key opinion leaders and social media marketing, it drives product sales while participating in international dental exhibitions to enhance brand and product visibility and boost market recognition.

Strategic Advancement in Smart Healthcare

Leveraging a comprehensive smart medical imaging integration platform, the Company is committed to delivering precise and intelligent healthcare services tailored for the next generation of smart operating rooms. The second-generation smart operating room solution, iQOR, integrates 5G smart connectivity, 4K surgical imaging, surgical navigation robotics, medical equipment control, online real-time video conferencing, and AI-based surgical report compilation, achieving a significant smart upgrade of the surgical environment. This integrated solution not only enhances surgical efficiency and medical safety but also enables remote surgical assistance and real-time clinical decision-making, thereby driving the advancement and application of smart healthcare technologies.

We would like to extend our sincere gratitude to all shareholders for their unwavering support. Moving forward, the management team and all employees will remain steadfast in focusing on three key areas: medical equipment, medical consumables, and medical services. Through these efforts, we aim to build a comprehensive and robust smart healthcare ecosystem, creating maximum value for the Company and its shareholders.

Wishing you continued good health and prosperity.

Chairman: Chi-Hong (Peter) Chen President: Hsin-Pao (Michael) Kuan Chief Accountant: Zhi-Hua Liu



2. Audit Committee's Review Report

The Board of Directors has prepared the 2024 Business Report, Financial Statements, and the Proposal for Earnings Distribution. The Financial Statements have been audited by KPMG Taiwan and a certified audit report has been jointly issued by CPAs Hsu, Shih-Chun and Tang, Tzu-Chieh. The aforementioned Business Report, Financial Statements, and Earnings Distribution Proposal have been reviewed and verified by the Audit Committee, which found no discrepancies. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report for your review and approval.

Respectfully submitted,

BenQ Medical Technology Corp.
2025 Annual General Shareholders' Meeting

Sincerely,

Audit Committee

Convener of the Audit Committee **Chin-Tung (Daniel) Chang**

Member **Kuang-Jen (KJ) Chou**

Member **Hsuan-Lien (Miranda) Chu**

張錦棟
周光仁
朱煥達

March 03, 2025

3. To report the distribution of employees' and directors' remuneration of 2024

Pursuant to the resolution of the Board of Directors on March 3, 2025, the Company approved the distribution of employee and director remuneration in cash, in the amounts of NT\$10,569,962 and NT\$880,830, respectively.

4. To report the cash dividend distribution of 2024 earnings

In accordance with Article 20 of the Company's Articles of Incorporation, if earnings are to be distributed in the form of cash dividends, the distribution shall be approved by the Board of Directors and subsequently reported to the Shareholders' Meeting.

Pursuant to the resolution of the Board of Directors on March 3, 2025, the Company resolved to distribute a cash dividend of NT\$73,533,900 from the distributable earnings for the fiscal year 2024, equivalent to NT\$1.65 per share, to be paid in cash. The Chairman was authorized to determine the ex-dividend date, payment date, and handle all other relevant matters.

In the event of any changes in the total number of outstanding shares that affect the dividend payout ratio, the Chairman is fully authorized to make any necessary adjustments and handle such matters at his sole discretion.

5. To report the issuance of securities in private placement

On June 7, 2024, the Company's Annual General Meeting of Shareholders approved a proposal authorizing the Board of Directors to, within a limit of up to 6,637 thousand common shares, carry out capital increases through the issuance of new common shares for participation in the issuance of overseas depositary receipts and/or capital increase via cash issuance of common shares and/or private placement of common shares and/or private placement of overseas or domestic convertible corporate bonds.

Pursuant to Article 43-6, Paragraph 7 of the Securities and Exchange Act, private placements of securities may be conducted in tranches within one year from the date of the shareholders' resolution.

Any portion of the above fundraising quota not executed by the day prior to the 2025 Annual General Shareholders' Meeting shall be deemed canceled as of the date of the 2025 Annual General Shareholders' Meeting.

II. Recognition and Discussion Items

Proposal I *(Proposed by the Board of Directors)*

Subject: To recognize Annual Operation Report and Financial Statements for year 2024.

Explanation:

1. The Company's financial statements for the fiscal year 2024 have been audited by CPAs Hsu, Shih-Chun and Tang, Tzu-Chieh of KPMG Taiwan, as engaged by the Board of Directors. The auditors concluded that the financial statements present fairly, in all material respects, the financial position of BenQ Medical Technology Corporation as of December 31, 2024, as well as its financial performance and cash flows for the year then ended. The Business Report is attached for reference; please refer to pages 1 to 2 of this handbook.
2. The Independent Auditors' Report and Financial Statements are provided in Attachment I, pages 10 to 29, and are hereby respectfully submitted for approval.

Resolution:

Proposal II *(Proposed by the Board of Directors)*

Subject: To recognize the proposal for the distribution of 2024 earnings

Explanation:

The Company's Earnings Distribution Proposal for the fiscal year 2024 was reviewed and approved by the Audit Committee on March 3, 2025, and subsequently approved by the Board of Directors on the same date. For details, please refer to Attachment II, page 30.

Resolution:

Proposal III *(Proposed by the Board of Directors)*

Subject: To approve the amendment to the Articles of Incorporation.

Explanation:

1. In accordance with the Presidential Decree Hua-Zong-Yi-Yi-Zi No. 11300069631 dated August 7, 2024, which amended Article 14 of the Securities and Exchange Act, the Company is required to specify in its Articles of Incorporation that a certain percentage of the annual earnings shall be allocated for salary adjustments or compensation distribution to grassroots employees. Therefore, it is proposed to amend the relevant provisions of the Company's Articles of Incorporation.
2. In accordance with Paragraph 6, Article 14 of the Securities and Exchange Act, it is proposed to amend Article 20-1 of the Company's Articles of Incorporation to explicitly state that, if the Company reports a profit for the year, between 5% and 20% of the earnings shall be allocated as employee compensation, and no more than 1% shall be allocated as director compensation. Among the employee compensation, no less than 10% shall be distributed to frontline employees.
3. For a comparison of the original and amended provisions, please refer to Attachment III, page 31.

Resolution:

Proposal IV *(Proposed by the Board of Directors)*

Subject: To lift non-competition restrictions on current directors and their representatives

Explanation:

1. Pursuant to Article 209 of the Company Act, a director who engages in business conduct that falls within the scope of the Company's operations, whether for their own benefit or on behalf of another party, shall explain the material aspects of such conduct to the shareholders' meeting and obtain its approval.
2. As certain directors of the Company may invest in or operate other businesses that are within the same or similar scope as that of the Company, approval from the shareholders' meeting is hereby sought in accordance with the law.
3. It is proposed that the 2025 Annual General Meeting of Shareholders approve the release of non-competition restrictions for the current directors and their representatives. For details, please refer to Attachment IV, page 32.

Resolution:

Proposal V *(Proposed by the Board of Directors)*

Subject: Proposal to Approve the Capital Increase through Issuance of Common Shares for Participation in Global Depositary Receipts (GDRs) and/or Public Offering of Common Shares and/or Private Placement of Common Shares and/or Private Placement of Overseas or Domestic Convertible Bonds – For Discussion

Explanation:

1. Purpose and Scope of Fundraising:

To strengthen working capital, optimize the Company's financial structure, procure materials from overseas, and support other funding needs aligned with the Company's long-term development strategy, it is proposed that the shareholders authorize the Board of Directors to raise funds through one or a combination of the financing methods outlined below. The Board may, at its discretion and in consideration of market conditions and operational requirements, execute such fundraising within a limit of up to 6,637 thousand common shares, in accordance with applicable laws and relevant principles governing each method. If the fundraising is conducted through private placement of overseas or domestic convertible corporate bonds (hereinafter referred to as "Convertible Bonds"), the number of common shares to be converted from such bonds shall be calculated based on the conversion price at the time of the private placement and shall be included within the aforementioned 6,637 thousand share limit.

2. Fundraising Methods and Principles

I. Capital Increase through Cash Issuance of Common Shares for Participation in Global Depositary Receipt (GDR) Offering:

- (1) The issue price for the capital increase through the issuance of common shares for participation in the Global Depositary Receipt (GDR) offering shall be determined with reference to either: (a) the closing price of the Company's common shares on the pricing date, or (b) the simple arithmetic average of the closing prices of the Company's common shares over one, three, or five business days prior to the pricing date (collectively referred to as the "Reference Price"). The actual issue price shall not be lower than 90% of the Reference Price, adjusted for stock dividends, capital reduction, or ex-rights/ex-dividend events. In the event of changes in relevant domestic regulations, the pricing methodology may be adjusted accordingly. Given the potential volatility in the domestic stock market, it is proposed that the Chairman be authorized to determine the final issue price within the abovementioned scope in consultation with the underwriters, taking into consideration

international practices, conditions in global capital markets, and the domestic market price. The pricing methodology is deemed reasonable.

- (2) The determination of both the Reference Price and the actual issue price complies with prevailing market practices and legal requirements. Assuming the full issuance of 6,637 thousand common shares, the issuance would account for approximately 14.89% of the Company's total outstanding common shares. The pricing is based on the fair market price formed on the domestic centralized market. Existing shareholders will still have the opportunity to purchase the Company's common shares on the domestic stock exchange at prices close to the GDR offering price, without bearing exchange rate or liquidity risks, thereby safeguarding shareholder interests.
- (3) In accordance with Article 267 of the Company Act, 10% to 15% of the newly issued shares shall be reserved for subscription by employees. As for the remaining shares, pursuant to Article 28-1 of the Securities and Exchange Act, it is proposed that the shareholders' meeting approve the waiver of preemptive rights by existing shareholders, and that the shares be fully allocated for participation in the GDR offering by way of public issuance. Any unsubscribed portion of the employee allotment may be included as underlying securities for the GDR issuance or may be offered to designated investors, as authorized to the Chairman based on market conditions.

II. Public Offering of Common Shares through Capital Increase:

- (1) Each newly issued share shall have a par value of NT\$10. The actual issue price will be determined in accordance with the relevant provisions of the "Self-Regulatory Rules Governing the Public Offering and Issuance of Securities by Issuing Companies" established by the Taiwan Securities Association, and will be jointly negotiated by the Chairperson and the underwriters based on prevailing market conditions at the time of issuance. The issuance will proceed following approval from the competent authority.
- (2) In accordance with Article 267, Paragraph 1 of the Company Act, 10% to 15% of the newly issued shares shall be reserved for subscription by employees at the issue price. As for the remaining shares to be publicly offered, it is proposed that the Board of Directors be authorized to adopt one of the following two approaches:
 - 1) Pursuant to Article 28-1 of the Securities and Exchange Act, the shareholders' meeting is requested to approve the waiver of preemptive rights by existing shareholders, and that the entire publicly offered portion be allocated through book-building and competitive auction. Any unsubscribed shares by employees may be offered to specific parties at the issue price, as authorized to the Chairperson.
 - 2) Pursuant to Article 28-1, Paragraph 2 of the Securities and Exchange Act, 10% of the total issued shares shall be allocated for public underwriting, with the remaining shares offered to existing shareholders based on their respective shareholding ratios. Any unsubscribed shares by employees or shareholders may be offered to specific parties at the issue price, as authorized to the Chairperson.

III. Private Placement of Common Shares through Capital Increase and/or Private Placement of Convertible Corporate Bonds:

- (1) Basis and Reasonableness of Private Placement Pricing:
 - 1) The reference price for determining the subscription price of the common stock in this private placement is calculated by taking the simple arithmetic average of the closing prices of the common shares for either 1, 3, or 5 trading days prior to the pricing date (whichever is selected), or the simple arithmetic average of the closing prices for the 30 trading days prior to the pricing date. In both cases, adjusted by deducting the impact of ex-rights and ex-dividends from stock dividends and cash dividends, and adding back the effects of capital reduction on the share price. The reference price for the private placement of common shares is determined based on the higher one.

2) It is proposed that the shareholders' meeting authorize the Board of Directors to determine the subscription price for the private placement of common shares in accordance with the aforementioned pricing principles, at no less than 80% of the reference price. For the issuance of privately placed convertible corporate bonds, the conversion price shall be based on no less than 80% of the theoretical price. The actual pricing, within the approved discount range as resolved by the shareholders' meeting, shall be determined by the Board of Directors based on future negotiations with specific parties and prevailing market conditions.

3) The subscription price for the aforementioned privately placed common shares and the pricing of the privately placed convertible corporate bonds are determined with reference to the Company's share price and the theoretical price, respectively, in accordance with the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" related to private placements by public companies. In addition, such securities are subject to a three-year transfer restriction as required by law. Accordingly, the pricing is deemed reasonable.

(2) Selection Method, Purpose, Necessity, and Expected Benefits of Specific Parties:

1) The private placement shall be limited to specific parties as defined under Article 43-6 of the Securities and Exchange Act. The selected parties must be strategic investors, with priority given to those who are expected to contribute positively to the Company's long-term development, competitiveness, and the interests of existing shareholders.

2) The purpose, necessity, and expected benefits of selecting strategic investors lie in meeting the needs of the Company's business development. Strategic investors are expected to provide direct or indirect support in areas such as finance, operations, production, technology, procurement, management, and strategic development, thereby enhancing the Company's competitiveness, operational efficiency, and long-term growth. Such collaboration is expected to have a positive impact on shareholder value.

3) As of now, the Company has not yet identified any specific investors. The authority to negotiate and determine such parties is proposed to be fully delegated to the Board of Directors.

(3) Necessity of Conducting a Private Placement:

Considering the relative timeliness and flexibility of private placements, as well as the Company's plan to introduce strategic investors in line with its development needs, conducting the capital raise through a private placement is deemed necessary.

(4) It is proposed that the Board of Directors be authorized to apply, no earlier than three years after the delivery date of the privately placed securities, to the Taipei Exchange (TPEX) for a letter of approval confirming that the securities meet the standards for listing. The Company shall subsequently complete the supplemental procedures for public issuance and apply for listing on the TPEX with the competent authority.

(5) Provisional Terms for the Issuance and Conversion of the 2025 Private Placement of Overseas or Domestic Convertible Bonds, please refer to Attachment V, pages 33 to 34, for details on the proposed terms.

3. Purpose of the Fundraising, Utilization Schedule, and Expected Benefits:

The funds raised through this capital increase are expected to be used for one or more of the following purposes: strengthening working capital, improving the financial structure, procuring materials overseas, or meeting other funding needs in support of the Company's long-term development. Upon full utilization of the funds, the Company anticipates enhanced competitiveness and improved operational efficiency.

4. All securities to be issued or delivered under this capital raising plan—including common shares issued through cash capital increase for participation in overseas depositary receipt (GDR)

offerings, common shares issued through cash capital increase, privately placed common shares, privately placed convertible corporate bonds, and common shares issued upon conversion—will be issued or delivered in dematerialized form. Except for the privately placed securities, which are subject to a three-year transfer restriction in accordance with Article 43-8 of the Securities and Exchange Act, the rights and obligations of the newly issued or privately placed common shares (including those issued upon conversion of privately placed convertible corporate bonds) shall be identical to those of the existing common shares.

5. The pricing of common shares to be issued for participation in Global Depositary Receipt (GDR) offerings, cash capital increases, and private placements, as well as the conversion price of privately placed overseas or domestic convertible corporate bonds, may be set below par value in response to market conditions. The decision not to adopt other fundraising methods is primarily based on the Company's commitment to prudent operations and the stability of its financial structure. Compared to purely debt-based instruments, equity-related financing tools are considered more appropriate. By raising funds through equity-related instruments such as GDR-linked common shares, cash capital increases, and private placements, the Company will avoid incurring interest expenses, thereby reducing financial risk, immediately improving the financial structure, and enhancing financial flexibility. In the case of privately placed convertible bonds, if investors choose to convert their bonds into equity, this will further strengthen the Company's financial structure and support its long-term development. Therefore, the use of equity-related fundraising tools is deemed reasonable. In the event that the issue price or conversion price is set below par value, this may result in a reduction of capital surplus or retained earnings on the Company's books. The Company intends to make up for such reductions depending on future operating performance. Moreover, the issuance and conversion prices will be determined in accordance with applicable regulations set forth by the competent authority. Once the benefits of the capital increase are realized, the Company's financial structure is expected to improve significantly, thereby supporting long-term growth and having no material adverse impact on shareholder interests.
6. Upon approval by the shareholders' meeting of the issuance of common shares through cash capital increase for participation in overseas depositary receipt (GDR) offerings, cash capital increase, private placement of common shares, and privately placed convertible corporate bonds, it is proposed that the shareholders' meeting authorize the Board of Directors to determine, adjust, and fully handle all matters related to this fundraising based on the Company's actual needs, prevailing market conditions, and applicable laws and regulations. These matters include, but are not limited to, the issuance or private placement terms, the issuance and conversion terms of the privately placed convertible bonds, the fund utilization plan, purposes of funds, expected timeline, anticipated benefits, and other related matters. Should any changes or amendments be necessary in the future due to amendments to relevant laws or regulations, instructions from competent authorities, operational evaluations, or other objective market or environmental factors, it is proposed that the Board of Directors be fully authorized to act accordingly.
7. In order to implement the fundraising plan, it is proposed that the Chairman or a person designated by the Chairman be authorized to represent the Company in handling all matters related to the issuance of common shares through cash capital increase for participation in overseas depositary receipt (GDR) offerings, cash capital increase, private placement of common shares, and privately placed convertible corporate bonds, including the execution of all relevant contracts and documents.
8. Any matters not addressed herein shall be fully authorized to the Board of Directors for handling in accordance with applicable laws and regulations.

Resolution:

III. Extraordinary Motions

IV. Meeting Adjourn

Attachment I

Independent Auditors' Report and 2024 Financial Statements

2024 Consolidated Financial Statements Independent Auditors' Report

Independent Auditors' Report

The Board of Directors
BENQ MEDICAL TECHNOLOGY CORP.

Audit Opinion

We have audited the Consolidated Balance Sheets as of December 31, 2024 and 2023, and the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity and Consolidated Statements of Cash Flows for January 01 to December 31, 2024 and 2023, as well as Notes to the consolidated financial statements (including summary of significant accounting policies) of BENQ MEDICAL TECHNOLOGY CORP. AND SUBSIDIARIES.

In our opinion, based on our audits and reports of other auditors (please refer to Other Matters section), the accompanying Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of BENQ MEDICAL TECHNOLOGY CORP. AND SUBSIDIARIES as of December 31, 2024 and 2023, and its consolidated financial performance and cash flows for January 01 to December 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRICs), and SIC Interpretations (SICs) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis of Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountant and the Auditing Standards in the Republic of China. Our responsibilities under these standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are in compliance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China and independent of BENQ MEDICAL TECHNOLOGY CORP. AND SUBSIDIARIES. We have also fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audits of the Consolidated Financial Statements of BENQ MEDICAL TECHNOLOGY CORP. AND SUBSIDIARIES for the year ended December 31, 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole. In forming our opinion thereon, we do not provide a separate opinion on these matters. Key audit matters for the year ended December 31, 2024 are stated as follows:

1. Assessment of impairment of goodwill

For accounting policy on the impairment loss of non-financial asset, please see Note 4(15) to Consolidated Financial Statements; for accounting estimate and assumptions of the impairment loss assessment on goodwill, please see Note 5(1) to Consolidated Financial Statements; for the details of goodwill impairment test, please see Note 6(11) to Consolidated Financial Statements.

Key Audit Matters:

For the goodwill arising from business combinations, BENQ MEDICAL TECHNOLOGY CORP. AND SUBSIDIARIES are required to conduct an annual impairment assessment or as and when there is an indicator that the goodwill may be impaired. As the recoverable amount in the goodwill involves many assumptions and estimations made by the cash-generating unit owning the goodwill, the impairment assessment of goodwill is one of the key audit matters when we audited the consolidated financial statements.

Audit Procedures:

Our main audit procedures for the above key audit matters include obtaining the goodwill impairment assessment and test form self-assessed by the management. We also reviewed the estimation basis and important assumptions adopted by the management to measure the recoverable amounts, including the discount rate, expected growth rate and the reasonableness of their prediction of future cash flow. We also ran a sensitivity analysis on the test results and checked if BENQ MEDICAL TECHNOLOGY CORP. and its subsidiaries have properly disclosed the information on the impairment assessment.

2. Business combinations

For the accounting policy on business combinations, please refer to Note 4 (21) to the consolidated financial statements; for the details of business combinations, please refer to Note 6(7) to the consolidated financial statements.

Key Audit Matters:

K2 International Medical Inc., a subsidiary of BENQ MEDICAL TECHNOLOGY CORP., acquired 60% ordinary shares in Era Biotech Enterprise Co., Ltd. in August 2024 and obtained control over it. Regarding the accounting treatment of a business combination, the management needed to determine the fair values of the identifiable assets acquired and the liabilities assumed. As the process involved many assumptions and estimates and it was complex, business combination is one of our key audit matters when we audited the consolidated financial statements of the BENQ MEDICAL TECHNOLOGY CORP. and its subsidiaries.

Audit procedures:

The main audit procedures we carried out for the above key audit matter included obtaining the intangible asset fair value appraisal and purchase price allocation reports from external experts appointed by the management team, assessing the assets and liabilities identified by the management team on the merger and acquisition date and the reasonability

of their appraisal; engaging our firm's appraisal experts to assist in evaluating the reasonability of the appraisal methods and important assumptions used in the appraisal; assessing the correctness of the accounting of BENQ MEDICAL TECHNOLOGY CORP. and its subsidiaries and if the information on the acquisition has been properly disclosed.

Other Matters

We did not audit the financial statements of certain consolidated subsidiaries which are included in the consolidated financial statements. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it related to the amounts included in the financial statement, is based solely on the audit reports of other auditors. Total assets of these subsidiaries amount to NTD602,206 thousand representing 11.42% of the related consolidated totals as of December 31, 2024, and total operating revenue amounted to NTD384,738 thousand constituting 8.07% of the related consolidated totals for the year then ended.

BENQ MEDICAL TECHNOLOGY CORP. has prepared the 2024 and 2023 Standalone Financial Statements, and we have issued an unqualified opinion with other matters paragraph and an unqualified opinion with emphasis of matter paragraph, respectively.

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

Management is responsible for the preparation and fair representation of the Consolidated Financial Statements in accordance with IFRS, IAS, IFRICs and SICs endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines it is necessary to enable the preparation of Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing BENQ MEDICAL TECHNOLOGY CORP.'S AND SUBSIDIARIES' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate BENQ MEDICAL TECHNOLOGY CORP. AND SUBSIDIARIES or to cease operations or has no realistic alternative but to do so.

Those charged with governance (including Audit Committee) are responsible for overseeing BENQ MEDICAL TECHNOLOGY CORP.'S AND SUBSIDIARIES' financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance. Still, it is not a guarantee that an audit conducted in accordance with ROC GAAS will always detect a material misstatement in the Consolidated Financial Statements

when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these Consolidated Financial Statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the years ended December 31, 2024 and are, therefore, key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the review resulting in this independent auditors' review report are Hsu, Shih-Chun and Tang, Tzu-Chieh.

KPMG
Taipei, Taiwan (Republic of China)
March 03, 2025

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

BENQ MEDICAL TECHNOLOGY CORP. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		2024.12.31		2023.12.31				2024.12.31		2023.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets						Liabilities and Equity					
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Note 6(1))	\$ 863,191	17	830,508	18	2100	Short-term loans (Note 6(13) and 8)	580,703	11	384,472	8
1150-1170	Notes and accounts receivable (Note 6(4) and (22))	899,327	17	842,489	18	2131	Contract liabilities - current (Note 6(22))	29,478	1	32,382	1
1181	Accounts receivable - related parties (Note 6(4)(22) and 7)	6,085	-	3,988	-	2150-2170	Notes and accounts payable	591,041	11	505,900	11
1200	Other receivables (Note 6(6))	11,516	-	53,872	1	2181	Accounts payable - related parties (Note 7)	33,360	1	23,112	-
130x	Inventories (Note 6(5))	783,125	15	515,751	11	2200	Other payables (Note 6(7) and (23))	286,094	5	265,973	6
1410-1470	Prepayments and other current assets	206,087	4	118,862	2	2220	Other payable - related parties (Note 7)	4,916	-	5,719	-
1476	Other financial assets-current (Note 6(2) and 8)	328,983	6	366,873	8	2230	Current income tax liabilities	43,143	1	55,506	1
Total current assets		<u>3,098,314</u>	<u>59</u>	<u>2,732,343</u>	<u>58</u>	2250	Provisions for liabilities - current (Note 6(16))	3,080	-	6,191	-
Non-current assets:						2280	Lease liabilities-current (Note 6(15) and 7)	95,355	2	74,518	2
1518	Financial assets measured at fair value through other comprehensive income - non-current (Note 6(3))	20,123	-	123	-	2300	Other current liabilities	16,178	-	13,816	-
1600	Property, plant and equipment (Note 6(8), 7 and 8)	966,891	18	902,167	19	2322	Long-term loans due within a year (Note 6(14) and 8)	84,830	2	8,628	-
1755	Right-of-use assets (Note 6(9) and 7)	207,885	4	166,204	3	Total current liabilities		<u>1,768,178</u>	<u>34</u>	<u>1,376,217</u>	<u>29</u>
1760	Investment properties - net (Note 6(10) and 8)	466,272	9	475,961	10	Non-current liabilities:					
1780	Intangible assets (Note 6(7), (11) and 7)	395,164	7	334,437	7	2540	Long-term loans (Note 6(14) and 8)	868,946	16	843,130	18
1840	Deferred income tax assets (Note 6(19))	26,760	1	25,221	1	2570	Deferred income tax liabilities (Note 6(19))	43,396	1	32,371	1
1900	Other non-current assets (Note 6(12) and (18))	92,401	2	75,705	2	2580	Lease liabilities-non-current (Note 6(15) and 7)	276,173	5	261,084	6
Total non-current assets		<u>2,175,496</u>	<u>41</u>	<u>1,979,818</u>	<u>42</u>	2645	Guarantee deposit received	6,891	-	6,808	-
						2670	Other non-current liabilities (Note 6(18))	9,973	-	12,221	-
						Total non-current liabilities		<u>1,205,379</u>	<u>22</u>	<u>1,155,614</u>	<u>25</u>
						Total liabilities		<u>2,973,557</u>	<u>56</u>	<u>2,531,831</u>	<u>54</u>
						Equity attributable to shareholders of the parent company (Note 6(7) and (20))					
						3110	Common stock	445,660	8	445,660	9
						3200	Capital Surplus	297,921	6	297,921	6
						3300	Retained earnings	380,588	7	361,807	8
						3400	Other equity	(2,110)	-	(5,561)	-
						Total equity attributable to shareholders of the parent company		<u>1,122,059</u>	<u>21</u>	<u>1,099,827</u>	<u>23</u>
						36XX	Non-controlling interests (Note 6(7) and (20))	<u>1,178,194</u>	<u>23</u>	<u>1,080,503</u>	<u>23</u>
						Total equity		<u>2,300,253</u>	<u>44</u>	<u>2,180,330</u>	<u>46</u>
Total assets		<u>\$ 5,273,810</u>	<u>100</u>	<u>4,712,161</u>	<u>100</u>	Total liabilities and equity		<u>\$ 5,273,810</u>	<u>100</u>	<u>4,712,161</u>	<u>100</u>

(Please see Notes to Consolidated Financial Statements)

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

BENQ MEDICAL TECHNOLOGY CORP. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		2024		2023	
		Amount	%	Amount	%
4000	Operating revenues (Notes 6(17), (22), 7, and 14)	\$ 4,767,352	100	4,543,001	100
5000	Operating costs (Notes 6 (5), (8), (9), (10), (11), (15), (17), (18), (23), 7, and 12)	(3,318,988)	(70)	(3,199,099)	(70)
	Gross profit	1,448,364	30	1,343,902	30
5910	Realized (unrealized) sales profit	-	-	1,532	-
	Realized gross profit	1,448,364	30	1,345,434	30
	Operating expenses (Notes 6(3), (7), (8), (9), (10), (14), (16), (17), (22), 7, and 12):				
6100	Selling expenses	(866,860)	(18)	(759,361)	(17)
6200	General and administrative expenses	(211,724)	(4)	(187,807)	(4)
6300	Research and development expenses	(36,387)	(1)	(31,960)	(1)
6450	Loss allowance for expected credit losses	(373)	-	(868)	-
	Total operating expenses	(1,115,344)	(23)	(979,996)	(22)
	Operating income	333,020	7	365,438	8
	Non-operating income and expenses (Notes 6(6), (15), (17), (24), and 7)				
7100	Interest income	11,228	-	10,213	-
7010	Other income	16,596	1	17,152	1
7020	Other gains and losses	2,760	-	2,687	-
7050	Financing costs	(34,223)	(1)	(27,941)	(1)
7375	Share of profit of joint ventures accounted for using equity method	-	-	5,549	-
	Total non-operating income and expenses	(3,639)	-	7,660	-
	Income before income tax	329,381	7	373,098	8
7950	Less: Income tax expense (Note 6(19))	(92,128)	(2)	(109,906)	(2)
	Net income	237,253	5	263,192	6
	Other comprehensive income (loss) (Notes 6(6), (18), (19), and (20)):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of the defined benefit plan	3,932	-	855	-
8349	Income tax expense related to components that will not be reclassified to profit or loss	(762)	-	(171)	-
		3,170	-	684	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations	11,097	-	(95)	-
8370	Share of other comprehensive income of joint ventures accounted for using the equity method	-	-	1,772	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-
		11,097	-	1,677	-
	Other comprehensive income for the period	14,267	-	2,361	-
	Total comprehensive income for the period	\$ 251,520	5	265,553	6
	Profit attributable to:				
8610	Shareholders of the parent company	\$ 104,831	2	114,581	3
8620	Non-controlling interests	132,422	3	85,680	2
	Equity attributable to former owner of business combination under common control	-	-	20,888	-
	Equity attributable to non-controlling interest before business combination under common control	-	-	42,043	1
		\$ 237,253	5	263,192	6
	Comprehensive income (loss) attributable to:				
8710	shareholders of the parent company	\$ 111,364	2	111,939	2
8720	Non-controlling interests	140,156	3	72,928	2
	Equity attributable to former owner of business combination under common control	-	-	25,425	1
	Equity attributable to non-controlling interest before business combination under common control	-	-	55,261	1
		\$ 251,520	5	265,553	6
	Earnings per share (Unit: New Taiwan dollars, Note 6(21))				
9750	Basic earnings per share	\$ 2.35		2.57	
9850	Diluted earnings per share	\$ 2.34		2.56	

(Please see Notes to Consolidated Financial Statements)

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

BENQ MEDICAL TECHNOLOGY CORP. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Equity attributable to shareholders of the parent company

	Retained earnings						Other equity	Total equity attributable to shareholder s of the parent company	Non-controlling interests	attributable to former owner of business combinatio n under common control	were not attributable to the common controlling interests before the merger	Total equity
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Subtotal	Exchange differences on translation of foreign operations					
Balance as of January 01, 2023	\$ 445,660	297,921	105,195	2,945	349,244	457,384	(2,235)	1,198,730	537,776	293,313	536,125	2,565,944
Net income	-	-	-	-	114,581	114,581	-	114,581	85,680	20,888	42,043	263,192
Other comprehensive income for the period	-	-	-	-	684	684	(3,326)	(2,642)	(12,752)	4,537	13,218	2,361
Total comprehensive income for the period	-	-	-	-	115,265	115,265	(3,326)	111,939	72,928	25,425	55,261	265,553
Earnings appropriation and distribution:												
Legal reserve	-	-	18,222	-	(18,222)	-	-	-	-	-	-	-
Special reserve	-	-	-	(711)	711	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(93,589)	(93,589)	-	(93,589)	-	-	-	(93,589)
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	(46,365)	-	-	(46,365)
Reorganization regarded as a combination from beginning	-	-	-	-	(117,253)	(117,253)	-	(117,253)	516,164	(318,738)	(591,386)	(511,213)
Balance as of December 31, 2023	445,660	297,921	123,417	2,234	236,156	361,807	(5,561)	1,099,827	1,080,503	-	-	2,180,330
Net income	-	-	-	-	104,831	104,831	-	104,831	132,422	-	-	237,253
Other comprehensive income for the period	-	-	-	-	3,082	3,082	3,451	6,533	7,734	-	-	14,267
Total comprehensive income for the period	-	-	-	-	107,913	107,913	3,451	111,364	140,156	-	-	251,520
Earnings appropriation and distribution:												
Special reserve	-	-	-	3,326	(3,326)	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(89,132)	(89,132)	-	(89,132)	-	-	-	(89,132)
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	(109,196)	-	-	(109,196)
Increase in non-controlling interests	-	-	-	-	-	-	-	-	66,731	-	-	66,731
Balance as of December 31, 2024	\$ 445,660	297,921	123,417	5,560	251,611	380,588	(2,110)	1,122,059	1,178,194	-	-	2,300,253

(Please see Notes to Consolidated Financial Statements)

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

BENQ MEDICAL TECHNOLOGY CORP. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from operating activities:		
Profit before income tax	\$ 329,381	373,098
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation	232,031	203,030
Amortization	23,183	26,192
Loss allowance for expected credit losses	373	868
Interest expense	34,223	27,941
Interest income	(11,228)	(10,213)
Dividend income	(2)	(3)
Share of profit of joint ventures accounted for using equity method	-	(5,549)
Losses on disposals of property, plant and equipment	896	34
Gains on disposal of investment accounted for using equity method	-	(5,129)
Realized sales profit	-	(1,532)
Gains on lease modification	(366)	(93)
Casualty losses	400	-
Settlement of claims	(400)	-
Loss on prepayment	5,688	-
Total adjustments to reconcile profit (loss)	284,798	235,546
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes and accounts receivable	(5,232)	(14,407)
Accounts receivable - related parties	(2,097)	12,958
Other receivables	(2,578)	4,887
Other receivables - related parties	-	56
Inventories	(191,848)	(40,811)
Prepayments and other current assets	(90,151)	48,253
Total changes in operating assets	(291,906)	10,936
Changes in operating liabilities:		
Contract liabilities	(3,030)	(23,785)
Notes and accounts payable	48,884	(31,132)
Accounts payable - related parties	10,248	4,715
Other payables	(17,837)	(4,959)
Other payables - related parties	(803)	3,691
Provisions for liabilities	(3,111)	(2,651)
Other current liabilities	2,117	4,936
Net defined benefit liabilities	(2,248)	(2)
Total changes in operating liabilities	34,220	(49,187)
Total changes in operating assets and liabilities	(257,686)	(38,251)
Total adjustments	27,112	197,295
Cash inflow from operations	356,493	570,393
Interest received	11,815	9,705
Dividend received	2	3
Interest paid	(34,006)	(27,830)
Income tax paid	(112,083)	(109,925)
Net cash inflow provided by operating activities	222,221	442,346

(Continued on next page)

(Please see Notes to Consolidated Financial Statements)

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

BENQ MEDICAL TECHNOLOGY CORP. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (continued from the preceding page)

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from investing activities:		
Financial assets measured at fair value through other comprehensive income	(20,000)	-
Disposal of investment accounted for using equity method	48,275	-
Net cash outflow from merger and acquisition of subsidiaries	(23,261)	-
Acquisition of property, plant and equipment	(170,085)	(133,466)
Proceeds from disposals of property, plant and equipment	8,088	5,447
Increase in refundable deposits	(2,060)	(1,068)
Acquisition of intangible assets	(5,397)	(5,810)
(Increase) decrease in other financial assets	40,317	(128,680)
Increase in other non-current assets	(9,094)	(15,406)
Net cash outflow used in investing activities	(133,217)	(278,983)
Cash flows from financing activities:		
Increase (decrease) in short-term loans	134,231	(14,599)
Increase in long-term loans	316,087	871,000
Repayments of long-term loans	(216,628)	(441,902)
(Decrease) increase in guarantee deposit received	83	(1,648)
Payment of lease liabilities	(96,828)	(77,444)
Disbursement of cash dividend	(89,132)	(93,589)
Cash dividends distributed by subsidiaries to non-controlling interests	(109,196)	(46,365)
Cash dividends to non-controlling interest before business combination under common control	-	(72,018)
Equity attributable to former owner of business combination under common control	-	(436,000)
Net cash outflow used in financing activities	(61,383)	(312,565)
Effect of changes in foreign exchange rates in cash and cash equivalents	5,062	(73)
Net (decrease) increase in cash and cash equivalents for the current period	32,683	(149,275)
Cash and cash equivalents at the beginning of the period	830,508	979,783
Cash and cash equivalents at the end of the period	\$ 863,191	830,508

(Please see Notes to Consolidated Financial Statements)

2024 Standalone Financial Statements Independent Auditors' Report

Independent Auditors' Report

The Board of Directors
BENQ MEDICAL TECHNOLOGY CORP.

Audit Opinion

We have audited Balance Sheet as of December 31, 2024 and 2023, and Statement of Comprehensive Income, Statement of Changes in Equity and Consolidated Statement of Cash Flows for January 01 to December 31, 2024 and 2023 as well as Notes to the Standalone Financial Statements (including a summary of significant accounting policies) of BENQ MEDICAL TECHNOLOGY CORP.

In our opinion, based on our audits and reports of other auditors (please refer to Other Matters section), the accompanying Standalone Financial Statements present fairly, in all material respects, the restated financial position as of December 31, 2024 and 2023 of BENQ MEDICAL TECHNOLOGY CORP., and its financial performance and cash flows as of December 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis of Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountant and the Auditing Standards in the Republic of China. Our responsibilities under these standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are in compliance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China and independent of BENQ MEDICAL TECHNOLOGY CORP.. We have also fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audits of the Standalone Financial Statements of BENQ MEDICAL TECHNOLOGY CORP. for the year ended December 31, 2024. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole. By forming our opinion thereon, we do not provide a separate opinion on these matters. Key audit matters for the year ended December 31, 2024 are stated as follows:

1. Impairment assessment for the goodwill of subsidiaries

For accounting policy on the impairment loss of non-financial asset, please see Note 4(15) to Standalone Financial Statements; for accounting estimate and assumptions of the impairment loss assessment on goodwill, please see Note 5(1) to Standalone Financial Statements; for the details of goodwill impairment test, please see Note 6(5) to Standalone Financial Statements.

Key Audit Matters:

For the goodwill arising from previous business combinations, BENQ MEDICAL TECHNOLOGY CORP. is required to conduct an annual impairment assessment or when there is an indicator that the goodwill may be impaired. As the recoverable amount in the goodwill involves many assumptions and estimations made by the cash-generating unit owning the goodwill, the impairment assessment of goodwill is a key audit matter.

Audit procedures:

Our main audit procedures for the above key audit matters include obtaining the impairment assessment and self-assessment test form from management. We also reviewed the estimation basis and important assumptions adopted by the Management to measure the recoverable amounts, including the discount rate, expected growth rate, and the reasonableness of their prediction of future cash flow. We also ran a sensitivity analysis on the test results and checked if BENQ MEDICAL TECHNOLOGY CORP. had properly disclosed the information on the impairment assessment.

2. Acquisition of subsidiary

For the accounting policy on business combinations, please refer to Note 4 (21) to the Standalone Financial Statements; for the details of acquisition of subsidiary, please refer to Note 6(5) to the Standalone Financial Statements.

Key Audit Matters:

K2 International Medical Inc., a subsidiary of BENQ MEDICAL TECHNOLOGY CORP., acquired 60% ordinary shares in Era Biotech Enterprise Co., Ltd. (hereinafter referred to as "ERA") in August 2024 and obtained control over it. Regarding the accounting treatment of a business combination, the management needed to determine the fair values of the identifiable assets acquired and the liabilities assumed. As the process involved many assumptions and estimates and it was complex, acquisition of subsidiary is one of our key audit matters when we audited the Standalone Financial Statements of the BENQ MEDICAL TECHNOLOGY CORP.

Audit procedures:

The main audit procedures we carried out for the above key audit matter included obtaining the intangible asset fair value appraisal and purchase price allocation reports from external experts appointed by the management team, assessing the assets and liabilities identified by the management team on the merger and acquisition date and the reasonability of their appraisal; engaging our firm's appraisal experts to assist in evaluating the reasonability of the appraisal methods and important assumptions used

in the appraisal; assessing the correctness of the accounting of BENQ MEDICAL TECHNOLOGY CORP. and if the information on the acquisition has been properly disclosed.

Other Matters

We did not audit the financial statements of certain investments accounted for using the equity method which are included in the Standalone Financial Statements. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it related to the amounts included in the financial statement, is based solely on the audit reports of other auditors. Total investments accounted for using the equity method amount to NTD179,194 thousand representing 8.70% of the total assets as of December 31, 2024, and total profits of subsidiaries accounted for using the equity method amounted to NTD12,707 thousand constituting 11.99% of the income before income tax for the year then ended.

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

Management is responsible for the preparation and fair representation of the Standalone Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines it is necessary to enable the preparation of Standalone Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing BENQ MEDICAL TECHNOLOGY CORP.'s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate BENQ MEDICAL TECHNOLOGY CORP. or to cease operations or has no realistic alternative but to do so.

Those charged with governance (including Audit Committee) are responsible for overseeing BENQ MEDICAL TECHNOLOGY CORP.'s financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the Standalone Financial

Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of BENQ MEDICAL TECHNOLOGY CORP.'s internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on BENQ MEDICAL TECHNOLOGY CORP.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause BENQ MEDICAL TECHNOLOGY CORP. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements (including the disclosures) and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the investment companies accounted for using the equity method to express an opinion on the Standalone Financial Statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the years ended December 31, 2024 and are, therefore, key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a

matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the review resulting in this independent auditors' review report are Hsu, Shih-Chun and Tang, Tzu-Chieh.

KPMG
Taipei, Taiwan (Republic of China)
March 03, 2025

Notes to Readers

The accompanying Standalone Financial Statements are intended only to present the Standalone financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such Standalone Financial Statements are those generally accepted and applied in the Republic of China.

The independent auditors' review report and the accompanying Standalone Financial Statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and Standalone Financial Statements, the Chinese version shall prevail.

(English Translation of Standalone Financial Statements Originally Issued in Chinese)

BENQ MEDICAL TECHNOLOGY CORP.

Standalone Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		2024.12.31		2023.12.31				2024.12.31		2023.12.31	
Assets		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Liabilities and Equity					
Current liabilities:						Current liabilities:					
1100	Cash and cash equivalents (Note 6(1))	\$ 72,424	4	71,542	4	2100	Short-term loans (Note 6(11) and 8)	\$ 95,194	5	77,164	4
1150-1170	Notes and accounts receivable (Note 6(3) and (20))	110,435	5	77,190	4	2150-2170	Notes and accounts payable	58,831	3	60,662	3
						2180	Accounts payable - related parties (Note 7)	1,858	-	1,515	-
1181	Accounts receivable - related parties (Note 6(3)(20) and 7)	8,342	1	3,685	-	2200	Other payables (Note 6(21))	56,000	3	61,078	3
						2220	Other payables - related parties (Note 7)	2,048	-	2,519	-
1200	Other receivables (Note 6(5))	3,643	-	48,011	2	2230	Current income tax liabilities	1,124	-	3,514	-
1210	Other receivables - related parties (Note 7)	5,384	-	1,265	-	2250	Provisions for liabilities - current (Note 6(14))	1,121	-	2,969	-
130x	Inventories (Note 6(4))	84,441	4	98,749	5	2280	Lease liabilities - current (Note 6(13) and 7)	10,023	1	5,821	1
1410-1470	Prepayments and other current assets	14,952	1	7,579	-	2300	Other current liabilities (Note 6(20))	3,651	-	4,169	-
1476	Other financial assets-current (Note 6(2) and 8)	80	-	80	-	2322	Long-term loans due within a year (Note 6(12) and 8)	25,000	1	-	-
	Total current assets	299,701	15	308,101	15		Total current liabilities	254,850	13	219,411	11
Non-current assets:						Non-current liabilities:					
1550	Investments accounted for using the equity method (Note 6(5) and 7)	1,214,255	59	1,160,332	57	2540	Long-term loans (Note 6(12) and 8)	675,000	33	700,000	35
						2580	Lease liabilities - non-current (Note 6(13) and 7)	7,114	-	2,427	-
1600	Property, plant and equipment (Note 6(6), 7 and 8)	429,802	21	449,880	22	2645	Guarantee deposit received	1,746	-	1,746	-
1755	Right-of-use assets (Note 6(7) and 7)	17,039	1	8,091	-		Total non-current liabilities	683,860	33	704,173	35
1760	Investment properties - net (Note 6(8) and 8)	74,744	3	76,310	4		Total liabilities	938,710	46	923,584	46
1780	Intangible assets (Note 6(9) and 7)	1,294	-	2,245	-	Equity interest (Note 6(5) and (18)):					
1840	Deferred income tax assets (Note 6(17))	7,403	-	8,258	1	3110	Common stock	445,660	22	445,660	22
1900	Other non-current assets (Note 6(10) and (16))	16,531	1	10,194	1	3200	Capital Surplus	297,921	14	297,921	15
	Total non-current assets	1,761,068	85	1,715,310	85	3300	Retained earnings	380,588	18	361,807	18
						3400	Other equity	(2,110)	-	(5,561)	(1)
							Total equity	1,122,059	54	1,099,827	54
Total assets		\$ 2,060,769	100	2,023,411	100	Total liabilities and equity		\$ 2,060,769	100	2,023,411	100

(Please see Notes to Standalone Financial Statements)

(English Translation of Standalone Financial Statements Originally Issued in Chinese)

BENQ MEDICAL TECHNOLOGY CORP.

Standalone Statements of Comprehensive Income

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		2024		2023	
		Amount	%	Amount	%
4000	Operating revenues (Note 6(20) and 7)	\$ 468,207	100	432,524	100
5000	Operating costs (Notes 6(4), (6), (7), (9), (14), (16), (21), 7, and 12)	(356,149)	(76)	(308,527)	(71)
	Gross profit	112,058	24	123,997	29
5910	Realized (unrealized) sales profit	(643)	-	5,264	1
	Realized gross profit	111,415	24	129,261	30
	Operating costs (Notes 6(3), (6), (7), (8), (9), (13), (16), (21), 7, and 12):				
6100	Selling expenses	(62,427)	(13)	(69,085)	(16)
6200	General and administrative expenses	(61,386)	(13)	(58,032)	(13)
6300	Research and development expenses	(27,273)	(6)	(24,241)	(6)
6450	Reversal of gains on loss allowance for expected credit losses	898	-	380	-
	Total operating expenses	(150,188)	(32)	(150,978)	(35)
	Net operating loss	(38,773)	(8)	(21,717)	(5)
	Non-operating income and expenses (Note 6(5), (13), (15), (22) and 7):				
7100	Interest income	544	-	740	-
7010	Other income	12,756	3	13,977	3
7020	Other gains and losses	3,369	1	5,440	1
7050	Financing costs	(15,875)	(3)	(12,155)	(3)
7375	Share of profit or loss of subsidiaries and joint ventures accounted for using the equity method	143,972	30	167,860	39
	Total non-operating income and expenses	144,766	31	175,862	40
	Income before income tax	105,993	23	154,145	35
7950	Income tax benefits (expenses) (Note 6(17))	(1,162)	(1)	(18,676)	(4)
	Net income	104,831	22	135,469	31
	Other comprehensive income:				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of the defined benefit plan (Note 6(16))	3,715	1	853	-
8330	Share of other comprehensive income of subsidiaries and joint ventures accounted for using the equity method	110	-	2	-
8349	Income tax expense related to components that will not be reclassified to profit or loss (Note 6(17))	(743)	-	(171)	-
		3,082	1	684	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations (Note 6(18))	3,451	1	(5,098)	(1)
8380	Share of other comprehensive income of subsidiaries and joint ventures accounted for using the equity method (Note 6(5) and (18))	-	-	6,309	2
8399	Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-
		3,451	1	1,211	1
	Other comprehensive income for the period	6,533	2	1,895	1
8500	Total comprehensive income for the period	\$ 111,364	24	137,364	32
	Profit attributable to:				
8610	Owners of the Company	\$ 104,831	22	114,581	26
	Equity attributable to former owner of business combination under common control	-	-	20,888	5
		\$ 104,831	22	135,469	31
	Comprehensive income (loss) attributable to:				
8710	Owners of the Company	\$ 111,364	24	111,939	26
	Equity attributable to former owner of business combination under common control	-	-	25,425	6
		\$ 111,364	24	137,364	32
	Earnings per share (in New Taiwan dollars, Note 6 (19))				
9750	Basic earnings per share	\$ 2.35		2.57	
9850	Diluted earnings per share	\$ 2.34		2.56	

(Please see Notes to Standalone Financial Statements)

(English Translation of Standalone Financial Statements Originally Issued in Chinese)

BENQ MEDICAL TECHNOLOGY CORP.

Standalone Statements of Changes in Equity

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings					Other equity		Equity attributable to former owner of business combination under common control	Total equity
	Common stock	Capital Surplus	Legal reserve	Special reserve	Unappropriated earnings	Subtotal	Exchange differences on translation of foreign operations		
Balance as of January 01, 2023	\$ 445,660	297,921	105,195	2,945	349,244	457,384	(2,235)	293,313	1,492,043
Net income	-	-	-	-	114,581	114,581	-	20,888	135,469
Other comprehensive income for the period	-	-	-	-	684	684	(3,326)	4,537	1,895
Total comprehensive income for the period	-	-	-	-	115,265	115,265	(3,326)	25,425	137,364
Earnings appropriation and distribution:									
Legal reserve	-	-	18,222	-	(18,222)	-	-	-	-
Special reserve	-	-	-	(711)	711	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(93,589)	(93,589)	-	-	(93,589)
Reorganization regarded as a combination from beginning	-	-	-	-	(117,253)	(117,253)	-	(318,738)	(435,991)
Balance as of December 31, 2023 restated	445,660	297,921	123,417	2,234	236,156	361,807	(5,561)	-	1,099,827
Net income	-	-	-	-	104,831	104,831	-	-	104,831
Other comprehensive income for the period	-	-	-	-	3,082	3,082	3,451	-	6,533
Total comprehensive income for the period	-	-	-	-	107,913	107,913	3,451	-	111,364
Earnings appropriation and distribution:									
Special reserve	-	-	-	3,326	(3,326)	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(89,132)	(89,132)	-	-	(89,132)
Balance as of December 31, 2024	\$ 445,660	297,921	123,417	5,560	251,611	380,588	(2,110)	-	1,122,059

(Please see Notes to Standalone Financial Statements)

(English Translation of Standalone Financial Statements Originally Issued in Chinese)

BENQ MEDICAL TECHNOLOGY CORP.

Standalone Statements of Cash Flows

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows provided by operating activities:		
Profit before income tax	\$ 105,993	154,145
Adjustments:		
Adjustments to reconcile profit		
Depreciation	28,994	30,690
Amortization	1,941	3,379
Reversal of gains allowance for expected credit losses	(898)	(380)
Interest expense	15,875	12,155
Interest income	(544)	(740)
Share of profit or loss of subsidiaries and joint ventures accounted for using the equity method	(143,972)	(167,860)
Loss (gain) on disposals of property, plant and equipment	1,105	(274)
Gains on disposal of investment accounted for using equity method	-	(5,129)
(Realized) unrealized sales profit	643	(5,264)
Total adjustments to reconcile profit (loss)	(96,856)	(133,423)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes and accounts receivable	(32,347)	5,864
Accounts receivable - related parties	(4,657)	10,988
Other receivables	(146)	(71)
Other receivables - related parties	(4,119)	(301)
Inventories	14,308	2,596
Prepayments and other current assets	(7,373)	(398)
Net defined benefit assets	(780)	(841)
Total changes in operating assets	(35,114)	17,837
Changes in operating liabilities:		
Notes and accounts payable	(1,831)	2,162
Accounts payable - related parties	343	(844)
Other payables	(5,197)	(13,386)
Other payables - related parties	(471)	705
Provisions for liabilities	(1,848)	(2,344)
Other current liabilities	(518)	(2,492)
Total changes in operating liabilities	(9,522)	(16,199)
Total changes in operating assets and liabilities	(44,636)	1,638
Total adjustments	(141,492)	(131,785)
Cash (outflow) inflow from operations	(35,499)	22,360
Interest received	544	740
Dividend received	125,793	88,834
Interest paid	(15,730)	(12,064)
Income tax refunded (paid)	(4,801)	2,738
Net cash inflow provided by operating activities	70,307	102,608

(Continued on next page)

(Please see Notes to Standalone Financial Statements)

(English Translation of Standalone Financial Statements Originally Issued in Chinese)

BENQ MEDICAL TECHNOLOGY CORP.

Statements of Cash Flows (continued from the preceding page)

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows used in investing activities:		
Acquisition of investments accounted for using the equity method	(32,826)	-
Disposal of investments accounted for using the equity method	48,275	39,984
Acquisition of property, plant and equipment	(4,327)	(2,608)
Proceeds from disposals of property, plant and equipment	3,591	458
(Increase) decrease in refundable deposits	(677)	3,210
Acquisition of intangible assets	(990)	(2,235)
(Increase) decrease in other non-current assets	(1,165)	47
Net cash provided by investing activities	11,881	38,856
Cash flows used in financing activities:		
Decrease (increase) in short-term loans	18,030	(47,385)
Increase in long-term loans	200,000	770,000
Repayments of long-term loans	(200,000)	(411,250)
Increase in guarantee deposit received	-	(416)
Payment of lease liabilities	(10,204)	(9,899)
Disbursement of cash dividend	(89,132)	(93,589)
Equity attributable to former owner of business combination under common control	-	(390,000)
Net cash used in financing activities	(81,306)	(182,539)
Net (decrease) increase in cash and cash equivalents for the current period	882	(41,075)
Cash and cash equivalents at the beginning of the period	71,542	112,617
Cash and cash equivalents at the end of the period	\$ 72,424	71,542

(Please see Notes to Standalone Financial Statements)

Attachment II

2024 Earnings Distribution Proposal

**BenQ Medical Technology Corp.
2024 Earnings Distribution Proposal**

Unit: NT\$

Net income of 2024	104,831,351
Add: Other comprehensive income for the period included in undistributed earnings	3,081,343
Less: Appropriation of legal reserve	(10,791,269)
Add: Reversal of special reserve	3,450,625
Retained earnings available for distribution in 2024	100,572,050
Add: Unappropriated retained earnings from previous years	143,696,473
Retained earnings available for distribution as of December 31, 2024	244,268,523
Distributable Items:	
Cash Dividend (NT\$1,650 for every 1,000 common shares)	(73,533,900)
Unappropriated retained earnings after earnings distribution	170,734,623

Note:

The cash dividend for each shareholder shall be calculated and distributed in New Taiwan Dollars (NTD) rounded down to the nearest whole dollar; any amount less than one dollar shall be disregarded. The total amount of such disregarded fractional sums will be adjusted and distributed in descending order of decimal values and ascending order of shareholder account numbers until the total approved cash dividend amount is fully allocated.

Chairman: Chi-Hong (Peter) Chen President: Hsin-Pao (Michael) Kuan Chief Accountant: Zhi-Hua Liu



Attachment III

Comparison table for the Articles of Incorporation before and after amendment

BenQ Medical Technology Corp.

Comparison table for the Articles of Incorporation before and after amendment

Article No After Amendment	After Amendment	Article No Before Amendment	Before Amendment	Reason for Amendments
Article 20~1	<p>If the Company records a profit in a given fiscal year, between 5% and 20% of the profit shall be allocated as employee compensation, and no more than 1% shall be allocated as director compensation. However, if the Company has accumulated losses, the profit shall first be reserved to offset such losses.</p> <p><u>The portion allocated to basic-level employee compensation shall not be less than 10% of the total employee compensation mentioned above.</u></p> <p>The recipients of employee compensation in the form of stocks or cash as referred to in the <u>first paragraph</u> may include employees of the controlling or subordinate company who meet certain conditions. The conditions and distribution method are authorized to be determined by the board of directors or its authorized person.</p>	Article 20~1	<p>If the Company records a profit in a given fiscal year, between 5% and 20% of the profit shall be allocated as employee compensation, and no more than 1% shall be allocated as director compensation. However, if the Company has accumulated losses, the profit shall first be reserved to offset such losses.</p> <p>The recipients of employee compensation in the form of stocks or cash as referred to in the <u>preceding</u> paragraph may include employees of the controlling or subordinate company who meet certain conditions. The conditions and distribution method shall be determined by the board of directors or its authorized person.</p>	Amend according to laws
Article 23	<p>These Articles of Incorporation were enacted on March 6, 1989, and First amendment made on July 7, 1990. Second amendment made on July 11, 1991. (Ignored.) Twenty-eighth amendment made on June 7, 2024. <u>Twenty-nine amendment made on June 5, 2025.</u></p>	Article 23	<p>These Articles of Incorporation were enacted on March 6, 1989, and First amendment made on July 7, 1990. Second amendment made on July 11, 1991. (Ignored.) Twenty-eighth amendment made on June 7, 2024.</p>	To add the amendment date

Attachment IV

List of non-competition restrictions on current-elected directors and their representatives proposed to be lifted

Directors and Their Representatives	Proposal for Released Restriction Items	
BENQ Corporation / Representative Chi-Hong (Peter) Chen	Phoenix IV Venture Capital Co., Ltd.	Legal Representative Director
	Dunpin No.1 Venture Capital Co., Ltd.	Legal Representative Director
	Dunpin No.2 Venture Capital Co., Ltd.	Legal Representative Director
	Chengchi Star Venture Capital Co., Ltd.	Legal Representative Director
BENQ Corporation / Representative Houng-Pei (Harry) Yang	Nobel Baby Co., Ltd.	Legal Representative Director
	Marketop Smart Solutions Co., Ltd.	Legal Representative Director
	JiaTech International Investment Co., Ltd.	Legal Representative Director
BENQ Corporation / Representative Sheng-Lung (Danny) Shen	Nobel Baby Co., Ltd.	Legal Representative Director
Independent Director Hsuan-Lien (Miranda) Chu	Data Image Corporation	Independent Director
	Mirle Automation Corporation	Independent Director

Attachment V

Provisional Issuance and Conversion Plan for the 2025 Private Placement of Overseas or Domestic Convertible Corporate Bonds (Tentative)

1. Issuer:

BenQ Medical Technology Corp. (hereinafter referred to as “the Company” or “BenQ Medical”).

2. Total Issuance Amount:

The Board of Directors is authorized to conduct a private placement, either individually or in combination, through the issuance of common shares via cash capital increase for participation in Global Depositary Receipt (GDR) offerings and/or cash capital increase and/or private placement of common shares and/or issuance of overseas or domestic convertible corporate bonds (hereinafter the “Bonds”), within a cap of 6,637,000 common shares. The number of shares convertible under the Bonds shall be calculated based on the applicable conversion price at the time of private placement and shall not exceed the above-mentioned total.

3. Issuance Period:

A one-time issuance within one year from the approval date of the 2025 Annual General Meeting of Shareholders.

4. Issuance Method:

The Bonds will be issued in accordance with Article 43-6 of the Securities and Exchange Act and the regulations of the jurisdiction where the issuance takes place.

The private placement shall be limited to specific parties as defined under Article 43-6 of the Securities and Exchange Act. Strategic investors who are expected to benefit the Company’s long-term development, competitiveness, and the interests of existing shareholders shall be prioritized. The negotiation and determination of such parties shall be fully delegated to the Board of Directors. The purpose, necessity, and expected benefits of introducing strategic investors are to support the Company’s operational growth. These investors are expected to directly or indirectly assist in areas such as finance, operations, production, technology, procurement, management, and strategic development, thereby enhancing the Company’s competitiveness and long-term operational performance.

5. Type, Denomination, and Issuance Price of Bonds:

The Bonds shall be privately placed registered convertible bonds, with denominations of either USD 10,000 or its multiples, or NT\$100,000 or its multiples. The issuance price shall not be lower than 80% of the theoretical value.

6. Coupon Rate and Interest Payment Method:

To be determined by the Board of Directors based on prevailing market conditions.

7. Maturity:

No more than seven years from the issuance date.

8. Repayment Method:

Unless converted, put back, redeemed, or repurchased and canceled, the Bonds shall be repaid in cash at face value or with interest premium upon maturity.

9. Conversion Target:

Newly issued common shares of BenQ Medical.

10. Conversion Terms:

(1) Conversion Period:

Unless otherwise restricted under the terms of the issuance agreement (e.g., early redemption, repurchase, cancellation, etc.), bondholders may apply for conversion into common shares at any time during a specified period after issuance until a specified period before maturity, in accordance with applicable laws and issuance terms.

(2) Conversion Procedures:

To request conversion, bondholders must submit a "Conversion Notice," together with the bond certificate and required documents or certifications under ROC law, to the Company.

(3) Conversion Price Determination and Adjustment:

The conversion price shall not be lower than 80% of the higher of the following two figures, adjusted for ex-rights and ex-dividends, and capital reduction effects:

- The simple arithmetic average closing price of the Company's common shares for either 1, 3, or 5 business days prior to the pricing date; or
- The simple arithmetic average closing price for the 30 business days prior to the pricing date.

The actual conversion price shall be determined by the Board of Directors in accordance with applicable laws and regulations. The Board is also authorized to determine the conversion price adjustment mechanism.

(4) Entitlement to Dividends for the Conversion Year:

Bondholders shall not be entitled to any dividend or distribution prior to conversion. Upon conversion, the newly issued common shares shall enjoy the same dividend rights as all other outstanding common shares.

(5) Rights and Obligations Post-Conversion:

Except for the three-year transfer restriction under Article 43-8 of the Securities and Exchange Act, the rights and obligations of shares issued upon conversion of the Bonds shall be identical to those of the Company's existing common shares.

11. Redemption by the Company:

To be determined by the Board of Directors.

12. Put Option by Bondholders:

The Company may choose not to provide a put option, or bondholders may, after a certain period post-issuance, request redemption of all or part of the Bonds at a price calculated based on a predetermined annual yield rate.

13. Other Key Terms:

All terms of issuance and any unresolved matters shall be determined, adjusted, and handled in full by the Board of Directors as necessary.

Appendix I

BenQ Medical Technology Corp.

Rules and Procedures for Shareholders' Meeting

9th Amendment Edition

Article 1 Unless otherwise provided by laws and regulations, the Rules of Procedure for Shareholders' Meetings of the Company shall be governed by these Rules.

Article 2 Unless otherwise provided by laws and regulations, shareholders' meetings shall be convened by the Board of Directors. Notices of annual shareholders' meetings shall be given to all shareholders at least 30 days in advance. For shareholders holding less than 1,000 registered shares, notice may be given by public announcement on the Market Observation Post System (MOPS) at least 30 days prior to the meeting. Notices for special shareholders' meetings shall be given at least 15 days in advance. For shareholders holding less than 1,000 registered shares, notice may be given by public announcement on MOPS at least 15 days before the meeting.

The meeting notice and public announcement shall specify the purpose(s) of the meeting.

Matters concerning the election or dismissal of directors, amendments to the Articles of Incorporation, capital reduction, application for termination of public offering, approval of director non-competition, capitalization of earnings or capital reserves, company dissolution, merger, spin-off, matters under Article 185, Paragraph 1 of the Company Act, and Articles 26-1 and 43-6 of the Securities and Exchange Act shall be clearly listed in the meeting notice and shall not be raised as extempore motions.

Article 3 Shareholders or their proxies attending the shareholders' meeting shall sign in. The sign-in process may be substituted by a sign-in card, and the number of shares represented shall be calculated based on the sign-in cards submitted.

Attendance and voting at shareholders' meetings shall be calculated based on the number of shares held.

Article 4 Shareholders may appoint a proxy to attend the shareholders' meeting by issuing the proxy form prepared by the Company, specifying the scope of authorization.

Each shareholder may issue only one proxy form and appoint only one proxy. The proxy form shall be delivered to the Company no later than two days prior to the shareholders' meeting. In the event of duplicate proxy forms, the one received first shall prevail, unless a statement of revocation is made for the earlier one.

If the proxy form has been received by the Company and the shareholder intends to attend the meeting in person, a written notice to revoke the proxy shall be submitted to the Company at least two days prior to the meeting. If the revocation is made after such deadline, the proxy shall attend and exercise the voting rights.

Article 4-1 If the Company convenes a virtual shareholders' meeting, the meeting notice shall specify the following:

1. The methods by which shareholders may participate in the virtual meeting and exercise their rights.
2. Contingency measures in the event of force majeure such as natural disasters or system failures affecting the virtual meeting platform or shareholder participation, including at minimum:
 - (1) Time for postponement or continuation of the meeting if the disruption cannot be resolved before the meeting, and the rescheduled date if necessary.
 - (2) Shareholders not registered for virtual participation in the original meeting shall not be allowed to participate in the rescheduled or continued session.

(3) If the meeting cannot be continued virtually, and after deducting the number of shares held by shareholders participating virtually, the remaining number still meets the quorum, the meeting shall proceed. Shareholders participating virtually shall be deemed to have waived all voting rights on the agenda items of the meeting.

(4) Handling procedures where all resolutions have been announced but no extempore motions have been addressed.

3. Appropriate alternative measures for shareholders who have difficulty participating virtually shall also be disclosed in the meeting notice.

Article 5 The Company shall provide attending shareholders with the meeting handbook, annual report, speaker slips, voting ballots, and other relevant materials. If the meeting includes the election of directors (including independent directors), ballots shall also be provided. Shareholders shall present an attendance card, sign-in card, or other valid identification documents to attend the meeting. Solicitors of proxy forms must bring identity documents for verification.

Where a shareholder is a government agency or legal entity, it may appoint more than one representative to attend the meeting. Where a legal entity is entrusted to attend a shareholders' meeting, it may appoint only one representative.

Article 6 The shareholders' meeting shall be held at the Company's registered location or at a venue deemed convenient for shareholders and suitable for holding such a meeting. The meeting shall not commence earlier than 9:00 a.m. or later than 3:00 p.m. If the shareholders' meeting is held virtually, the aforementioned location restriction shall not apply.

Article 7 If the shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of the Board. If the Chairman is on leave or unable to exercise duties for any reason, the Chairman shall appoint a director to act as proxy. In the absence of such designation, the attending directors shall elect one among themselves to act as chair.

If a shareholders meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall elect a chair from among themselves.

Article 8 The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 9 The entire proceedings of the shareholders' meeting shall be audio or video recorded by the Company and retained for at least one year. For virtual shareholders' meetings, the Company shall record and preserve information on shareholder registration, check-in, questions, voting, and vote-counting results. The entire virtual meeting process shall be continuously recorded, and such recordings shall be properly retained for the statutory period or until the conclusion of any litigation brought by shareholders in accordance with Article 189 of the Company Act.

Article 10 At the scheduled meeting time, the chair shall call the meeting to order. However, if shareholders representing less than half of the total issued shares are present, the chair may announce a postponement. The meeting may be postponed no more than twice, and the total delay shall not exceed one hour.

If, after two postponements, the quorum is still not met but shareholders representing more than one-third of the total issued shares are present, the chair may proceed with a provisional resolution in accordance with Article 175, Paragraph 1 of the Company Act and notify all shareholders to reconvene the meeting within one month.

If the number of shares represented by shareholders present at the meeting subsequently reaches a majority of the total issued shares before the meeting concludes, the chair may resubmit the provisional resolution for approval in accordance with Article 174 of the Company Act.

- Article 11** If the shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board. The meeting shall proceed in accordance with the scheduled agenda and may not be changed without a resolution of the shareholders' meeting.
- If the meeting is convened by a party other than the Board of Directors, the preceding paragraph shall apply *mutatis mutandis*.
- Unless resolved otherwise, the chair may not declare adjournment of the meeting until all items on the scheduled agenda (including extempore motions) have been addressed. Shareholders shall not elect another chair to continue the meeting at the same or a different location. However, if the chair violates these Rules and unilaterally declares adjournment, the other members of the Board shall promptly assist attending shareholders to elect a new chair with the approval of a majority of the voting rights represented at the meeting so the meeting may continue in accordance with legal procedures.
- Article 12** Shareholders who wish to speak during the meeting shall first complete a speaker slip stating the subject of their remarks, their shareholder account number (or attendance certificate number), and account name. The chair shall determine the order of speaking. Shareholders who submit a speaker slip but do not actually speak shall be deemed to have waived their right to speak. If the content of the speech differs from what was stated on the slip, the actual speech shall prevail.
- Shareholders may not interrupt others during their remarks unless with the consent of both the chair and the speaking shareholder. The chair shall restrain any violations. Shareholders attending virtually may submit text questions via the virtual meeting platform from the time the meeting is called to order until it is adjourned. Each shareholder may ask up to two questions per agenda item, with each question limited to 200 characters.
- Article 13** Each shareholder may speak on the same agenda item no more than twice unless otherwise permitted by the chair, and each speaking session shall not exceed five minutes. If a shareholder violates the aforementioned limits or strays from the topic, the chair may terminate the speech.
- Article 14** When a legal entity is appointed as proxy to attend the shareholders' meeting, it may only designate one representative. If a corporate shareholder designates more than one representative to attend, only one may speak on the same agenda item.
- Article 15** Following a shareholder's speech, the chair may respond personally or appoint a relevant person to respond on behalf of the Company.
- Article 16** Voting at shareholders' meetings shall be calculated based on the number of shares held. In resolutions adopted at shareholders' meetings, shares held by shareholders without voting rights shall not be counted in the total issued shares.
- Where a shareholder has a personal interest in a matter under discussion that may be detrimental to the interests of the Company, such shareholder shall abstain from voting and shall not act as a proxy for another shareholder in exercising voting rights.
- The number of shares that shall not exercise voting rights as stated in the preceding paragraph shall not be counted in the total number of voting rights of the attending shareholders.
- Except for trust enterprises or stock affairs agents approved by the securities regulatory authority, where one person is concurrently entrusted by two or more shareholders, the total voting rights represented shall not exceed 3% of the total issued shares. Any excess shall not be counted.
- Article 17** For proposals and any amendments or extempore motions raised by shareholders, the chair shall provide ample opportunity for explanation and discussion. When the chair

deems that a proposal has been sufficiently discussed, the chair may announce the discussion closed and submit the proposal for resolution.

Article 18 Inspectors and vote counters for voting on proposals shall be appointed by the chair; however, inspectors shall be shareholders of the Company. The results of voting shall be announced on the spot and recorded accordingly.

Article 19 During the meeting, the chair may declare a recess at an appropriate time. In the event of force majeure, the chair may suspend the meeting and announce the time for its continuation depending on the circumstances.

If the venue for the meeting becomes unavailable before the conclusion of the scheduled agenda (including extempore motions), the meeting may be continued at another location upon a resolution by the shareholders.

The shareholders' meeting may resolve, in accordance with Article 182 of the Company Act, to postpone or reconvene within five days.

Article 20 Each share entitles the shareholder to one vote; however, this does not apply to shares with restricted or no voting rights.

Unless otherwise provided by the Company Act or other laws and regulations, resolutions shall be adopted by a majority of the voting rights represented by shareholders present.

During voting, the chair or a person designated by the chair shall announce the total number of voting rights represented at the meeting for each proposal.

Where the chair consults the shareholders and no objections are raised, the proposal shall be deemed approved, and its effect shall be equivalent to a formal resolution. If there is any objection, voting shall proceed in accordance with the method specified above.

For virtual shareholders' meetings, shareholders participating by video conference shall vote on each proposal and election item through the virtual meeting platform after the chair has called the meeting to order and before the chair announces the close of voting. Late submissions shall be deemed as abstentions.

For meetings held by video conference, the votes shall be counted in a single tally after the chair announces the close of voting, and the results of proposals and elections shall be announced thereafter.

Article 21 If an agenda item includes both an original proposal and an amendment or alternative proposal, the chair shall determine the order of voting by combining them for resolution. If any one of the proposals is approved, the remaining proposals shall be deemed rejected and no further voting shall be required.

Article 22 When directors (including independent directors) are to be elected at a shareholders' meeting, the election shall be conducted in accordance with the Company's relevant election regulations, and the results shall be announced on the spot.

The ballots used in such elections shall be sealed and signed by the inspectors and kept properly for at least one year. However, if any litigation is filed by shareholders in accordance with Article 189 of the Company Act, the ballots shall be preserved until the conclusion of the litigation.

Article 23 Resolutions of the shareholders' meeting shall be recorded in the meeting minutes, which shall be signed or stamped by the chair and distributed to all shareholders within 20 days after the meeting.

The preparation and distribution of the meeting minutes may be conducted by public announcement through the Market Observation Post System (MOPS).

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's name, the method of resolution, the main points of the proceedings, and the results of the resolutions. The minutes shall be retained permanently during the Company's existence.

Where a resolution was adopted by unanimous consent without objection upon the chair's inquiry, the minutes shall state: "Approved unanimously by all shareholders present upon inquiry by the chair." If any objection is raised, the method of voting and the number and proportion of votes in favor shall be recorded.

Article 24 The number of shares solicited by solicitors and those represented by proxies shall be compiled in a statistical table in the prescribed format by the Company on the day of the shareholders' meeting and clearly disclosed at the meeting venue.

If a resolution of the shareholders' meeting involves material information as required by law or the competent authority, the Company shall transmit the relevant content to the Market Observation Post System within the prescribed timeframe.

Article 25 Personnel handling affairs of the shareholders' meeting shall wear identification badges or armbands.

If amplification equipment is provided at the venue, shareholders shall use only the equipment provided by the Company for making statements; otherwise, the chair may stop the speech.

If any shareholder violates the rules of procedure, disobeys the chair's instructions, or obstructs the proceedings and fails to comply after being warned, the chair may instruct security personnel or designated staff to escort such individual out of the venue.

Article 26 Any matters not provided for in these Rules shall be handled in accordance with the Company Act, the Securities and Exchange Act, and other applicable regulations prescribed by the competent authority.

Article 27 These Rules shall become effective upon approval by the shareholders' meeting. The same shall apply to any amendments thereto.

Article 28 These Rules were established on March 30, 1999.

The first amendment was made on June 9, 2000.

The second amendment was made on May 14, 2002.

The third amendment was made on June 16, 2005.

The fourth amendment was made on June 1, 2009.

The fifth amendment was made on June 28, 2010.

The sixth amendment was made on May 28, 2012.

The seventh amendment was made on May 29, 2014.

The eighth amendment was made on June 10, 2020.

The ninth amendment was made on June 9, 2023.

Appendix II

BenQ Medical Technology Corp.

Articles of Incorporation (Before the amendments)

Chapter 1 General Provisions

Article 1 This Company is organized in accordance with the Company Act of the Republic of China (Taiwan) as a company limited by shares, and is named 明基三豐醫療器材股份有限公司, with its English name: **BenQ Medical Technology Corporation**.

Article 2 The scope of business of the Company shall include the following:

1. CF01011 Medical Equipment Manufacturing
2. CE01010 Instruments Manufacturing
3. F108031 Wholesale of Medical Equipment
4. F208031 Retail Sale of Medical Equipment
5. F113030 Wholesale of Precision Instruments
6. F213040 Retail Sale of Precision Instruments
7. F113060 Wholesale of Weighing Apparatus
8. F213050 Retail Sale of Weighing Apparatus
9. F119010 Wholesale of Electronic Materials
10. EZ05010 Installation of Instruments and Meters
11. F401010 International Trade
12. I103060 Management Consulting
13. EZ13010 Nuclear Engineering
14. E599010 Plumbing Engineering
15. E605010 Installation of Computer Equipment
16. I301020 Data Processing Services
17. F113070 Wholesale of Telecommunication Equipment
18. F213060 Retail Sale of Telecommunication Equipment
19. F118010 Wholesale of Information Software
20. F218010 Retail Sale of Information Software
21. I301030 Electronic Information Supply Services
22. E603050 Automatic Control Equipment Engineering
23. I501010 Product Design
24. E801010 Interior Decoration
25. J202010 Industry Incubation
26. CE01021 Weighing Apparatus Manufacturing
27. F401181 Import of Weighing Apparatus
28. CQ01010 Mold Manufacturing
29. F106030 Wholesale of Molds
30. F206030 Retail Sale of Molds
31. CE01990 Other Optical and Precision Instrument Manufacturing
32. CE01030 Optical Instruments Manufacturing
33. CA02050 Valve Manufacturing
34. C805020 Manufacturing of Plastic Molds and Bags

- 35. F107190 Wholesale of Plastic Molds and Bags
- 36. F207190 Retail Sale of Plastic Molds and Bags
- 37. C805070 Reinforced Plastic Products Manufacturing
- 38. C805050 Industrial Plastic Products Manufacturing
- 39. C801100 Synthetic Resin and Plastic Manufacturing
- 40. F108040 Wholesale of Cosmetics
- 41. F208040 Retail Sale of Cosmetics
- 42. ZZ99999 All business items that are not prohibited or restricted by law, except those requiring special approval.

Article 3 The Company may provide endorsements or guarantees externally due to operational needs or investment relationships.

Article 4 The Company's total amount of reinvestment is not subject to the restriction under Article 13 of the Company Act.

Article 5 The Company's head office shall be located in Taipei City. When necessary, the Company may, by resolution of the Board of Directors, establish branch offices, factories, or representative offices domestically or abroad.

Chapter 2 Shares

Article 6 The total authorized capital of the Company shall be NT\$1.5 billion, divided into 150 million shares with a par value of NT\$10 per share, to be issued in installments as authorized by the Board of Directors.

Within the aforementioned authorized capital, NT\$200 million, equivalent to 20 million shares at NT\$10 per share, shall be reserved for issuance of employee stock options, to be issued in installments as authorized by the Board of Directors.

The Company may, with the approval of a shareholders' meeting attended by shareholders representing more than half of the total issued shares and with the consent of two-thirds or more of the voting rights of the shareholders present, issue employee stock options at a subscription price lower than the market price, or transfer treasury shares to employees at a price lower than the average repurchase price.

The Company may, by special resolution of the shareholders' meeting, apply to and deregister from public offering with the competent securities authority.

Article 7 The Company may issue shares without printing physical share certificates, provided that the shares shall be registered with a centralized securities depository enterprise.

The transferees of treasury shares repurchased by the Company may include employees of its controlled or affiliated companies who meet certain criteria.

Recipients of employee stock options issued by the Company may include employees of its controlled or affiliated companies who meet certain criteria.

When issuing new shares, the subscribing employees may include employees of its controlled or affiliated companies who meet certain criteria.

Recipients of restricted employee shares issued by the Company may also include employees of its controlled or affiliated companies who meet certain criteria.

Article 8 The Company shall close its share transfer registration: 60 days prior to a regular shareholders' meeting, 30 days prior to a special shareholders' meeting, or 5 days prior to the record date for distribution of dividends, bonuses, or other benefits.

Article 9 The handling of the Company's share affairs shall be conducted in accordance with the regulations prescribed by the competent authority, unless otherwise provided by law.

Chapter 3 Shareholders' Meetings

Article 10 Shareholders' meetings of the Company shall be categorized as regular meetings and special meetings. A regular shareholders' meeting shall be convened by the Board of Directors within six months after the end of each fiscal year. Special meetings shall be convened as necessary in accordance with the law.

Shareholders' meetings of the Company may be held via video conferencing or other means announced by the central competent authority.

Article 11 Unless otherwise provided by the Company Act, a resolution of the shareholders' meeting shall be adopted by a majority of the votes cast by shareholders present at a meeting attended by shareholders representing more than one-half of the total issued shares.

Each share held by a shareholder shall confer one voting right, except for shares that are non-voting under Article 179, Paragraph 2 of the Company Act.

Pursuant to the regulations of the competent authority, shareholders may exercise their voting rights electronically. Shareholders who exercise voting rights electronically shall be deemed to have attended the meeting in person. Relevant matters shall be handled in accordance with applicable laws and regulations.

If a shareholder is unable to attend a shareholders' meeting in person, he or she may appoint a proxy by completing the proxy form printed by the Company, specifying the scope of authorization, and signing or affixing a seal. Except for trust enterprises or shareholder service agents approved by the competent securities authority, where one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented shall not exceed 3% of the total issued shares, and any excess shall not be counted. The exercise and revocation of proxy forms shall be conducted in accordance with the provisions of the Company Act.

Article 12 The election of directors shall adopt a candidate nomination system. The term "directors" as used in these Articles includes independent directors.

Chapter 4 Directors and Audit Committees

Article 13 The Company shall have seven to nine directors, who shall be elected by the shareholders' meeting from among persons with legal capacity. Each director shall serve a term of three years and may be re-elected.

The shareholding percentage of all directors shall comply with the regulations prescribed by the competent securities authority.

Among the aforementioned directors, there shall be no fewer than three independent directors, who shall be elected from a list of independent director candidates at a shareholders' meeting.

The qualifications, shareholding, restrictions on concurrent positions, criteria for independence, nomination and election procedures, and other relevant matters regarding independent directors shall be governed by the Company's Director Election Regulations and applicable laws and regulations.

Article 13-1 In accordance with the Securities and Exchange Act, the Company shall establish an Audit Committee composed entirely of independent directors. The composition, powers, rules of procedure, and other matters related to the Audit Committee shall comply with the relevant regulations of the competent securities authority.

Article 14 The Board of Directors shall be composed of the directors of the Company. The Chairperson shall be elected from among the directors by a majority vote of the directors present at a meeting attended by at least two-thirds of all directors. The Chairperson shall represent the Company externally. A Vice Chairperson may also be elected in the same manner.

Article 15 If the Chairperson is on leave or unable to exercise their authority for any reason, a substitute shall be appointed in accordance with Article 208 of the Company Act. If a director is unable to attend a meeting, he or she may appoint another director as proxy by issuing a written authorization. However, one proxy may only represent one director.

Article 16 A notice of a Board of Directors meeting shall specify the purpose of the meeting and be delivered to all directors at least seven days in advance. In case of emergency, a meeting may be convened at any time. Notices of Board meetings shall be handled in accordance with the Company Act and may be delivered in writing, by email, or by fax.

Article 17 During their term of office, the Company may, for directors, purchase liability insurance for compensation obligations they may bear by law in relation to the performance of their duties. Director compensation shall be determined by the Board of Directors with reference to their participation in Company operations, contribution value, and the standards prevailing among peer companies domestically and abroad.

Chapter 5 Managerial Officer

Article 18 The Company may appoint a multiple number of managerial officers whose appointment, dismissal and compensations shall be conducted in accordance with the Company Act.

Chapter 6 Accounting

Article 19 The Company's fiscal year shall commence on January 1 and end on December 31 of each calendar year. At the end of each fiscal year, the Board of Directors shall prepare the following documents and submit them to the Audit Committee for review at least 30 days prior to the regular shareholders' meeting. The Audit Committee shall then issue a review report and submit the documents to the shareholders' meeting for approval:

1. Business Report
2. Financial Statements
3. Proposal for Earnings Distribution or Loss Compensation

Article 20 If there is any earnings in the Company's annual final accounts, it shall first be used to pay taxes and make up past losses, then 10% shall be appropriated as legal reserve. Special reserve shall also be appropriated or reversed in accordance with relevant laws and regulations. Any remaining earnings, together with undistributed earnings from previous years, shall be proposed by the Board of Directors as a distribution plan or loss compensation plan and submitted to the shareholders' meeting for resolution.

If the earnings distribution plan includes a cash dividend, the Board of Directors is authorized to resolve such distribution and report it to the shareholders' meeting.

The Company may distribute cash from the legal reserve or capital reserve in accordance with Article 241 of the Company Act. If such distribution is made in cash, the Board of Directors is authorized to approve it and report to the shareholders' meeting.

Article 20-1 If the Company records a profit for the year, no less than 5% and no more than 20% of the profit shall be allocated as employee compensation, and no more than 1% shall be allocated as director compensation. However, if there are accumulated losses, the Company shall first retain an amount sufficient to offset such losses.

Recipients of employee compensation in the form of stock or cash may include employees of the Company's controlling or affiliated companies who meet certain criteria. The criteria and distribution method shall be determined by the Board of Directors or by a person authorized by the Board.

Article 20-2 The distribution of the financial statements and the earnings distribution or loss compensation resolutions mentioned in the preceding articles may be conducted by public announcement via the Market Observation Post System (MOPS).

Article 21 The Company adopts a residual dividend policy to ensure long-term growth and sustainable operations. If there is distributable earnings in the annual final accounts, the Company shall distribute no less than 10% of the distributable earnings as dividends. In consideration of the need to expand operations and maintain liquidity, the proportion of cash dividends distributed each year shall not be less than 10% of the total amount of dividends distributed (cash and stock combined) for that year.

Chapter 7 Supplementary Provisions

Article 22 With regard to the matters not provided for in these Articles of Incorporations, the Company Act shall govern.

Article 23 These Articles of Incorporation were established on March 6, 1989.

First amendment: July 7, 1990

Second amendment: July 11, 1991

Third amendment: December 12, 1991

Fourth amendment: May 25, 1993

Fifth amendment: June 10, 1998

Sixth amendment: October 1, 1998

Seventh amendment: October 17, 1998

Eighth amendment: March 30, 1999

Ninth amendment: August 24, 1999

Tenth amendment: June 9, 2000

Eleventh amendment: September 28, 2000

Twelfth amendment: May 14, 2002

Thirteenth amendment: June 16, 2005

Fourteenth amendment: June 15, 2007

Fifteenth amendment: June 2, 2008

Sixteenth amendment: June 1, 2009

Seventeenth amendment: June 28, 2010

Eighteenth amendment: May 30, 2011

Nineteenth amendment: May 28, 2012

Twentieth amendment: May 31, 2013

Twenty-first amendment: May 29, 2014

Twenty-second amendment: May 28, 2015

Twenty-third amendment: June 7, 2016

Twenty-fourth amendment: June 6, 2019

Twenty-fifth amendment: June 10, 2020

Twenty-sixth amendment: July 29, 2021

Twenty-seventh amendment: June 8, 2022

Twenty-eighth amendment: June 7, 2024

Appendix 3:

BenQ Medical Technology Corp. Shareholding of Directors

The Company's paid-in capital is NT\$445,660,000, consisting of 44,566,000 issued shares. Pursuant to Article 26 of the Securities and Exchange Act, the minimum total shareholding required of all directors is 3,600,000 shares.

According to the shareholders' register, the total number of shares actually held by all directors (excluding independent directors) is 19,353,427 shares, representing 43.43% of the total outstanding shares of the Company. The details of shareholdings by individual directors are as follows:

As of the share transfer suspension date /April 07, 2025

Title	Name	No. of Shareholding	Shareholding %
Chairman	BENQ Corporation Representative / Chi-Hong (Peter) Chen	19,353,427	43.43%
Vice Chairman	BENQ Corporation Representative / Houng-Pei (Harry) Yang		
Director	BENQ Corporation Representative / Hsin-Pao (Michael) Kuan		
Director	BENQ Corporation Representative / Sheng-Lung (Danny) Shen		
Independent Director	Chin-Tung (Daniel) Chang	287	0.00%
Independent Director	Kuang-Jen (KJ) Chou	0	0.00%
Independent Director	Hsuan-Lien (Miranda) Chu	0	0.00%
Total Shareholding of All Directors (Excluding Independent Directors)		19,353,427	43.43%

