Stock Code：6499

Medeon Biodesign, Inc.

2024 Annual Shareholders' Meeting

Meeting Handbook

(Translation)

Date: **June 12, 2024**
Venue: **11F., No. 97, Sec. 2, Dunhua S. Rd., Taipei City, Taiwan (R.O.C.)**
(MasterLink Securities Conference Room)

This translated document is prepared in accordance with the Chinese version and is for reference only. In the event of any inconsistency between the English version and the Chinese version, the Chinese version shall prevail.

INDEX

1. MEETING AGENDA

Medeon Biodesign, Inc.

Agenda of 2024 Annual Shareholders' Meeting

Date and Time: June 12, 2024 (Wednesday) at 10:00 a.m.

Place: 11F, No. 97, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City, Taiwan (R.O.C.)
(Conference Room of MasterLink Securities)

Mode of Meeting: Face-to-face Meeting

Meeting Procedure:

1. Call the Meeting to Order
2. Chairman's Address
3. Items for Reporting
   (1) To Report the Company's 2023 Business Report
   (2) To Report Audit Committee's Review Report on the 2023 Financial Statements
   (3) To Report the Implementation Status of the Private Placement
   (4) To Report the Directors' Remuneration for the year 2023
4. Items for Ratification
   (1) To ratify the Company's 2023 Business Report, Financial Statements and Consolidated Financial Statements
   (2) To ratify the Company's 2023 Deficit Offset
5. Items for Discussion
   (1) Proposal of the private placement to issue additional common shares
6. Items for Election
   (1) To elect 6th session of Directors
7. Other Motions
   (1) To release newly elected directors or its representatives from Non-Competition Restrictions
8. Extempore Motions
9. Adjournment

2. Items for Reporting

Item 1

Cause of Action : To Report the Company's 2023 Business Report.

Description : Please refer to Exhibit 1 for the Company's 2023 Business Report (pages 11 - 19 of this handbook).

Item 2

Cause of Action : To Report Audit Committee's Review Report on the Company's 2023 Financial Statements.

Description : Please refer to Exhibit 2 for Audit Committee Report (pages 20 of this handbook).

Item 3

Cause of Action : To Report the Implementation Status of the Private Placement.

Description : The Shareholders' Meeting resolved on June 19, 2023 to proceed with the issuing no more than 35,000,000 common shares for capital increase through private placement. The issuing shall be completed within 1 year from the date of the resolution of the Shareholders' Meeting. The Board resolved on May 2, 2024 not to proceed the private placement of common shares approved by the 2023 Annual Shareholders' Meeting.

Item 4

Cause of Action : To Report the Directors' Remuneration for the year 2023.

Description : 1. The policy, system, criteria and structure of remuneration for the Company's ordinary and independent directors are set out below, with a description of the relevance of the amount of remuneration to the respective responsibilities, risks and time commitment.

(1) In accordance with the articles of incorporation, not more than 2% of the Company's annual profit shall be distributed as remuneration to the Directors. However, if the Company has accumulated losses, the Company shall retain the amount of such losses in advance and then distribute the Directors' remuneration in accordance with the aforesaid percentage.

(2) The Company conducted an evaluation on the performance of the Board in 2023 (the items of evaluation include the 5 dimensions of the level of participation in the operation of the Company, upgrade the decision-making quality of the Board, the organization and structure of the Board, the election of Directors and their continuing education, and internal control), and the self-assessment of the Directors in 2023 (the items of evaluation include the 6

dimensions of the control of the objective and mission of the Company, the sense of duties, level of participation in the operation of the Company, cultivation of internal relation and communication, professional standing and continuing education of the Directors, and internal control) in accordance with the "Rules for Performance Evaluation of Board of Directors". However, the Company did not yield any profit in 2023 that only the fixed remuneration for the Independent Directors and the attendance fees for the Directors have been disbursed.

2. Please refer to Exhibit 3 for Directors' Remuneration Report 2023 (pages 21 of this handbook).

3. Items for Ratification

Item 1 (Proposed by the Board of Directors)

Cause of Action : To ratify the Company's 2023 Business Report, Financial Statements and Consolidated Financial Statements.

Description : 1. The Company's 2023 business report, financial statements and consolidated financial statements were reviewed by the Audit Committee without any nonconformity identified and resolved for acceptance on the Board of Directors' meeting. Among the above, the financial statements and consolidated financial statements were audited by CPA Hsiao Tzu Chou and CPA Hua Ling Liang of PwC Taiwan without any nonconformity identified and with a review report issued.

2. Please refer to Exhibit 1 for The Company's 2023 Business Report (pages 11 - 19 of this handbook) and Exhibit 4 for The Company's 2023 Financial Statements and Consolidated Financial Statements (pages 22 - 44 of this handbook).

Resolutions:

Item 2 (Proposed by the Board of Directors)

Cause of Action : To ratify the Company's 2023 deficit offset.

Description : The proposal for offsetting the deficit in 2023 has been reviewed by the Audit Committee and resolved for acceptance on the Board of Directors' meeting. The Statement of deficit offset is shown below:

Medeon Biodesign, Inc.

2023 Deficit Offset Statement

Unit: NT$ dollar

Item	Amount
Undistributed retained earnings at the beginning of the period	$ 1,047,574,264
Less: Net loss in this period.	(1,204,615,449)
Recognition of changes in ownership of subsidiaries	(31,383,929)
Accumulated deficit at the end of the period	(188,425,114)

Chairman: Yue Teh Jang General Manager: Yue Teh Jang Accounting Manager: Tori Lin

Resolutions:

4. Items for Discussion

Item 1 (Proposed by the Board of Directors)

Cause of Action : Proposal of the private placement to issue additional common shares

Description : 1. In order to raise working capital, accelerate product development, invest in subsidiaries and the medical industry, develop the Company's strategic objectives, and to ensure the timeliness, accessibility and cost of raising capital, Medeon Biodesign, Inc. intends to conduct a private placement of marketable securities.

2. The private placement is for the issuance of additional common shares up to a maximum of 35,000,000 shares.

3. According to Article 43-6 of the "Securities and Exchange Act" and the "Directions for Public Companies Conducting Private Placements of Securities", details of the private placement are listed as follows:

(1) The basis and reasonableness of pricing for the private placement:

The reference price for the private placement is set at the higher of the following two benchmark prices:

A. The average of the closing prices of common shares for one or three or five (alternative) business days prior to the pricing date, excluding the ex-rights and dividends of the nil-paid allotment of shares and after adding back the capital reduction and ex-rights.

B. The average of the closing prices of the common shares for the 30 business days preceding the pricing date, excluding the ex-rights and dividends of the nil-paid allotment, and after adding back the capital reduction and ex-rights.

The price of common shares issued in the private placement shall be set at a level not less than 80% of the reference price. The actual issuance price of the private placement is proposed to the shareholders' meeting to authorize the board of directors to determine the price within a range not lower than the percentage resolved at the shareholders' meeting, taking into account the prevailing market conditions on the pricing date.

(2) Selection method and purpose of private placement of specific investors, necessity and expected benefits:

According to Article 43-6 of the Securities and Exchange Act, and Order of the Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Fa-Tzu No. 1120383220 dated September 12, 2023, and the Directions for Public Companies Conducting Private Placement of Securities, only the following parties are qualified as specific investors of the private placement:

A. Insiders of the Company

The reason is that insiders know the operation of the Company very well and can directly or indirectly contribute to the operation of the Company.

Therefore, placees in this instance of private placement include the insiders. The list of these insiders is shown below:

Item	Name of Placee	Relation with the Company
1	Medeon, Inc. (USA)	Institutional Director of the Company
2	Center Laboratories, Inc.	Institutional Director of the Company
3	Yue Teh Jang	Representative of Medeon, Inc. of the USA, an Institutional Director of the Company. Chairman and President of the Company
4	Jung Chin Lin	Representative of Center Laboratories, Inc., an Institutional Director of the Company.
5	Chih Hsiung Wu	Representative of Center Laboratories, Inc., an Institutional Director of the Company.
6	Hong Jen Chang	Director of the Company
7	Hsin Yuan Fang	Director of the Company
8	Chi Hang Yang	Independent Director of the Company
9	Chia Ying Ma	Independent Director of the Company
10	Jerome Shen	Independent Director of the Company
11	Jien Wei Yeh	Independent Director of the Company
12	Albert Weng	Manager of the Company
13	Greta Chang	Manager of the Company
14	Jenny Chen	Manager of the Company
15	Pei Chen	Manager of the Company
16	Janice Chang	Manager of the Company
17	Tori Lin	Accounting Officer of the Company

Disclose the following if the placee is a juridical person.

Institutional investor	Names of the top 10 shareholders and proportion of shareholding	Relation with the Company
Medeon, Inc. (USA)	Yue Teh Jang (100%)	The Chairman of this company is the Chairman and President of the Company.
Center Laboratories, Inc.	Li Rong Technology Co., Ltd. (8.70%)	The Chairman of this company is the spouse of the representative of an Institutional Director of the Company.
	Royal Food Co., Ltd. (5.99%)	The Chairman of this company is a representative of an Institutional Director of the Company.
	Jason Technology Co., Ltd. (2.37%)	The Chairman of this company is the spouse of the representative of an Institutional Director of the Company.
	Farglory Life Insurance Inc.	None

Institutional investor	Names of the top 10 shareholders and proportion of shareholding	Relation with the Company
	(1.63%)	
	You De Investment Consulting Co., Ltd. (1.38%)	The Chairman of this company is also the Chairperson of an Institutional Director of the Company.
	MasterLink Securities Corp. (1.07%)	None
	Mumozi Inc. (1.03%)	None
	Yong Lian Co., Ltd. (1.00%)	None
	Wei Chen Investment Co., Ltd. (0.89%)	None
	JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds (0.86%)	None

B. Placees should be strategic investors: It is necessary to bring in strategic investors that could contribute to the development of the Company in the future, improvement of financial structure, and upgrade the profitability of the Company. It is expected that with the assistance of their capital, technology and knowledge, the Company will be able to grow steadily in the future.

The Company has not yet pinpointed specific investors for investment. We request the Shareholders' Meeting to authorize the Board with full power of attorney to search for the placees.

(3) Reasons necessitating the private placement.

A. Reason for not referring to public offering: Considering the timing, convenience and cost of issuance, private placement of securities can be accomplished quickly and easily. In addition, securities invested through private placement cannot be transferred in a period of 3 years after issuing. This helps to assure the long-term stable relation between the investors and the Company. As such, offering securities through private placement is adopted.

B. Amount of private placement: Within the limit of 35,000,000 shares of common stock, the private placement will be conducted in installments within one year from the date of the shareholders' meeting, with the maximum number of installments not exceeding three.

C. Use of private placement funds: The purpose of each tranche is to increase working capital, accelerate product development, invest in subsidiaries

and the medical industry, and develop the Group's strategic objectives.

D. Expected benefits: Each tranche is intended to strengthen the Company's financial structure, enhance operational efficiency and competitiveness.

4. The number of existing shares of the Company is 92,244,893 shares. After adding 35,000,000 shares to the proposed private placement, the paid-in capital will be increased to 127,244,893 shares on the basis of the full issuance. The proportion of the private placement shares to the capital after the private placement is estimated to be 27.51%. If all of the private placement shares were not placed by insiders of the Company, in accordance with Article 4-3 of the "Directions for Public Companies Conducting Private Placements of Securities", the Company engaged a securities underwriter to provide an assessment opinion on the necessity and reasonableness for conducting the private placement. Please refer to Exhibit 5 for the Securities Underwriters' Assessment of the Necessity and Reasonability of a Private Placement of Common Shares in 2024 (pages 45 - 54 of this handbook).
5. Rights and obligations under the private placement of common shares.
   In principle, the rights and obligations of the common shares in the private placement are the same as those of the Company's existing common shares; however, in accordance with the Securities and Exchange Act, the common shares in the private placement may not be sold within three years from the date of delivery, except to the parties to whom they are transferred in accordance with Article 43-8 of the Securities and Exchange Act. After three years from the date of delivery, the Company intends to request the shareholders' meeting to authorize the Board of Directors to apply to the relevant authorities for a public offering and listing of the Company's common shares in accordance with the relevant regulations.
6. The main contents of the private placement plan, including the actual issue price, the number of shares to be issued, the terms of the issue, the pricing date, the base date of the capital increase, the planned projects, the amount to be raised, the estimated progress, the estimated benefits to be generated, and all other matters related to the issue plan, in addition to the pricing percentage of the private placement. The above and in the future, in the event of changes in laws and regulations, amendments as directed by the competent authorities, or amendments based on operational evaluations or in response to objective market conditions, the shareholders' meeting will also be requested to authorize the Board of Directors to handle such matters at its sole discretion.
7. In connection with the private placement of securities, it is proposed that the shareholders' meeting authorize the chairman of the board of directors or his or her designee to sign and negotiate on behalf of the Company all contracts and documents relating to the private placement and to conduct all matters necessary for the Company in connection with the private placement.
8. It is proposed to request the shareholders' meeting to authorize the Board of Directors to handle all the matters not mentioned above in accordance with the law.

Resolutions:

5. Items for Election

Item 1 (Proposed by the Board of Directors)

Cause of Action : To elect 6th session of Directors

Description : 1. The term of the Company's 5th session of Directors will expire on July 15, 2024. In accordance with Article 195 of the Company Act, the Directors will be re-elected in the 2024 Annual Shareholders' Meeting.

2. 7 Directors (including 4 independent directors) should be elected in this election under the candidate nomination system. The 5th session of Directors will be discharged after the 2024 Annual Shareholders' Meeting. The newly elected directors shall serve for a term of three years, starting from June 12, 2024 to June 11, 2027. Upon this election, the audit committee will be composed of the entire number of independent directors.

3. The list of Director Candidates have been resolved by the Board on May 2, 2024. Please refer to Exhibit 6 for the detail (pages 55 – 62 of this handbook).

Election result:

6. Other Motions

Item 1 (Proposed by the Board of Directors)

Cause of Action : To release newly elected directors or its representatives from Non-Competition Restrictions

Description :

1. In accordance with Article 209 of the Company Act, a director shall explain to the shareholders' meeting the material details of his or her acts for himself or herself or for others within the scope of the Company's business and obtain permission for such acts.
2. If the Company's newly elected directors and their representatives invest in or manage other companies with the same or similar scope of business as the Company and act as directors or managers, in order to meet the actual business needs and without prejudice to the Company's interests, ones may seek the approval of the shareholders' meeting to release the non-competition restriction for newly elected directors and their representatives in accordance with the law.
3. Please refer to Exhibit 7 for the list of part-time positions held by the Director Candidates (pages 63 - 65 of this handbook).

Resolutions:

7. Extempore Motions

8. Adjournment

【Exhibit 1】

Medeon Biodesign, Inc.

Business Report

Dear Shareholders, Ladies and Gentlemen,

First and foremost, we would like to thank our shareholders for their support and encouragement over the past year. We would like to report to all shareholders the consolidated business results for 2023, the outline of business plan for 2024, future development strategies, as well as the impact of the external competitive environment, regulatory environment and general business environment as follows.

1. Consolidated Business Results for 2023

(1) Overview of Business Policies and Implementation

Medeon specializes in the research and development (R&D) and manufacturing of advanced medical devices with high market value. With minimally invasive procedures as our primary field, we focus on the fields of advanced cardiovascular minimally invasive procedures, urology, laparoscopy, and orthopedics at the present stage. The Company's business operations are divided into two main areas. In addition to the field of innovative medical device R&D and incubation developed for many years, we have recently entered the advanced medical device contract development and manufacturing organization (CDMO) business. Through a series of mergers and acquisitions and internal integration, we have established an efficient and technology driven CDMO business to provide one-stop services to international customers in the field of advanced medical devices.

In the field of innovative medical device R&D and incubation, our product, Cross-Seal™ - large bore vascular closure system (IVC-C01), was acquired by Terumo, an international major company in the cardiovascular field, for a total of US$50 million. The upfront and milestone payments that has been accounted for by the end of 2023 were US$20 million and US$10 million, respectively. After the on-site inspection by the U.S. Food and Drug Administration (FDA) was completed in 2023, Taiwan's first Class III medical device Premarket Approval (PMA) was successfully obtained. In 2024, it is planned that after it is ratified by both parties' Steering Committee meeting, the Company can obtain item 2A-2 milestone payment of US$1 million from Terumo in accordance with the Asset Purchase Agreement. In the future, we will fully assist Terumo in obtaining the Supplement PMA for the next-generation product, with the primary goal of obtaining the subsequent milestone payments. As for the Urocross™ Expander system - treatment for Benign Prostatic Hyperplasia (BPH) (URO-T01) that is under development, we will, in 2024, continue to recruit patients for the IDE clinical trials, continue the follow-up work and collecting clinical data, to go through the regulatory approval processes at full speed. As for Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01) that is under development, after being approved by the U.S. FDA to conduct the IDE first-in-human clinical study in 2023, we will continue to recruit patients for the IDE study in the United States to acquire clinical data and increase the product value. Regarding

the projects with development completed at a certain stage, under business development discussions, we are actively seeking licensing or commercial partnerships at full speed.

In the business field of advanced medical device CDMO, the Company have continuously acquired and integrated key design and manufacturing technologies, as well as customer relationships with global medical device giants and emerging companies in the Silicon Valley, through our subsidiary, Medeologix, Inc. By integrating and allocating resources within the group, we provide localized services to customers from our U.S. sites, while Taiwan handles robust volume production demands, offering worldwide customers with one-stop-shopping service from development to high volume production. The setup allows us to build a comprehensive supply chain and cost advantage with the strategy of "taking orders in the USA, conducting pilot production in place, and mass production in Taiwan." Medeologix, our Taiwan advanced mass production site, will continuously enhance and develop the manufacturing capabilities of advanced medical balloons, medical catheters, and subassembly and final assembly of medical devices. In addition, we are continuously optimizing the production line configuration, and recruiting professional talents in management, R&D, and manufacturing, thereby quickly occupying a significant position in the global advanced medical device CDMO market as a dark horse.

Medeon has pioneered a novel business model for the medical devices industry in Taiwan, focusing on the front end of value chain by identifying the clinical unmet needs, determining design specifications, and verifying safety and efficacy through pre-clinical animal studies and clinical trials (Feasibility Studies) to create added value for products. While certain objective achieved for each product under development, the Company immediately initiated the negotiation with global top medical device companies and seek opportunities for licensing or strategic partnership. Through successful licensing, the Company is able to obtain licensing revenues and return to shareholders. In 2023, the Company will continue to develop its advanced medical device CDMO business. Besides proactively developing potential customers, the Company also provides contract manufacturing services to its licensing business partners, to generate steady cash flow on top of the licensing returns.

(2) Results of business plan implementation and budget execution

The Company's consolidated operating revenue in 2023 was $196,263 thousand, which was mainly recognized from advanced medical device CDMO manufacturing and services and partially from R&D contracts; net loss after tax in 2023 was $1,269,973 thousand.

(3) Income statement and profitability analysis

A. Income Statement

(Unit: NT$ thousand dollar)

Item	2022	2023
Sales revenue	298,317	196,263
Net operating margin	186,812	14,377
Operating expenses	(674,649)	(853,944)
Non-Operating income and expense	48,722	(391,121)
Profit (Loss) for the year	(496,900)	(1,269,973)
Profit (Loss) for the year-attributable to the parent	(433,758)	(1,204,615)

B. Profitability analysis

(Unit: %)

Item	2022	2023
Return on assets (ROA)	(11.72)	(37.27)
Return on equity (ROE)	(12.66)	(42.09)
Net income before tax (Note) as a percentage of paid-in capital	(49.99)	(133.42)
Net profit rate	(166.57)	(647.08)
EPS (NT$)	(4.71)	(13.09)

Note: Excluding the profit from discontinued operations.

(4) Research and development status

The Company's major projects under development are outlined as follows.

A. Urocross™ Expander system - treatment for lower urinary tract symptoms (LUTS) associated with Benign Prostatic Hyperplasia (BPH) **(URO-T01)**

The primary function of this product is a solution addressing to the problem of the narrow urinary duct and problem in urination caused by benign prostatic hyperplasia. The product is intended to provide minimally invasive treatment to patients, effectively alleviating clinical symptoms and improving patients' quality of life. In the fourth quarter of 2016, the Company started to design and develop various prototypes for the product. In 2017, the Company even conducted multiple animal studies to prove the effectiveness of the product in relieving symptoms caused by benign prostatic hyperplasia. The First-in-Man Study was initiated in the 4th quarter of 2018, and the US FDA approved Urocross to conduct the IDE study in the US in mid 2022. By the end of 2022, the company has enrolled more than 30 cases. Clinical trial is actively recruiting and ongoing now.

B. Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01)

This product aims at thoracic aortic repair procedures. The main objective is to reduce the complexity of the surgery as well as the operative time by using less invasive approaches, which provides competitive advantages. The Company officially launched the project in

the second quarter of 2018 and has gone through the process of project planning, physician interviews, defining market and product specifications, product design, patent application and other development activities. As of 2021, multiple animal studies with at least six-month follow-up have been completed, with results presented at the European Association for Cardio-Thoracic Surgery. After being approved by the U.S. FDA to conduct the first-in-human IDE clinical trial in 2023, we continue to recruit patients for IDE clinical trials in the United States, in order to collect human clinical data which eventually leads to increasing the product value.

C. PUMA™- Trauma Internal Fixation Device (ORP-T01)

This product is a medical device designed for internal fixation of limb trauma, which involves the shoulder, elbow, wrist or ankle in internal fixation. The product not only provides continuous and effective internal fixation at trauma sites, but also allows patients to move their joints naturally while recovering without the risk of breaking or displacing the fixation, thus reducing the chance of a secondary surgery for implant removal. The Company initiated the project in 2017 and started the product design, prototyping and testing, application for regulatory approval as well as other development activities, and obtained 510(k) from the US FDA in the first quarter of 2018. We are looking for licensing and commercial partners for the time being.

D. ClickClean™ - in-situ cleaning device for laparoscopic surgery (LAP-A01)

This product is a medical device developed to solve the burden of removing contamination from the lens. It is designed to be easy to use and allows surgeons to clean the lens quickly during surgery, avoiding interruptions and reducing the risk to patients. The product has been received FDA 510(k). Currently, the Company is seeking licensing or commercial partners.

E. AbClose™ - in-port site closure system (LAP-C01)

This product is a medical device developed to address the problem of needle puncture or inadvertent injury to intraperitoneal organs or blood vessels at the end of laparoscopic surgical procedures, and to facilitate easy and rapid closure of the wounds. The product has been granted FDA 510(k) marketing approval; we are now seeking licensing or commercial partners.

2. Overview of Business Plan for 2024

(1) Business policies

A. Continue to speed up the product development process and generate revenue from licensing and milestone payments:

As for the Cross-Seal™ - large bore vascular closure system (IVC-C01), the on-site inspection by the U.S. FDA was completed in 2023, and Taiwan's first Class III medical device PMA Approval was successfully obtained. In 2024, it is planned that after it is ratified by both parties' Steering Committee Meeting, the Company can obtain item 2A-2 milestone payment of US$1 million from Terumo in accordance with the Asset Purchase Agreement. In 2024, we will strive to assist Terumo to obtain the supplement PMA for

the next-generation product, with the primary goal of realizing the remaining milestone payments. As for the Urocross™ Expander system – minimally invasive treatment for benign Prostatic Hyperplasia (BPH) (URO-T01), we will continue the 2023 work related to case enrollments for the IDE clinical study in 2024, actively complete the clinical case enrollments, and continue the follow-up work and collecting clinical data, to go through the regulatory approval process at full speed. As for Duett ™ - Vascular Graft System for Aortic Dissection Repair (CVS-T01), after being approved by the U.S. FDA to conduct the IDE first-in-human clinical study in 2023, we will continue to recruit patients for the IDE clinical study in the United States to collect clinical data and increase the product value in 2024. Regarding the projects with development completed at a certain stage, under business development discussions, we are actively seeking licensing or commercial partnerships at full speed.

B. Continue to generate revenue from CDMO business:
The Company provides CDMO services to the global medical device market through the subsidiary, Medeologix, Inc.; continuing the growth trend in 2023, we will actively expand services in 2024, such as advanced medical balloons, catheters, subassembly and final assembly products, and contract development, while improving the production line configuration of Taiwan's mass production site to enhance production efficiency. In addition, we will continue to recruit advanced manufacturing talents and upgrade core technologies to satisfy the strong demand for advanced medical devices from the global market and customers, and ultimately generate steady cash flow for the Group.

C. We will continue to strengthen our capabilities in product design and manufacturing of advanced medical devices and cultivate local talents in R&D, production and business management for the advanced medical device industry.

(2) Expected sales volumes and their basis

The Company usually starts the conversation with top global medical device manufacturers for licensing deals as soon as the product development enters into a certain stage. Moving forward, we will strive to generate licensing revenue by licensing our projects to global medical device manufacturers. The licensing fees are estimated based on the market size, such as procedure volume, compound annual growth rate, usage of the product, end user price and market share, etc.

On March 2, 2018, the Company entered into the Asset Purchase Agreement along with the Master Service Agreement and Supply Agreement with Terumo Medical Corporation, a subsidiary of Terumo Corporation, for a total consideration of $50 million for Cross-Seal™ - large bore vascular closure system (IVC-C01). The upfront payment of US$20 million was received on the date of the transaction. An additional US$10 million has been received so far. The on-site inspection of FDA cGMP has been accomplished in 2023 and to receive official PMA Approval from FDA. The Company will provide support for Terumo in 2024 and spare no effort in launching products of the next generation to market for collecting the remaining milestone payment as the primary goal.

As for the CDMO business, the objective of 2024 will be to continuously enhance of the production and assembly of advanced medical balloon, catheters, semi-finished items and final-assembly to provide solutions in one-stop shopping service for a greater variety of parts and components of the medical devices firms all over the world. Medeologix will provide prototyping in the preliminary stage of development and pilot run service to local customers in the USA through subsidiaries, and continue to broaden the customer base. The Company will assist the customers in product development for generating revenue from these outsourced research and development service. The mass production center of Medeologix in Taiwan will support the mass production in line with the progress of product development for generating revenue from contract manufacturing. In addition, Medeologix expects to increase its capital expenditures in 2024 for the procurement of machine and equipment to meet the need of mass production from subsequent purchase orders. Medeologix will actively construct its complete marketing and sale system to enhance its visibility in the international market and penetrate into the global medical supply ecosystem for broadening customer base and increase the size of revenue, and assure a steady cash flow for the Group for the future.

(3) Major production and marketing policies

A. In 2018, the Company transferred the global intellectual property assets of IVC-C01 to Terumo. In 2023, PMA Approval from FDA is obtained. We will continue to support Terumo and spare no effort in commercializing the next generation products to market, to realizing the remaining milestone payments.

B. As for the products under development, we will continue to conduct clinical studies, seek regulatory approval for increasing product value, and accelerate partnership agreements with licensing or marketing partners.

C. We are actively expanding our CDMO business by integrating component and finished product manufacturing footprint. In addition to creating new sources of stable revenue, we are leveraging on the synergies with our partners to provide high quality products to top multinational medical companies through our high efficiency and quality manufacturing capabilities and talents in Taiwan.

D. We will continue to evaluate potential high value-added medical devices projects for future development, and develop new product pipelines in order to expand future revenue opportunities.

3. Future Corporate Development Strategies

The Company's business model encompasses medical device innovation and Contract Development and Manufacturing Organization (CDMO) and related services, with the primary objective of achieving long-term and stable positive cash flow.

(1) Development and licensing of innovative medical devices

Through a comprehensive project selection strategy, the Company is committed to developing innovative products that address unmet medical needs and have strong market potential. The selection criteria cover clinical needs, market value, other marketable products, technical feasibility, product development timeline, clinical and regulatory, reimbursement, patent

strategies, return on investment, etc. to reduce product development risks and protect shareholders' interests. Since incorporated, the Company has been accumulating R&D experience in the fields of minimally invasive cardiovascular surgery, laparoscopic surgery, orthopedics and urology, etc. Over the years, the company has built up professional medical knowledge and physician connections. In addition, the Company has developed a network of global clients and regularly interacted with international regulatory bodies. Our team has considerable experience and achievements in obtaining regulatory approval, quality management systems and product development. In the future, we will allocate resources appropriately and apply our past successful experience in our R&D projects to ensure the maximum effectiveness of the resources invested and enhance the return on investment.

The Company's medical device projects under development are all aimed at the ultimate goal of licensing. We will expand our partner network and reach out to suitable international licensees. In recent years, multinational companies have become increasingly cautious in their acquisition strategies for innovative products, preferring to launch the acquisition process only after verifying large clinical trial results or proving the market value after revenue is generated. In this regard, the Company's team will conduct clinical trials and limited launch activities in target markets as soon as possible, depending on the regulatory requirements of the target market. We will actively accumulate clinical experiences to further validate the efficacy and safety of the products with end-users, enhance the visibility and market value of our products, and seek licensing when appropriate.

(2) Entering the CDMO market for advanced medical devices

In order to expand the accumulated R&D experiences from developing innovative medical devices as well as to generate long-term and stable positive cash flow, the Company is actively entering the field of CDMO services for advanced medical devices, working with its partners to build a complete supply chain from medical device design and prototyping all the way to mass production. In this way, the Group could still continue to provide manufacturing services after the successful licensing of the products, aiming to create more value for the Company and its shareholders. Medeon has successfully acquired MediBalloon, Second Source Medical, and Medeonbio of USA and hence acquired the customer network and manufacturing technologies of the acquirees in the past few years. Medeologix has emerged as a conglomerate of advanced medical balloon, catheter and sub/final assembly. With the wealth of experience and capability in research and development accumulated over time, Medeon has created the business model of "Taking orders in the USA, conducting pilot production in place, and mass production in Taiwan" where the US team will provide service to nearby US based global medical device companies while the facilities in Taiwan will respond to the demand of mass production. With the efficient use of resources, Medeologix provides these top medical devices companies in Europe and USA a vertically integrated one-stop shopping service. This also stimulates the development of surrounding industries and yields synergy to the research and development business of our own, which benefits the Group in the long run.

4. Impact of the External Competitive Environment, Regulatory Environment and General Business Environment

The medical device industry is a high value-added industry that is growing rapidly. With the trend of internationalization and globalization, many competitors have emerged as well. At the same time, in order to develop the global market and increase sales, top global medical device companies have sought to acquire innovative technologies to save development time and huge R&D expenses by means of mergers and acquisitions as well as strategic alliances in recent years, making the business environment of the industry increasingly complicated. When introducing new technologies or initiating new R&D projects, the company goes through a comprehensive strategic analysis in order to develop competitive products. For the products under development, the R&D team regularly tests and discusses with physicians to develop product specifications. This is to ensure that the Company's products satisfy the user and market needs. At the same time, the innovative technologies developed by the Company are protected by intellectual property rights, such as patents and trade secrets, to prevent competitors from entering the market with similar technologies and products. In addition, through attending professional lectures, national and international medical conferences, as well as regular visits to medical and academic institutions, the team keeps track of R&D trends and regulatory policies, taking immediate action on any issues that may affect the industry as a whole and the Company’s products.

As regulatory authorities in various countries have been increasingly stringent, coupled with the fact that both the public and private health insurance sectors share the goal of reducing medical costs, the regulatory and marketing hurdles are rising rapidly. As a result, top global medical device companies are focusing their resources on the downstream of the medical device value chain activities, including product regulatory approval, reimbursement, and global sales channels, in order to consolidate their advantages. As an emerging company in Taiwan, we have the flexibility, fast execution and innovative technologies, and focus on product design and development, pre-clinical animal studies, human clinical trials, regulatory approval, etc. We can be a close partner to these top global medical device manufacturers in the development stage of their products.

The outlook for the future of the medical device industry remains positive. According to a research report by BMI Research, the size of the global medical device market reached US$483.3 billion in 2022 and is estimated to grow to US$589.7 billion in 2025, with a compound annual growth rate of approximately 6.7% from 2021 to 2025. Since 2009, Taiwan’s government has been promoting the “Diamond Action Plan for Biotech Takeoff”, “Biotech Industry Takeoff Action Plan”, and “Taiwan Bioeconomy Industry Development Plan”. In addition, the development of the biomedical industry is also one of the key areas of the government’s “5+2 Innovative Industries Plan”, which drives the value of production, corporate investment, capital markets, and innovative R&D in the biotech and medical industries. In light of the innovative landscape of the biomedical industry, the Executive Yuan’s Bio Taiwan Committee (BTC) meeting in September 2018 recommended that Taiwan should capitalize on the strengths of its information and communications industry while structuring its digital medical data platform to keep pace with international standards so as to drive the development of biomedical fields such as pharmaceuticals, medical devices, health and welfare, and precision medicine. In addition, Taiwan should encourage the development of digital health and related industries to enhance the international competitiveness of Taiwan’s biomedical and

digital health industries. Also, the Ministry of Economic Affairs (MOEA) passed the “Act for the Development of Biotech and Pharmaceutical Industry” at the end of 2021. This amendment included for the first time the scope of contract development and manufacturing organization (CDMO), promoting Taiwan’s medical industry to move towards the dual emphasis of “R&D and manufacturing” and “contract development and manufacturing organization”. With the advent of the post-epidemic era, the expansion of applications and demand in the fields of digital health, telemedicine and artificial intelligence for epidemic prevention and public safety has further boosted the market demand for medical device innovation and medical device product prototyping, manufacturing and mass production. Overall, the Group of Medeon has the capacity for innovative R&D as well as small to large volume manufacturing. With the encouraging policies and resources from the Taiwan government, the Company is expected to ride on this momentum to continue its positive and rapid development to play an important role in the global medical devices value chain.

Chairman: Yue Teh Jang General Manager: Yue Teh Jang Accounting Officer: Tori Lin

【Exhibit 2】

Medeon Biodesign, Inc.
Audit Committee Review Report

Dear Shareholders,

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements. Consolidated Financial Statements, and Proposal of 2023 Deficit Offset, etc. Among the above, the Financial Statements and Consolidated Financial Statements were audited, and the audit report has been issued by CPA Hsiao Tzu Chou and CPA Hua Ling Liang of PwC Taiwan appointed by the Board of Directors.

The aforementioned Business Report, Financial Statements, Consolidated Financial Statements and Proposal of 2023 Deficit Offset have been audited by the Audit Committee without any nonconformity identified. We hereby submit this report for your review in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Yours faithfully,

Chia Ying Ma
Chair of the Audit Committee
February 29, 2024

【Exhibit 3】

Medeon Biodesign, Inc.
Report on 2023 Directors' Remuneration

Unit: NT$ dollar

Title	Name	Directors, Remuneration								Total of A, B, C and D and Proportion to Net Profit after Tax		Relevant Remuneration for Part-time Employees								Total of A, B, C, D, E, F and G and Proportion of Net Profit after Tax		Whether remunerations are received from a business other than a subsidiary or the parent company
		Salary (A)		Pensions (B)		Directors' Remuneration (C)		Business Execution Costs (D)				Salary, Bonus and Special Expense, etc. (E)		Pensions (F)		Employee Compensation (G)						
																The Company		All Companies in the Financial Statements				
		The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements	Cash Amount	Stock Amount	Cash Amount	Stock Amount	The Company	All Companies in the Financial Statements	
Chairman	Medeon, Inc. (USA) Representative: Yue Teh Jang	-	-	-	-	-	-	31.5	31.5	31.5 (0.003%)	31.5 (0.003%)	648.4	14,201.0	-	-	-	-	-	-	679.9 (0.056%)	14,232.5 (1.181%)	-
Director	Center Laboratories, Inc. Representative: Jung Chin Lin	-	-	-	-	-	-	27	27	27 (0.002%)	27 (0.002%)	-	-	-	-	-	-	-	-	27 (0.002%)	27 (0.002%)	-
Director	Center Laboratories, Inc. Representative : Chih Hsiung Wu	-	-	-	-	-	-	31.5	31.5	31.5 (0.003%)	31.5 (0.003%)	-	-	-	-	-	-	-	-	31.5 (0.003%)	31.5 (0.003%)	-
Director	Hong Jen Chang	-	-	-	-	-	-	27	27	27 (0.002%)	27 (0.002%)	-	-	-	-	-	-	-	-	27 (0.002%)	27 (0.002%)	-
Director	Hsin Yuan Fang	-	-	-	-	-	-	22.5	22.5	22.5 (0.002%)	22.5 (0.002%)	-	-	-	-	-	-	-	-	22.5 (0.002%)	22.5 (0.002%)	-
Independent Director	Chi Hang Yang	600	600	-	-	-	-	72	72	672 (0.056%)	672 (0.056%)	-	-	-	-	-	-	-	-	672 (0.056%)	672 (0.056%)	-
Independent Director	Chia Ying Ma	600	600	-	-	-	-	72	72	672 (0.056%)	672 (0.056%))	-	-	-	-	-	-	-	-	672 (0.056%)	672 (0.056%))	-
Independent Director	Jerome Shen	600	600	-	-	-	-	72	72	672 (0.056%)	672 (0.056%)	-	-	-	-	-	-	-	-	672 (0.056%)	672 (0.056%)	-
Independent Director	Jien Wei Yeh	270	270					18	18	288 (0.024%)	288 (0.024%)									288 (0.024%)	288 (0.024%)	

(1) Please describe the policy, system, criteria and structure for the payment of remuneration to independent directors and its relevance to the amount of remuneration paid in terms of the responsibilities, risks and time commitment involved.

A. In accordance with the articles of incorporation, the Company shall set aside not more than two percent for the remuneration of its directors if the Company makes a profit in a year.. However, if the Company has accumulated losses, the Company shall have reserved a sufficient amount to offset its accumulated losses, and then distribute the employees and directors' remuneration in accordance with the previous ratio.

B. The Company conducted an evaluation on the performance of the Board in 2023 (the items of evaluation include the 5 dimensions of the level of participation in the operation of the Company, upgrade the decision-making quality of the Board, the organization and structure of the Board, the election of Directors and their continuing education, and internal control), and the self-assessment of the Directors in 2023 (the items of evaluation include the 6 dimensions of the control of the objective and mission of the Company, the sense of duties, level of participation in the operation of the Company, cultivation of internal relation and communication, professional standing and continuing education of the Directors, and internal control) in accordance with the "Rules for Performance Evaluation of Board of Directors". However, the Company did not yield any profit in 2023 that only the fixed remuneration for the Independent Directors and the attendance fees for the Directors have been disbursed.

(2) Remuneration received for services rendered by directors of the Company (e.g. as consultants to non-employees of the parent company/financial reporting company/investment business, etc.) in the most recent year, other than those disclosed in the table above: None

【Exhibit 4】

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of MEDEON BIODESIGN, INC.

Opinion

We have audited the accompanying consolidated balance sheets of MEDEON BIODESIGN, INC. AND SUBSIDIARIES (the "Group") as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 judgement, were of most significance in our audit of the Group's 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

Valuation of goodwill impairment

Description

Please refer to Note 4(17) for accounting policies on impairment loss on non-financial assets, Note 5(2) for the uncertainty of accounting estimates and assumptions applied to goodwill impairment valuation, and Note 6(9) for details of goodwill impairment valuation.

The Group acquired Medeologix, Inc. in 2021 and acquired Second Source Medical LLC in 2022. The balance of goodwill arising from the acquisitions as at December 31, 2023 was NT$ 106,737 thousand.

The evaluation report issued by external experts engaged by the Group uses cash flow forecasts prepared by management to determine the recovery amount of goodwill; however, the measurement results in a large extent depend on management's assumptions, including the discount rate and the estimated growth rate used, which are subject to management's judgements with considerable uncertainty. Therefore, the goodwill impairment assessment is a key audit matter this year.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

A. Based on our understanding of the operations and industry of the Group, evaluated the rationality of the evaluation model used by the external experts appointed by the Group.
B. We confirmed that the future cash flow used in the evaluation model is consistent with the future year budget provided by the Group. And reviewed the actual achievement of management's financial forecasts for the past year.
C. We assessed the appropriateness of key assumptions used, such as growth rate and discount rate.

Other matter – Parent company only financial statements

We have audited and expressed an unmodified opinion on the parent company only financial statements of Medeon Biodesign, Inc. as at and for the years ended December 31, 2023 and 2022.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines 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 the Group'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 the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the Group's 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards in the Republic of China will always detect a material misstatement 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 consolidated financial statements.

As part of an audit in accordance with the generally accepted auditing standards in the Republic of China, we exercise professional judgement 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 for the purpose of expressing an opinion on the effectiveness of the Group'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 the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group 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 financial information of the entities or business activities within the Group 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 of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Chou, Hsiao-Tzu Liang, Hua-Ling

For and on behalf of PricewaterhouseCoopers, Taiwan

February 29, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

MEDEON BIODESIGN, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 1,237,964	45	$ 483,898	12
1110	Current financial assets at fair value through profit or loss	6(2)	41,932	2	37,870	1
1136	Current financial assets at amortised cost, net	6(3)	862,097	31	1,025,470	25
1170	Accounts receivable, net	6(4)	41,773	2	32,354	1
1200	Other receivables		7,957	-	26,653	1
1220	Current income tax assets		415	-	-	-
130X	Inventories	6(5)	10,769	-	10,059	-
1410	Prepayments		24,891	1	21,417	1
11XX	**Current Assets**		2,227,798	81	1,637,721	41
	Non-current assets					
1550	Investments accounted for using equity method	6(6)	-	-	1,876,293	46
1600	Property, plant and equipment	6(7)	146,578	5	150,613	4
1755	Right-of-use assets	6(8)	175,244	7	189,628	5
1780	Intangible assets	6(9)	171,066	6	180,181	4
1915	Prepayments for business facilities	6(7)	22,129	1	-	-
1920	Guarantee deposits paid		4,331	-	5,587	-
15XX	**Non-current assets**		519,348	19	2,402,302	59
1XXX	**Total assets**		$ 2,747,146	100	$ 4,040,023	100

(Continued)

MEDEON BIODESIGN, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Liabilities					
	Current liabilities					
2130	Current contract liabilities	6(17)	$ 3,108	-	$ 856	-
2170	Accounts payable		5,361	-	3,939	-
2200	Other payables	6(10)	126,389	5	99,646	3
2230	Current income tax liabilities		37,968	1	56,776	1
2280	Current lease liabilities	6(8)	47,145	2	36,686	1
2300	Other current liabilities		1,784	-	611	-
21XX	**Current Liabilities**		221,755	8	198,514	5
	Non-current liabilities					
2570	Deferred tax liabilities	6(23)	14,305	1	15,739	-
2580	Non-current lease liabilities	6(8)	139,591	5	162,224	4
25XX	**Non-current liabilities**		153,896	6	177,963	4
2XXX	**Total Liabilities**		375,651	14	376,477	9
	Equity					
	Share capital	6(13)				
3110	Share capital - common stock		922,449	34	878,401	22
	Capital surplus	6(14)				
3200	Capital surplus		1,340,712	48	1,343,813	33
	Retained earnings	6(15)				
3310	Legal reserve		207,182	8	207,182	5
3320	Special reserve		12,489	-	12,489	-
3350	Total Unappropriated retained earnings (accumulated deficit)		(188,425)	(7)	1,135,220	28
	Other equity interest	6(16)				
3400	Other equity interest		36,184	1	30,940	1
3500	Treasury shares	6(13)	(10,603)	-	(10,603)	-
31XX	**Equity attributable to owners of the parent**		2,319,988	84	3,597,442	89
36XX	Non-controlling interest		51,507	2	66,104	2
3XXX	**Total equity**		2,371,495	86	3,663,546	91
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 2,747,146	100	$ 4,040,023	100

The accompanying notes are an integral part of these consolidated financial statements.

MEDEON BIODESIGN, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except losses per share amount)

			Year ended December 31			
			2023		2022	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(17)	$ 196,263	100	$ 298,317	100
5000	Operating costs	6(5)(18)(19) and 7	(181,886)	(93)	(111,505)	(37)
5900	Net operating margin		14,377	7	186,812	63
	Operating expenses	6(18)(19) and 7				
6100	Selling expenses		(26,330)	(14)	(25,283)	(8)
6200	General and administrative expenses		(159,578)	(81)	(127,744)	(43)
6300	Research and development expenses		(667,461)	(340)	(521,622)	(175)
6450	Impairment loss determined in accordance with IFRS 9	12(2)	(575)	-	-	-
6000	Total operating expenses		(853,944)	(435)	(674,649)	(226)
6900	Operating loss		(839,567)	(428)	(487,837)	(163)
	Non-operating income and expenses					
7100	Interest income	6(21)	19,936	10	10,288	3
7020	Other gains and losses	6(2)(22)	(417,957)	(213)	(4,044)	(1)
7050	Finance costs	6(8)	(6,644)	(3)	(5,211)	(2)
7060	Share of profit of associates and joint ventures accounted for using equity method	6(6)	13,544	7	47,689	16
7000	Total non-operating income and expenses		(391,121)	(199)	48,722	16
7900	**Loss before income tax**		(1,230,688)	(627)	(439,115)	(147)
7950	Income tax expense	6(23)	(39,285)	(20)	(57,785)	(19)
8200	**Profit (loss) for the year**		($ 1,269,973)	(647)	($ 496,900)	(166)
	Other comprehensive income					
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(16)	$ 4,916	2	$ 36,909	12
8500	**Total comprehensive loss for the year**		($ 1,265,057)	(645)	($ 459,991)	(154)
	Loss, attributable to:					
8610	Owners of the parent		($ 1,204,615)	(614)	($ 433,758)	(145)
8620	Non-controlling interest		(65,358)	(33)	(63,142)	(21)
			($ 1,269,973)	(647)	($ 496,900)	(166)
	Comprehensive loss attributable to:					
8710	Owners of the parent		($ 1,199,371)	(612)	($ 390,329)	(131)
8720	Non-controlling interest		(65,686)	(33)	(69,662)	(23)
			($ 1,265,057)	(645)	($ 459,991)	(154)
	Basic loss per share	6(24)				
9750	Basic loss per share		($ 13.09)		($ 4.71)	
9850	Diluted loss per share		($ 13.09)		($ 4.71)	

The accompanying notes are an integral part of these consolidated financial statements.

MEDEON BIODESIGN, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Equity attributable to owners of the parent													
			Capital Surplus					Retained Earnings							
	Notes	Common stock	Additional paid-in capital	Treasury share transactions	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Employee stock warrants	Legal reserve	Special reserve	Total unappropriated retained earnings (accumulated deficit)	Financial statements translation differences of foreign operations	Treasury shares	Total	Non-controlling interest	Total equity
Year 2022															
Balance at January 1, 2022		$ 732,341	$ 1,331,704	$ 5,602	$ 8,548	$ -	$ 3,406	$ -	$ -	$ 2,071,824	($ 12,489)	($ 10,603)	$ 4,130,333	$ 58,154	$ 4,188,487
Loss for the year		-	-	-	-	-	-	-	-	(433,758)	-	-	(433,758)	(63,142)	(496,900)
Other comprehensive income (loss) for the year	6(16)	-	-	-	-	-	-	-	-	-	43,429	-	43,429	(6,520)	36,909
Total comprehensive income		-	-	-	-	-	-	-	-	(433,758)	43,429	-	(390,329)	(69,662)	(459,991)
Appropriation and distribution of retained earnings	6(15)														
Stock dividends of ordinary share		146,060	-	-	-	-	-	-	-	(146,060)	-	-	-	-	-
Cash dividends of ordinary share		-	-	-	-	-	-	-	-	(73,030)	-	-	(73,030)	-	(73,030)
Legal reserve		-	-	-	-	-	-	207,182	-	(207,182)	-	-	-	-	-
Special reserve		-	-	-	-	-	-	-	12,489	(12,489)	-	-	-	-	-
Share-based payments	6(12)	-	-	-	-	3,101	-	-	-	-	-	-	3,101	5	3,106
Changes in ownership interests in subsidiaries	6(25)	-	-	-	(8,548)	-	-	-	-	(64,085)	-	-	(72,633)	73,678	1,045
Acquisition of subsidiaries is adjusted according to the net equity value report		-	-	-	-	-	-	-	-	-	-	-	-	3,929	3,929
Balance at December 31, 2022		$ 878,401	$ 1,331,704	$ 5,602	$ -	$ 3,101	$ 3,406	$ 207,182	$ 12,489	$ 1,135,220	$ 30,940	($ 10,603)	$ 3,597,442	$ 66,104	$ 3,663,546
Year 2023															
Balance at January 1, 2023		$ 878,401	$ 1,331,704	$ 5,602	$ -	$ 3,101	$ 3,406	$ 207,182	$ 12,489	$ 1,135,220	$ 30,940	($ 10,603)	$ 3,597,442	$ 66,104	$ 3,663,546
Loss for the year		-	-	-	-	-	-	-	-	(1,204,615)	-	-	(1,204,615)	(65,358)	(1,269,973)
Other comprehensive income (loss) for the year	6(16)	-	-	-	-	-	-	-	-	-	5,244	-	5,244	(328)	4,916
Total comprehensive income		-	-	-	-	-	-	-	-	(1,204,615)	5,244	-	(1,199,371)	(65,686)	(1,265,057)
Appropriation and distribution of retained earnings	6(15)														
Stock dividends of ordinary share		43,823	-	-	-	-	-	-	-	(43,823)	-	-	-	-	-
Cash dividends of ordinary share		-	-	-	-	-	-	-	-	(43,823)	-	-	(43,823)	-	(43,823)
Share-based payments	6(12)	-	-	-	-	15,040	-	-	-	-	-	-	15,040	651	15,691
Changes in ownership interests in subsidiaries	6(25)	-	-	-	-	(18,141)	-	-	-	(31,384)	-	-	(49,525)	49,525	-
Exercise of employee stock options	6(13)	225	141	-	-	-	(141)	-	-	-	-	-	225	-	225
Increase in non-controlling interests	6(25)	-	-	-	-	-	-	-	-	-	-	-	-	913	913
Balance at December 31, 2023		$ 922,449	$ 1,331,845	$ 5,602	$ -	$ -	$ 3,265	$ 207,182	$ 12,489	($ 188,425)	$ 36,184	($ 10,603)	$ 2,319,988	$ 51,507	$ 2,371,495

The accompanying notes are an integral part of these consolidated financial statements.

MEDEON BIODESIGN, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		($ 1,230,688)	($ 439,115)
Adjustments			
Adjustments to reconcile profit (loss)			
Share-based payments	6(12)	15,691	3,106
Expected credit loss	12(2)	575	-
Depreciation expense(including right-of-use assets)	6(7)(8)(18)	86,023	47,218
Amortization expense	6(9)(18)	9,646	16,582
Revaluation gains on current financial assets measured at fair value through profit or loss	6(2)	(3,812)	(681)
Interest expense	6(8)	6,644	4,596
Interest income	6(20)	(19,936)	(10,288)
Dividend income		(180)	(160)
Losses on disposal of property, plant and equipment	6(21)	13,012	-
Losses on disposals of investments	6(21)	402,960	-
Share of profit of associates and joint ventures accounted for using equity method	6(6)	(13,544)	(47,689)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		(9,994)	5,302
Other receivables		22,179	11,388
Inventories		(710)	(4,397)
Other prepayments		(3,474)	8,887
Changes in operating liabilities			
Accounts payable		1,422	2,870
Other payables		15,819	6,171
Contract liabilities		2,252	209
Other current liabilities		1,173	409
Cash outflow generated from operations		(704,942)	(395,592)
Interest received		16,453	8,057
Interest paid		(6,644)	(4,596)
Income tax paid		(59,942)	(69,209)
Net cash flows used in operating activities		(755,075)	(461,340)

(Continued)

MEDEON BIODESIGN, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of current financial assets at fair value through profit or loss		($ 255)	($ 29,720)
Acquired net cash of subsidiaries	6(25)	-	(165,888)
Proceeds from disposal of financial assets at amortised cost		163,373	582,630
Proceeds from disposal of investments accounted for using equity method		1,479,671	-
Acquisition of property, plant and equipment	6(26)	(55,287)	(140,572)
Dividends received		7,387	18,177
Acquisition of intangible assets		(524)	(145)
Increase in refundable deposits		1,256	(1,046)
Net cash flows from investing activities		1,595,621	263,436
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease liabilities	6(27)	(47,886)	(29,172)
Exercise of employee share options	6(13)	225	-
Change in non-controlling interests	6(24)	913	1,045
Cash dividends paid	6(16)	(43,823)	(73,030)
Net cash flows used in financing activities		(90,571)	(101,157)
Effect of exchange rate changes		4,091	47,639
Net increase (decrease) in cash and cash equivalents		754,066	(251,422)
Cash and cash equivalents at beginning of year		483,898	735,320
Cash and cash equivalents at end of year		$ 1,237,964	$ 483,898

The accompanying notes are an integral part of these consolidated financial statements.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Medeon Biodesign, Inc.

Opinion

We have audited the accompanying parent company only balance sheets of Medeon Biodesign, Inc. as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of Medeon Biodesign, Inc. as at December 31, 2023 and 2022, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Medeon Biodesign, Inc. in accordance with the Norm of Professional Ethics for Certified Public Accountants in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 judgement, were of most significance in our audit of the parent company only financial statements of the current period. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for Medeon Biodesign, Inc.'s 2023 parent company only financial statements of the current period are stated as follows:

Investments accounted for under equity method - Valuation of goodwill impairment

Description

Please refer to Note 4(15) for accounting policies on impairment loss on non-financial assets, Note 5(2) for the uncertainty of accounting estimates and assumptions applied to goodwill impairment valuation, Note 6(5) for details of investments accounted for under equity method, and Note 6(9) in the consolidated financial statements for details of goodwill impairment valuation.

The Company acquired Medeologix, Inc. in 2021 and acquired Second Source Medical LLC in 2022. The balance of goodwill arising from the acquisition as at December 31, 2023 was NT$ 106,737 thousand.

The evaluation report issued by external experts engaged by the Company uses cash flow forecasts prepared by management to determine the recovery amount of goodwill; however, the measurement results in a large extent depend on management's assumptions, including the discount rate and the estimated growth rate used, which are subject to management's judgements with considerable uncertainty. Therefore, the goodwill impairment assessment is a key audit matter this year.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

A. Based on our understanding of the operations and industry of the Company, evaluated the rationality of the evaluation model used by the external experts appointed by the Company.
B. We confirmed that the future cash flow used in the evaluation model is consistent with the future year budget provided by the Company. And reviewed the actual achievement of management's financial forecasts for the past year.
C. We assessed the appropriateness of key assumptions used, such as growth rate and discount rate.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

In preparing the parent company only financial statements, management is responsible for assessing Medeon Biodesign, Inc.'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 Medeon Biodesign, Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing Medeon Biodesign, Inc.'s financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement 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 parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgement and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only 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 for the purpose of expressing an opinion on the effectiveness of Medeon Biodesign, Inc.'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 Medeon Biodesign, Inc.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only 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 entities or business activities within Medeon Biodesign, Inc. to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the 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 parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Chou, Hsiao-Tzu Liang, Hua-Ling

For and on behalf of PricewaterhouseCoopers, Taiwan

February 29, 2024

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

MEDEON BIODESIGN, INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 1,031,405	43	$ 146,945	4
1110	Current financial assets at fair value through profit or loss	6(2)	11,227	1	7,160	-
1136	Current financial assets at amortised cost	6(3)	622,010	26	1,015,670	27
1170	Accounts receivable, net	6(4) and 12(2)	-	-	8,775	1
1200	Other receivables		2,890	-	4,397	-
1210	Other receivables - related parties	7	7,371	-	7,656	-
1410	Prepayments		700	-	1,875	-
11XX	**Current Assets**		1,675,603	70	1,192,478	32
	Non-current assets					
1550	Investments accounted for using equity method	6(5)	722,208	30	2,530,605	68
1600	Property, plant and equipment	6(6)	934	-	1,262	-
1755	Right-of-use assets	6(7)	5,054	-	7,076	-
1780	Intangible assets	6(8)	240	-	1,311	-
1920	Guarantee deposits paid		620	-	1,990	-
15XX	**Non-current assets**		729,056	30	2,542,244	68
1XXX	**Total assets**		$ 2,404,659	100	$ 3,734,722	100

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MEDEON BIODESIGN, INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current liabilities					
2200	Other payables		$ 27,720	1	$ 47,492	1
2220	Other payables - related parties	7	13,456	1	25,280	1
2230	Current tax liabilities		37,968	2	56,776	2
2280	Current lease liabilities		2,234	-	5,945	-
2300	Other current liabilities		444	-	574	-
21XX	**Current Liabilities**		81,822	4	136,067	4
2580	Non-current lease liabilities		2,849	-	1,213	-
25XX	**Non-current liabilities**		2,849	-	1,213	-
2XXX	**Total Liabilities**		84,671	4	137,280	4
	Equity					
	Share capital	6(11)				
3110	Share capital - common stock		922,449	38	878,401	23
	Capital surplus	6(12)				
3200	Capital surplus		1,340,712	55	1,343,813	36
	Retained earnings	6(13)				
3310	Legal reserve		207,182	9	207,182	6
3320	Special reserve		12,489	1	12,489	-
3350	Unappropriated retained earnings(accumulated deficit)		(188,425)	(8)	1,135,220	30
	Other equity interest	6(14)				
3400	Other equity interest		36,184	1	30,940	1
3500	Treasury shares	6(11)	(10,603)	-	(10,603)	-
3XXX	**Total equity**		2,319,988	96	3,597,442	96
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 2,404,659	100	$ 3,734,722	100

The accompanying notes are an integral part of these parent company only financial statements.

MEDEON BIODESIGN, INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except losses per share amounts)

			Year ended December 31			
			2023		2022	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(15)	$ 10,700	100	$ 209,537	100
5000	Operating costs	6(16)(17) and 7	(8,922)	(83)	(26,831)	(13)
5900	Net operating margin		1,778	17	182,706	87
	Operating expenses	6(16)(17) and 7				
6100	Selling expenses		-	-	(6,957)	(3)
6200	General and administrative expenses		(72,049)	(674)	(57,726)	(28)
6300	Research and development expenses		(19,283)	(180)	(38,345)	(18)
6000	Total operating expenses		(91,332)	(854)	(103,028)	(49)
6900	Operating (loss) profit		(89,554)	(837)	79,678	38
	Non-operating income and expenses					
7100	Interest income	6(18)	13,428	125	8,694	4
7010	Other income	6(19) and 7	20,982	196	19,562	9
7020	Other gains and losses	6(2)(5)(20)	(400,106)	(3739)	22,490	11
7050	Finance costs	6(7)	(89)	(1)	(171)	-
7070	Share of loss of associates and joint ventures accounted for using equity method, net	6(5)	(709,758)	(6633)	(507,066)	(242)
7000	Total non-operating income and expenses		(1,075,543)	(10052)	(456,491)	(218)
7900	**Loss before income tax**		(1,165,097)	(10889)	(376,813)	(180)
7950	Income tax expense	6(21)	(39,518)	(369)	(56,945)	(27)
8200	**Loss for the year**		($ 1,204,615)	(11258)	($ 433,758)	(207)
	Other comprehensive income					
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Other comprehensive loss, before tax, exchange differences on translation		$ 5,244	49	$ 43,429	21
8500	**Total comprehensive loss for the year**		($ 1,199,371)	(11209)	($ 390,329)	(186)
	Basic loss per share	6(22)				
9750	Total basic loss per share		($ 13.09)		($ 4.71)	
9850	Total diluted loss per share		($ 13.09)		($ 4.71)	

The accompanying notes are an integral part of these parent company only financial statements.

MEDEON BIODESIGN, INC.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

			Capital surplus					Retained earnings					
	Notes	Common stock	Additional paid-in capital	Treasury share transactions	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in equity of associates and joint ventures accounted for using equity method	Employee stock warrants	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Financial statements translation differences of foreign operations	Treasury shares	Total equity
2022													
Balance at January 1, 2022		$ 732,341	$ 1,331,704	$ 5,602	$ 8,548	$ -	$ 3,406	$ -	$ -	$ 2,071,824	($ 12,489)	($ 10,603)	$ 4,130,333
Loss for the year		-	-	-	-	-	-	-	-	(433,758)	-	-	(433,758)
Other comprehensive income for the year	6(14)	-	-	-	-	-	-	-	-	-	43,429	-	43,429
Total comprehensive income(loss)		-	-	-	-	-	-	-	-	(433,758)	43,429	-	(390,329)
Appropriation and distribution of retained earnings	6(13)												
Stock dividends of ordinary share		146,060	-	-	-	-	-	-	-	(146,060)	-	-	-
Cash dividends of ordinary share	6(13)	-	-	-	-	-	-	-	-	(73,030)	-	-	(73,030)
Legal reserve		-	-	-	-	-	-	207,182	-	(207,182)	-	-	-
Special reserve		-	-	-	-	-	-	-	12,489	(12,489)	-	-	-
Share-based payments	6(10)	-	-	-	-	3,101	-	-	-	-	-	-	3,101
Changes in ownership interests in subsidiaries		-	-	-	(8,548)	-	-	-	-	(64,085)	-	-	(72,633)
Balance at December 31, 2022		$ 878,401	$ 1,331,704	$ 5,602	$ -	$ 3,101	$ 3,406	$ 207,182	$ 12,489	$ 1,135,220	$ 30,940	($ 10,603)	$ 3,597,442
2023													
Balance at January 1, 2023		$ 878,401	$ 1,331,704	$ 5,602	$ -	$ 3,101	$ 3,406	$ 207,182	$ 12,489	$ 1,135,220	$ 30,940	($ 10,603)	$ 3,597,442
Loss for the year		-	-	-	-	-	-	-	-	(1,204,615)	-	-	(1,204,615)
Other comprehensive income for the year		-	-	-	-	-	-	-	-	-	5,244	-	5,244
Total comprehensive income(loss)		-	-	-	-	-	-	-	-	(1,204,615)	5,244	-	(1,199,371)
Appropriation and distribution of retained earnings	6(13)												
Stock dividends of ordinary share		43,823	-	-	-	-	-	-	-	(43,823)	-	-	-
Cash dividends of ordinary share		-	-	-	-	-	-	-	-	(43,823)	-	-	(43,823)
Share-based payments	6(10)	-	-	-	-	15,040	-	-	-	-	-	-	15,040
Changes in ownership interests in subsidiaries		-	-	-	-	(18,141)	-	-	-	(31,384)	-	-	(49,525)
Exercise of employee stock options	6(11)	225	141	-	-	-	(141)	-	-	-	-	-	225
Balance at December 31, 2023		$ 922,449	$ 1,331,845	$ 5,602	$ -	$ -	$ 3,265	$ 207,182	$ 12,489	($ 188,425)	$ 36,184	($ 10,603)	$ 2,319,988

The accompanying notes are an integral part of these parent company only financial statements.

MEDEON BIODESIGN, INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		($ 1,165,097)	($ 376,813)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense(including right-of-use assets)	6(6)(7)(16)	7,268	8,748
Amortization expense	6(8)(16)	1,369	1,869
Revaluation gains on current financial assets measured at fair value through profit or loss	6(2)(20)	(3,812)	(681)
Interest expense	6(7)	89	171
Dividend income		(180)	(160)
Interest income	6(18)	(13,428)	(8,694)
Gain on disposal of investments	6(20)	402,960	-
Share of loss of associates and joint ventures accounted for using equity method	6(5)	709,758	507,066
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		8,775	(952)
Other accounts receivable		22	96
Other receivables - related parties		285	(79)
Prepayments		1,175	(825)
Changes in operating liabilities			
Other payables		(19,771)	(6,788)
Other payables to related parties		(11,824)	15,815
Other current liabilities		(130)	8
Cash (outflow) inflow generated from operations		(82,541)	138,781
Interest received		14,913	6,456
Interest paid	6(7)	(89)	(170)
Income taxes paid		(58,326)	(66,280)
Net cash flows (used in) from operating activities		(126,043)	78,787
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of current financial assets at fair value through profit or loss		(255)	-
Acquisition of investments accounted for using equity method		(820,440)	(884,423)
Proceeds from disposal of financial assets at amortised cost		393,660	553,230
Proceeds from disposal of investment using equity method		1,479,671	99,508
Dividends received		7,387	18,177
Acquisition of property, plant and equipment	6(6)(23)	(579)	(444)
Acquisition of intangible assets	6(8)	(298)	-
Decrease (increase) in guarantee deposits paid		1,370	(5)
Net cash flows from (used in) investing activities		1,060,516	(213,957)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease liabilities	6(7)(24)	(6,415)	(7,110)
Exercise of employee share options	6(10)	225	-
Cash dividends paid	6(13)	(43,823)	(73,030)
Net cash flows used in financing activities		(50,013)	(80,140)
Net increase (decrease) in cash and cash equivalents		884,460	(215,310)
Cash and cash equivalents at beginning of year		146,945	362,255
Cash and cash equivalents at end of year		$ 1,031,405	$ 146,945

The accompanying notes are an integral part of these parent company only financial statements.

【Exhibit 5】

Medeon Biodesign, Inc.

Opinion on the Necessity and Reasonability of a Private Placement

Engaged by: Medeon Biodesign, Inc.

Recipient: Medeon Biodesign, Inc.

Specified use of the Opinion: For the sole purpose of the 2024 Private Placement of Common Shares by Medeon Biodesign, Inc.

Type of report: Opinion on the necessity and reasonability of the private placement

Assessor: MasterLink Securities Corporation

Representative: Fred Chang

February 21, 2024

Medeon Biodesign, Inc.

Securities Underwriters' Assessment of the Necessity and Reasonability of a Private Placement of Common Shares in 2024

In order to raise working capital, accelerate product development, invest in subsidiaries and the medical industry, develop the Company's strategic objectives, and to ensure the timeliness and convenience of raising capital, Medeon Biodesign, Inc. (hereinafter referred to as Medeon or the Company) intends to offer securities through private placement in accordance with Article 43-6 of the "Securities and Exchange Act" and the "Directions for Public Companies Conducting Private Placements of Securities". It is planned to be discussed at the board of directors' meeting on February 29, 2024, and to be discussed at the shareholders' meeting on June 12, 2024. It is proposed to request the shareholders' meeting to authorize the board of directors to issue up to 35,000,000 shares in private placement through no more than 3 tranches within one year from the date of resolution of the Shareholders' Meeting.

According to Article 4.3 of the Directions for Public Companies Conducting Private Placements of Securities, "If there has been, is, or will be a significant change in managerial control during the period from 1 year preceding the day on which the board of directors resolves on the private placement of securities to 1 year from the delivery date of those privately placed securities, the Company shall engage a securities underwriter to provide an assessment opinion on the necessity and reasonableness for conducting the private placement, and shall state the opinion in the notice to convene the shareholders' meeting to serve as a reference for the shareholders to decide whether to agree." The underwriter's assessment is presented as follows.

1. Company Profile

Incorporated in 2012, Medeon has been specializing in the design and development of high-value Class II and Class III medical devices since its inception, with a focus on minimally invasive surgeries, covering a wide range of surgical specialties, including devices for laparoscopic procedures, orthopedics, urology, and advanced cardiovascular procedures, and it continues to develop innovative medical devices in various fields. In the meantime, the Company is committed to seeking opportunities to license projects or products to top medical device companies to generate licensing revenue. In recent years, the Company has actively engaged in high-value medical device CDMO business. In 2022, a subsidiary, Medeologix, Inc., is established and integrated three U.S. companies: MediBalloon, Second Source Medical, and Medeobio through mergers and acquisitions. The Company has developed the capability to manufacture high-value medical balloons, catheters, and subassembly and final assembly medical devices. Meanwhile, Medeologix, Inc. is established in Taiwan as a CDMO mass production base for advanced medical devices, allowing it to take orders and prototyping in the United States, and conduct mass production in Taiwan, thereby providing one-stop services to major international medical device companies and creating a global high-value medical device

CDMO business.

In terms of advanced medical devices innovation, Medeon signed an asset purchase agreement with Terumo in 2018 and successfully sold its self-developed product, Cross-Seal™ - large bore vascular closure system, to the top medical device company for a total of US$50 million, including US$20 million for the up-front payment and US$30 million for milestone payments. In September 2023, it received the U.S. FDA premarket approval (PMA), making the Company the first company in Taiwan to have received the PMA for Class III medical devices. In addition, the principal innovative medical devices under development include Urocross, a device that improves lower urinary tract symptoms (LUTS) associated with Benign Prostatic Hyperplasia (BPH), and the Duett for the repair of thoracic aortic arteries. The Company has begun patient recruitment for IDE study for Urocross in 2022Q3. Duett has entered into the first-in-human clinical phase in 2023Q3. The Company is also actively implementing a limited launch strategy to test the marketability for its regulatory approved products, including ClickClean™ - in-situ cleaning device for laparoscopic surgery, AbClose™ - in-port site closure system, and PUMA™ - Trauma Internal Fixation Device, to increase opportunities for international partnerships.

On the front of advanced medical device CDMO business, the Company has entered the high-value medical device CDMO market, acquired the core manufacturing technologies of designing and manufacturing high-value medical devices, as well as accessed the customer relations with top global medical device companies and innovative medical devices companies in Silicon Valley through mergers and acquisitions. The Company has also integrated the Group's resources to scale up production with a competitive cost advantage and accelerated the vertical integration of the affiliates, leading to the successful establishment of a viable supply system, featuring "taking orders from the USA, conducting pilot production in place, and mass production in Taiwan". The Company now provides one-stop shopping service to the innovative medical devices companies from R&D to mass production.

In sum, the Company was an innovative medical device design and development company committing to speeding up the process of innovation for advanced medical devices to satisfy the unmet needs yet to be met. Through clinical trial and application for accreditation, the Company seeks to increase the value of its products and also search for top medical device company for licensing as the ultimate goal. Observing the global supply chain hurdle of medical devices over the years, the Company decides and actively pursues the advanced medical CDMO business. Through integrating the core competence of the group, the Company concentrated in the development of advanced medical devices and manufacturing of the components and assembly of advanced innovative medical devices to raise the entrance barrier in competition and create market segmentation. Through vertical integration, the Company emerged as a company with dual business as an one-stop shopping CDMO service provider while continuing seeking licensing deals for the medical device innovation projects.

2. **Contents of the Private Placement Project**

As stated in the draft meeting agenda of the Board for the session of February 29, 2024, the Company planned to offer up to 35,000,000 shares through private placement for raising capital with common shares in consideration of bolstering its pool of working capital, speeding up the development of products, making investment in subsidiaries and medical industry, and development of the strategic goal of the group. The new shares will be issued within 1 year from the date of the resolution of the Shareholders' Meeting in no more than 3 tranches. The price for the offering of securities through private placement for this instance will be set with reference to the simple arithmetic mean of the average closing prices on the 1st, or 3rd, or 5th (alternative) business days before the pricing date, excluding the ex-rights and dividends of the nil-paid allotment of shares and after adding back the capital reduction and ex-rights. Or, with reference to the simple arithmetic mean of the average closing prices of the common shares in the period of 30 business days before the pricing date, excluding the ex-rights and dividends of the nil-paid allotment of shares and after adding back the capital reduction and ex-rights. The higher the prices of the aforementioned two ways of calculation will be taken as the reference price. The actual issuing price shall be set at a level not less than 80% of the reference price.

3. Assessment of placees and significant change in Business Ownership

(1) Review of significant changes in managerial control during the period from 1 year preceding the day on which the board of directors resolves on the private placement of securities to 1 year from the delivery date of those privately placed securities

Medeon discussed the case of private placement of common shares at the Board of Directors meeting on February 29, 2024. After investigation, the Company elected an additional independent director at the shareholders' meeting on June 19, 2023, in compliance with Article 4 of the "Taipei Exchange Directions for Compliance Requirements for the Appointment and Exercise of Powers of the Boards of Directors of TPEx Listed Companies". In addition, as the term of office of the directors on the 5th term of the board is near its expiration, the Company plans to re-elect directors at the regular shareholders' meeting on June 12, 2024. As the list of directors elected cannot be confirmed as of February 29, 2024, it is still unclear whether 1/3 of the directorships will change after the re-election, resulting in significant changes in managerial control. Thus, in accordance with the provisions of "Directions for Public Companies Conducting Private Placements of Securities", the Company requested the securities underwriter to issue an evaluation on the necessity and reasonableness of this private placement.

(2) Whether the introduction of strategic investors in the private placement has resulted in a significant change in managerial control

The number of existing shares of the Company is 92,244,893 shares. After adding 35,000,000 shares to the proposed private placement, the paid-in capital will be increased

to 127,244,893 shares on the basis of the full issuance. The proportion of the private placement shares to the capital after the private placement is estimated to be 27.51%. The issuing of shares through private placement for this instance will fall behind the shareholders' meeting scheduled to be held on June 12, 2024. Placees for this issuing are still unidentified. Whether the strategic investors attracted through private placement will occupy specific number seats of Directors and participate in the operation of the Company or not that causes significant change in the management of the Company is still unknown. For this reason, the Company consults the underwriter for private placement of securities to give an assessment on the necessity and the reasonability of private placement for this instance and present their opinion in accordance with the "Directions for Public Companies Conducting Private Placements of Securities".

(3) Assessment of the feasibility and necessity of selecting placees

A. Selecting placees

As stated in the draft meeting agenda of the Board of the Company dated February 29, 2024, the selection of placees in the private placement project of this time will be based on Article 43-6 of the Securities and Exchange Act, and Order of the Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Fa-Tzu No. 1120383220 dated September 12, 2023, and Directions for Public Companies Conducting Private Placements of Securities. The Company has not yet targeted particular investors for this private placement. Prospective investors could be insiders or strategic investors. If strategic investors were considered for selection, the direct or indirect input of the investors to the Company will be the primary concern. Through the injection of capital through private placement, the Company can take advantage of the expertise of the investors to assist the Company in business expansion, enhance operation performance, and achieve the goal of sustainable development.

B. Assessment of the feasibility and necessity of selecting placees

The Company has successfully developed the dual-track operation mode of medical devices research and development licensing and CDMO business. Considering the opportunity of the transformation for the medical devices industry and the proper balance of resources for fitting in the development of the Company in the future, the Company expect to invite strategic investors serving as direct or indirect input to the operation of the Company except for the insiders. The Company also hopes that the capital, technological know-how and knowledge from placees could assist the Company in accelerating innovative medical devices, accessing to core technology and customer relation necessary for the CDMO operation. As such, the private placement of securities for this instance entails the expectation of fortifying the organization in operation, and upgrading the shareholders' equity as a whole. Likewise, the consultation of matters pertinent to the private placement of securities for this instance is feasible and necessary.

4. Necessity and reasonability assessment of the private placement

(1) Necessity of the private placement

Considering the state of operation at the moment and the prospect the industry in respect of the sustainable development of the Company, Medeon intends to invite candidates that could provide direct and indirect assistance to its operation in the future under its development road map. With the injection of capital, technology and interpersonal relation, the Company entered the CDMO business and cultivated the partnership relation with advanced medical devices firms worldwide in great depth. In addition, the Company also developed the dual-track operation mode of medical devices research and development licensing and CDMO business so as to improve the unstable cash flow from the operation under the innovative medical devices licensing model. This could help to strengthen the competitive power of the Company for achieving the goal of sustainable development. In addition, the non-transferable nature of marketable securities in the private placement for a period of three years will enable the Company to secure long-term stable capital and ensure long-term partnerships with the strategic investors it has brought in, which will also be conducive to the overall development of the Company's operations in the future. Therefore, it is expected that the private placement of common shares will not only enhance the overall shareholders' equity, but also strengthen the depth of cooperation with the strategic investors, and hence should be necessary.

(2) Reasonability of the private placement

The issuing of shares through private placement is planned to be resolved by the Board on February 29, 2024 and the final resolution of the Shareholders' Meeting on June 12, 2024 before proceeding. In addition, the proposal of issuing shares through private placement will also be specified in the meeting notice as a part of the cause of the meeting pursuant to Article 43-6 of the Securities and Exchange Act. Therefore, the procedure should be lawful under this assessment.

Regarding the trend of the global medical devices industry, we could see how the supply chain was impacted by the pandemic. As such, the selling prices of the materials and parts and components for medical devices skyrocketed. It aligned with the inclination to strategic flexibility of the new medical devices companies that the CDMO mode of operation has been extensively adopted in development and mass production. The result is that the demand of the CDMO industry continues to grow. However, there is no one-stop shopping service provider from development to mass production. As originally a developer of advanced innovative medical devices, the Company has acquired US advanced medical device companies through merger and acquisitions, established a base for mass production, and emerged as a CDMO supplier with the capacity of providing one-stop shopping service. With the invitation of strategic investors on board through this instance of share issued through private placement, the Company can strengthen its network in the industry and

competitiveness in operation, which will contribute to shareholders equity. This offering is justifiable.

5. The impacts of the transfer of management on the operation performance, financial position, and shareholders equity of the Company.

The number of existing shares of the Company is 92,244,893 shares. After adding 35,000,000 shares to the proposed private placement, the paid-in capital will be increased to 127,244,893 shares after issuing in full lot. The proportion of the private placement shares to the capital after the private placement is estimated at 27.51%. Placees for this offering are still unidentified. Whether the strategic investors attracted through private placement will occupy specific number seats of Directors and participate in the operation of the Company or not that causes significant change in the management of the Company is still unknown. In the event of a change in the number of seats of Directors or business ownership after private placement, the Company shall disclose the detail as required for assuring the rights and privileges of the shareholders.

Assuming a significant change in the business ownership is resulted from the private placement of securities, possible impacts on the operation performance, financial position, and shareholders' equity of the Company is specified as follows:

(1) Impact on the operation performance

The Company has successfully developed the dual-track operation of medical devices research and development licensing and medical devices CDMO business. In the future, the Company will continue its penetration into the advanced medical device CDMO market much deeper through merger and acquisition and resource integration, and bolster its competitive advantage through vertical integration. Through the private placement of securities for this instance for raising capital, the Company can also introduce the technology, knowledge, and business network from the strategic investors for assuring the momentum in business and room for further growth. This will be an input to business operation.

(2) Impact on the financial position

If the Company takes February 29, 2024, the day on which the Board convened in session, as the pricing date for the issuing of shares through private placement, and the price for the issuing of securities through private placement for this instance will be set with reference to the simple arithmetic mean of the average closing prices on the 1st, or 3rd or5th (alternative) business days before the pricing date, excluding the ex-rights and dividends of the nil-paid allotment of shares and after adding back the capital reduction and ex-rights. Or, with reference to the simple arithmetic mean of the average closing prices of the common shares in the period of 30 business days before the pricing date, excluding the ex-rights and dividends of the nil-paid allotment of shares and after adding back the capital reduction and ex-rights. The higher the prices of the aforementioned two ways of

calculation will be taken as the reference price. The actual offering price shall be set at a level not less than 80% of the reference price. Under this mode of pricing, the capital raised could help to bolster the pool of working capital and speeding up the development of products, and rapid accessing to the resources required for the medical device CMDO business. It is expected that the issuing of shares through private placement could help to improve the financial structure of the Company, and hence bolstering the competitive power in operation. With the timely injection of capital from private placement of securities, the financial position of the company will be benefited.

(3) Impact on shareholders equity

Initially, the Company is engaged in the licensing of advanced innovative medical devices developed on its own as the principal business. As a matter of business practice, the schedule for collecting milestone payments varied with the progress of product development. As such, revenue and profit of each year varied significantly. The Company intends to balance the cash flow from overall operation through the development of the medical devices CDMO business. Therefore, the Company will use the capital raised from private placement of securities for improving its working capital, which will buttress its financial structure. In addition, the Company may use the capital, technology, and business network as aids for the operation of medical devices research and development licensing and medical devices CDMO business for upgrading its competitiveness in operation. The issuance of shares through private placement for this instance will contribute to shareholders' equity.

6. Conclusion

Medeon planned to issue common shares through private placement for bolstering its working capital, speeding up the development of products, making direct investment in subsidiaries and the medical industry, and developing the strategic goal of the group. In addition, this can also help to vitalize the organization and strengthen its competitive power for achieving the goal of improving shareholders' equity. Considering the current state of operation, the timeliness of raising capital and the feasibility of raising capital for this instance, the Company planned to issue common shares through private placement for raising capital is indeed necessary and justifiable. We have reviewed the information on the agenda of issuing common shares through private placement of the Board in the session dated February 29, 2024, the content and the procedure of the issuing plan is not defying any rules and regulations in all material aspects or obviously unjustifiable. The result of raising capital and the selection of placees have been assessed in consideration of possible influence on the operation performance, financial position, and shareholders' equity of the Company. It is suggested that the issuing of new shares through private placement for raising capital by the Company for this instance is necessary and justifiable.

7. Declaration

The contents of this letter of opinion are for reference only and are not intended to be used for any other purposes in connection with the resolution of the private placement at the board of directors' meeting on February 29, 2024 and the shareholders' meeting on June 12, 2024. Furthermore, this opinion is based on the financial information provided by Medeon and its announcements on the Market Observation Post System. This letter of opinion hereby disclaims any legal responsibility for any future changes to its content as a result of changes to the private placement plan or other events.

Declaration of Independence

1. The Company has been engaged to render an opinion concerning the necessity and reasonability of the private placement of common shares in 2024 by Medeon Biodesign, Inc. (hereinafter referred to as Medeon).
2. The Company declares the following for the purpose of this engagement.
   (1) The Company is not an equity-method investee of Medeon.
   (2) The Company is not an equity-method investor of Medeon.
   (3) The Chairman or President of the Company and the Chairman or President of Medeon are not the same person, nor are they related to each other as spouses or consanguineous within two degrees.
   (4) The Company is not a director or supervisor of Medeon.
   (5) Medeon is not a director or supervisor of the Company.
   (6) Other than the aforementioned situations, the Company does not have any relationship with Medeon as a related party under Article 18 of the Regulations Governing the Preparation of Financial Reports by Securities Issuers
3. The Company's assessment of the necessity and reasonability of the 2024 private placement of common shares for Medeon maintains a spirit of independence.

Assessor: MasterLink Securities Corporation

Representative: Fred Chang

February 21, 2024

【Exhibit 6】

Medeon Biodesign, Inc.
List of Director Candidates (nominated by the Board of Directors)

Title	Name	Education /Work experience	Quantity of shares held	Reasons for nomination of the candidate in assuming 3 terms of office as Independent Directors
Director	Center Laboratories, Inc. Representative: Jung Chin Lin	**Education：** Honorary Doctorate, Taipei Medical University Bachelor, School of Pharmacy, Taipei Medical University **Experience：** Chairman, Center Laboratories, Inc. Chairman, Medeon Biodesign, Inc. Chairman, PharmaEngine, Inc. Chairman, TOT BIOPHARM International Company Limited Chairman, Mycenax Biotech Inc. **Current Position：** Legal Representative Director/President/CEO Lumosa Therapeutics Co. Ltd. Director, BioGend Therapeutics Co., Ltd. Legal Representative Director, Adimmue Corporation Chairman (Legal Representative), BioEngine Technology Development Inc. Chairman (Legal Representative), KriSan Biotech Co., Ltd. Chairman (Legal Representative), Cytoengine Co., Ltd. Chairman, Royal Foods Co., Ltd. Chairman (Legal Representative), Bioflag International Corporation (Cayman) Chairman (Legal Representative), GLAC Biotech Co., Ltd. Chairman (Legal Representative), Ausnutria Dairy (Taiwan) Nutrition & Health Sciences	27,411,028	N/A

Title	Name	Education /Work experience	Quantity of shares held	Reasons for nomination of the candidate in assuming 3 terms of office as Independent Directors
		Corporation Director (Legal Representative), Youluck International Inc. Director, A2+ Biotech Consulting Co., Ltd. Director, Beijing Shundu Pharmaceutical Research Institute Co., Ltd. Director, Shanghai Bio Pharmaceuticals Co., Ltd. Director, Scindy Pharmaceutical (SuZhou), Ltd. Director, T-E PHARMA HOLDING Director, AiViva Holding Limited & AiViva Biopharma Inc.		

Title	Name	Education /Work experience	Quantity of shares held	Reasons for nomination of the candidate in assuming 3 terms of office as Independent Directors
Director	Center Laboratories, Inc. Representative: Chih Hsiung Wu	**Education：** Ph.D. of First Department Surgery, Dokkyo Medical University Bachelor of Medicine, school of medicine, Taipei Medical University **Experience：** Superintendent, En Chu Kong Hospital CEO, En Chu Kong Hospital Chairman, Taipei Medical University-Shuang Ho Hospital, Ministry of Health and Welfare Chairman, Taipei Medical University Hospital Chairman, school of medicine, Taipei Medical University **Current Position：** Attending Physicians, En Chu Kong Hospital Independent Director, Lumosa Therapeutics Co. Ltd. Chairman, V-Check, Inc.	27,411,028	N/A

Title	Name	Education /Work experience	Quantity of shares held	Reasons for nomination of the candidate in assuming 3 terms of office as Independent Directors
Director	Medeon, Inc. (US) Representative: Yue Teh Jang	**Education：** Ph.D. in Materials Science, University of Utah. B.S. in Materials Science, National Tsing-Hua University **Experience：** General Partner, The Vertical Group Co-Founder & CEO, Integrated Vascular Systems Co-Founder & CEO, Ensure Medical CEO, Kyphon CEO, Embol-X Vice president of R&D, Boston Scientific Vice president of R&D, CVIS **Current Position：** Director, Medeon International, Inc. Chairman & CEO, MedeonBio, Inc. GM, Medeon Biodesign, Inc. Chairman, Medeon, Inc.(USA) Chairman & GM, Prodeon Medical Corporation Director, Prodeon Medical, Inc. Chairman & CEO, Aquedeon Medical, Inc. Chairman, Medeologix, Inc. Chairman, Mediballoon, Inc.	10,450,911	N/A

Title	Name	Education /Work experience	Quantity of shares held	Reasons for nomination of the candidate in assuming 3 terms of office as Independent Directors
Independent Director	Chi Hang Yang	**Education：** Master and Ph.D. degree, Electronics and Computer Science, Southampton University in the UK **Experience：** Associate Professor, Department of Communications Engineering, National Yang Ming Chiao Tung University Chairman, Department of Computer Science and Information Engineering, Tamkang University President, Chung Chou University of Science and Technology Executive Assistant, Fusheng Co., Ltd. & Vice President, Top Information Technologies Co., Ltd. Minister of Transportation and Communications, R.O.C. Director general, Department of International Programs, National Science Council (now Ministry of Science and Technology) Dean of academic affairs, National Kaohsiung University of Science and Technology Vice president, National Kaohsiung University of Science and Technology National Science Council (now Ministry of Science and Technology) Director, Science and Technology Division, TECO in San Francisco Secretary, National Science Council (now Ministry of Science and Technology) **Current Position：** Director, Taiwan Cultural and Creativity Development Foundation Chairman, SVT Investment Co., Ltd Independent Director, ACE Pillar CO., LTD.	0	Dr. Chi Hang Yang has mentored the founders and managers of several major biotech and medical device companies in Taiwan, promoted the Stanford-Taiwan Biomedical Fellowship Program (STB), and played an important role in development of Taiwan's medical device industry, and is very familiar with the Company's business model and various projects. Dr. Chi Hang Yang is also very familiar with the Company's business model and various projects. By leveraging Dr. Yang's Silicon Valley connections and industry experience, the Company expects to

Title	Name	Education /Work experience	Quantity of shares held	Reasons for nomination of the candidate in assuming 3 terms of office as Independent Directors
				quickly emerge as a dark horse and play an important role in the global supply chain in the medical device industry.
Independent Director	Chia Ying Ma	**Education：** Ph.D., Business and Economics, Lehigh University, USA Master of Accounting, Utah State University Bachelor of Accounting, National Chengchi University (NCCU) **Experience：** Dean, the Office of Research Development, Soochow University Secretary of President, Soochow University Professor, Department of Accounting, Soochow University Chairperson, Department of Accounting, Soochow University Adjunct Professor, National ChengChi University Adjunct Professor, Department of Accounting and Information Technology, National Chung Cheng University Adjunct Professor, Department of Biological Science and Technology, National Yang Ming Chiao Tung University **Current Position：** Professor, Department of Accounting , Soochow University Independent Director, TSC Auto ID Technology Co., Ltd. Independent Director, RichWave Independent director, Hiyes International Co., Ltd. Director (Legal Representative), Union	0	Dr. Chia Ying Ma holds CPA designation in the U.S., Taiwan and China. He is currently a professor in the Department of Accounting at Soochow University, and is a professional advisor and member of various government agencies. Through Dr. Ma's in-depth guidance in finance and accounting with an international perspective and his familiarity with the relevant rules and regulations, we hope to create a more efficient, insightful, and regulatory-

Title	Name	Education /Work experience	Quantity of shares held	Reasons for nomination of the candidate in assuming 3 terms of office as Independent Directors
		Insurance Company		compliant management system that enhances the overall competitiveness of the enterprise.
Independent Director	Jien Wei Yeh	**Education：** PhD in Material Science, National Tsing Hua University **Experience：** Professor, and Associate Professor, Department of Material Science Engineering, National Tsing Hua University Consultant and Director, High Entropy Materials, Inc. Independent Director of Elite Advanced Laser Corporation Consultant, Vero Veria Corporation. **Current Position：** Chair Professor, Department of Material Science Engineering, National Tsing Hua University Consultant and Director, High Entropy Materials, Inc.	0	None
Independent Director	Feng Shyang Yang	**Education：** Ph.D., Department of Chemistry, University of Utah, USA Master degree, Department of Chemistry, University of Utah, USA Bachelor degree, Department of Chemistry, National Taiwan University **Experience：** Senior Research Fellow ,China Steel Corporation Executive Secretary, Sinosteel Green Business Subcommittee	0	None

Title	Name	Education /Work experience	Quantity of shares held	Reasons for nomination of the candidate in assuming 3 terms of office as Independent Directors
		Senior Research Fellow, Corporate Planning Division Convener of team biotechnology, Commercial Division Vice Director, New Materials Research & Development Department of Commercial Division Division Director, Surface treatment and composite materials department of Research & Development Department of Commercial Division Engineer, Vice Research Fellow and Acting Division Director, Research & Development Department of Commercial Division General Manager, TaiAn Technologies Corporation Director and general manager, Ruiji Biotechnology Co., Ltd. Supervisor, Adimmune Corporation Chair and Member of Investment Review Committee, Eminent Ⅱ Venture Capital Corporation Member of Investment Review Committee, CDIB Capital Investment and BioScience Venture Management (BVI), Inc. Director, Phalanx Biotech Group, Inc. Supervisor, Taiyue Biotechnology Co., Ltd. Director, GenMont Biotech Incorporation Investor representative and Member of Investment Review Committee, Sino-Canadian Biotechnology Development Fund Director, Junpu Electronics Co., Ltd.		

【Exhibit 7】

Medeon Biodesign, Inc.
List of Part-time positions held by Director Candidates

Title	Name	Part-time positon of other companies	Major business
Representative of Juristic-person Director	Center Laboratories, Inc. Representative: Jung Chin Lin	Legal Representative Director/President/CEO Lumosa Therapeutics Co. Ltd.	New Drug Development
		Director, BioGend Therapeutics Co., Ltd.	Orthopedic Related Medical Device Development
		Legal Representative Director, Adimmue Corporation	Manufacturing and Sales of Flu Vaccine
		Chairman (Legal Representative), BioEngine Technology Development Inc.	Investment Management Consultant
		Chairman (Legal Representative), KriSan Biotech Co., Ltd.	CDMO of Biopharmaceutical
		Chairman (Legal Representative), Cytoengine Co., Ltd.	New Drug Development
		Chairman, Royal Foods Co., Ltd.	Investment Consultant
		Chairman (Legal Representative), Bioflag International Corporation (Cayman)	Investment Holding
		Chairman (Legal Representative), GLAC Biotech Co., Ltd.	Manufacturing and Sales of Functional Probiotics
		Chairman (Legal Representative), Ausnutria Dairy (Taiwan) Nutrition & Health Sciences Corporation	Precision Nutrition Research for Children
		Director (Legal Representative), Youluck International Inc.	Sale of Milk Powder
		Director, A2+ Biotech Consulting Co., Ltd.	Investment Management Consultant
		Director, Beijing Shundu Pharmaceutical Research Institute Co., Ltd.	Biotechnology Services
		Director, Shanghai Bio Pharmaceuticals Co., Ltd.	Development of Recombinant Protein Drugs and Antibody Drugs
		Director, Scindy Pharmaceutical (SuZhou), Ltd.	Medical Research and Trial

Title	Name	Part-time positon of other companies	Major business
		Director, T-E PHARMA HOLDING Director, AiViva Holding Limited & AiViva Biopharma Inc.	Development New Drug Development New Drug Development
Representative of Juristic-person Director	Center Laboratories, Inc. Representative: Chih Hsiung Wu	Attending Physicians, En Chu Kong Hospital Independent Director, Lumosa Therapeutics Co. Ltd. Chairman, V-Check, Inc.	Hospital New Drug Development Vido Care Endometriosis Test
Juristic-person Director	Center Laboratories, Inc.	Director and Chairman, Mycenax Biotech Inc. Director and Chairman, Lumosa Therapeutics Co.,Ltd. Director, BioGend Therapeutics Co., Ltd.; Chairman (Legal Representative), BRIM Biotechnology, Inc. Director, Ever Supreme Bio Technology Co., Ltd. Director, Ever Fortune. AI Co., Ltd. Director, Cytoengine Co., Ltd.; Chairman, Krisan Biotech Co., Ltd. Director, Efficient Biomedical Corp. Director, BIOFLAG INTERNATIONAL CORPORATION (Cayman)	CDMO of Biopharmaceutical New Drug Development Orthopedic Related Medical Device Development Investment Management Consultant Stem cells and immune cells drug Medical AI & Cloud-ready Medical Platform & Medical Big Data New Drug Development CDMO of Biopharmaceutical Drug Development Management Investment Holding
Representative of Juristic-person	Medeon, Inc. (US) Representative: Yue Teh Jang	Director, Medeon International, Inc. Chairman & CEO, MedeonBio, Inc.	Investment and Trading Manufacturing and R&D of Medical Device

Title	Name	Part-time positon of other companies	Major business
Director		Chairman, Medeon, Inc.(USA) Chairman & GM, Prodeon Medical Corporation Director, Prodeon Medical, Inc. Chairman & CEO, Aquedeon Medical, Inc. Chairman, Medeologix, Inc. Chairman, Mediballoon, Inc.	Investment and Trading Manufacturing and R&D of Medical Device Manufacturing and R&D of Medical Device Manufacturing and R&D of Medical Device Manufacturing and R&D of Medical Device Manufacturing and R&D of Medical Device
Independent Director	Chi Hang Yang	Director, Taiwan Cultural and Creativity Development Foundation Chairman, SVT Investment Co., Ltd Independent Director, ACE Pillar CO., LTD.	Non-profit organization Investment Manufacturing and Sales of automated electromechanical
Independent Director	Chia Ying Ma	Independent Director, TSC Auto ID Technology Co., Ltd. Independent Director, RichWave Independent director, Hiyes International Co., Ltd. Director (Legal Representative), Union Insurance Company	Development and Manufacturing of Barcode printer R&D and Manufacturing of Power Amplifier Real Estate Agency and Brokerage Insurance
Independent Director	Jien Wei Yeh	Consultant and Director, High Entropy Materials, Inc.	Manufacture of High-entropy Alloys Material

【Appendix 1】

Medeon Biodesign, Inc.

Regulations Governing the Election of Directors

Article 1: The election of Directors of the Company shall be governed by this set of Regulations.

Article 2: The election of Directors of the Company shall be governed by this set of Regulations in the Shareholders Meeting.

Article 3: The diversity of the staffing of the Board shall be considered in the election of Directors. Diversity shall be considered for the organization and the structure of the members of the Board in line with the operation, mode of business, and development need of the Company in mapping out the policy of diversity, which should include without limitation to the following two dimensions:

1. Basic requirement and value: gender, age, nationality and cultural background.
2. Professional knowledge and skill: professional background (like law, accounting, industry, finance, marketing or technology), professional skill and industry experience.

The common knowledge, skill and establishment of the members of the Board necessary for performing their function are specified below:

1. Judgment ability in operation
2. Accounting and financial analysis ability
3. Operation management ability
4. Crisis management ability
5. Industry knowledge
6. International view of market
7. Leadership ability
8. Decision-making ability

No more than half of Directors who are spouse or kindred within the 2nd tier to one another.

The Board of the Company shall consider the result of the performance evaluation to adjust the structure of the members of the Board.

Article 4: The Company shall adopt the system of cumulative votes in the election of Directors. Holder of each share is entitled to the number of votes equivalent to the number of Directors to be elected. They may concentrate the votes on particular candidates or distribute the votes to different candidates.

Article 5: The Company shall calculate the voting weight allocated to the Independent Directors and Directors in accordance with the Articles of Incorporation of the Company on a separate basis. Candidates who won a greater majority of the votes will be elected to the seats. If there are 2 or more candidates who won the same number of votes but there is

not enough seats for the candidates, these candidates shall engage in lot drawing to determine the final winner. If specific candidate is absent from the election, the Chairman shall act on behalf of this candidate in the low drawing.

Article 5-1: If the shareholder is the government or a juridical person, the representative may also be elected as Director. If there are several representatives, they all may be elected to the seats.

Article 6: The Board shall prepare ballots equivalent to the number of candidates to be elected to the seats of Directors, and mark down the voting weight for release to the shareholders in session. The electors may mark down the attendance pass number as the substitute for the name or title on the ballot for registration purpose.

Article 7: The Chairman shall appoint a certain number of scrutineers and tallying clerks charged with the duties of monitoring the balloting and counting the votes prior to the commencement of the election.

Article 8: The Board shall prepare the ballot box. The scrutineers shall open the box for examination in public before balloting.

Article 9: The electors shall mark down the name or the account title of the candidate in the field of candidate on the ballot. If the candidates are governments or institutional shareholders, the name of the government and the institution, or the names of the representatives shall be marked in the field of candidate on the ballot. If there are several representatives, their names shall be marked down one-by-one.

Article 10: A ballot shall be void if any of the following applies:

1. The use of ballot not prepared by the convenor.
2. Putting blank ballot into the ballot box.
3. The handwriting is blurred that cannot be read, or marked for change.
4. The candidate being marked down on the ballot is not relevant with the list of candidates.
5. Other handwriting on the ballot further to the name or account title of the candidate.
6. Mark down 2 or more candidates on the same ballot.

Article 11: The ballot box for casting the votes for the election of Directors shall be opened at the witness of the scrutineers after the conclusion of balloting.

Article 12: The scrutineers shall witness the counting of the votes and the Chairman shall announce the voting result on the scene, including the list of candidates elected to the seats of Directors and the number of votes earned.

The ballots of the aforementioned balloting shall be sealed and affixed with the signature of the scrutineers, and kept properly by the Company for at least one year. In the event of legal proceedings instated by shareholders pursuant to Article 189 of the Company Act, the ballots shall be kept under the final ruling of the proceedings.

Article 13: Anything not mentioned in this set of Regulations shall be governed by the Company Act and other applicable laws.

Article 14: This set of Regulations shall come into force after passing by the Board. The same procedure is applicable to any amendment thereto.

【Appendix 2】

Medeon Biodesign, Inc.

Articles of Incorporation

Chapter 1 General Principles

Article 1: The Company is organized in accordance with the provisions of the Company Act of the Republic of China as a joint stock company and shall be known as Medeon Biodesign, Inc.

Article 2: The businesses of the Company are as follows:

(1) CB01010 Mechanical equipment manufacturing
(2) CC01070 Wireless communication mechanical equipment manufacturing
(3) CC01080 Electronic components manufacturing
(4) CC01120 Data storage media manufacturing and duplicating
(5) CE01030 Optical instruments manufacturing
(6) CF01011 Medical Devices Manufacturing
(7) F108031 Wholesale of medical devices
(8) F113030 Wholesale of precision instruments
(9) F119010 Wholesale of electronic materials
(10) F208031 Retail sale of medical apparatus
(11) F213040 Retail sale of precision instruments
(12) F401010 International trade
(13) I103060 Management consulting
(14) I301010 Information Software services
(15) I301020 Data processing services
(16) I301030 Electronic information supply services
(17) I501010 Product designing
(18) IG01010 Biotechnology services
(19) IG02010 Research and development service
(20) IZ15010 Market Research and Public Opinion Polling
(21) IZ99990 Unclassified Other services
(22) J399010 Software publishing
(23) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

Article 3: The headquarters of the Company shall be located in Taipei City, and branches may be established within or outside the country if necessary by the resolution of the Board of

Directors.

Article 4: The Company shall make announcements in accordance with Article 28 of the Company Act and the provisions of the competent security authorities.

Article 5: The Company may undertake external guarantees due to business needs, which shall be executed by the Board of Directors in accordance with the operational procedures for endorsements and guarantees of the Company.

Chapter 2 Shares of the Company

Article 6: The total amount of the Company's reinvestments shall not be subject to the restriction in Article 13 of the Company Act that such reinvestments shall not exceed 40% of the paid-in capital.

Article 7: The total capital of the Company is set at NT$2 billion, divided into 200 million shares of NT$10 each, which the Board of Directors is authorized to issue in tranches. Of this amount, 5 million shares are reserved for the issuance of employee stock options.

The Company may acquire shares for transfer, issue new shares for employee stock options and restricted employee rights, and issue new shares for cash capital increase and reserve shares for employee subscription in accordance with the Company Act, all of which may include employees who control or are subordinate to the Company under certain conditions, and the terms and conditions of transfer, issue and subscription are authorized to be determined by the Board of Directors.

Article 8: The share certificates of the Company shall be in registered form and shall be issued under the signatures or seals of directors on behalf of the Company, after having been duly authenticated in accordance with the law. The shares issued by the Company may be issued without a printed share certificate, but shall be registered with a centralized security depository.

Article 9: The transfer and change of name of shares shall cease not later than 60 days prior to the date of the annual general meeting, not later than 30 days prior to the date of the extraordinary shareholders' meeting, or not later than 5 days prior to the date on which the Company decides to distribute dividends and bonuses or other benefits.

Article 10: The handling of the Company's share affairs shall comply with the provisions of the "Regulations Governing the Administration of Shareholder Services of Public Companies" issued by the competent security authorities.

Chapter 3 Shareholders' Meeting

Article 11: The general meeting of shareholders shall be convened at least once a year, within six months after the end of the fiscal year, by the Board of Directors in accordance with the law. Extraordinary meetings shall be convened when necessary in accordance with

the relevant laws and regulations.

The Company's shareholders' meetings may be held by video conference or other means announced by the central competent authority. The conditions, operating procedures and other matters to be complied with in connection with the holding of a shareholders' meeting by video conference shall be subject to the provisions of the competent authorities.

Article 12: The Chairman of the Board of Directors shall be the chairman of the shareholders' meeting. If the Chairman of the Board of Directors is absent from work or is unable to exercise his or her duties for any reason, he or she shall designate a director to act on his or her behalf; if the Chairman of the Board of Directors does not designate a proxy, the directors shall elect one from among themselves to act on his or her behalf.

Article 13: If a shareholder is unable to attend a shareholders' meeting for any reason, he or she may appoint a proxy to attend the meeting by producing a proxy form issued by the Company, in accordance with Article 177 of the Company Act and the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".

Article 14: The shareholders of the Company shall have one vote per share unless otherwise specified by law.

Article 15: Except otherwise specified in the Company Act, a resolution at a shareholders' meeting shall be made by a majority of votes of the shareholders present, representing a majority of the total number of issued shares.

The shareholders of the Company may also exercise their voting rights electronically. Shareholders who exercise their voting rights electronically shall be deemed to be present in person, and all relevant matters shall be handled in accordance with the provisions of the law.

Article 16: Resolutions of shareholders' meetings shall be recorded in a minute book, signed or sealed by the chairman, and distributed to the shareholders within 20 days after the meeting. The foregoing minutes shall be distributed by public announcement.

Article 17: The Company may transfer shares to employees at a price lower than the average price of the shares actually purchased or issue employee warrants at a price lower than the closing price on the issue date with the consent of at least two-thirds of the shareholders present at a general meeting representing a majority of the total number of shares in issue.

Article 18: If the Company wishes to cancel a public offering, it shall do so only after a resolution of the shareholders' meeting, and this provision shall not be changed during the period of the Emerging Stock Market and the Listing (OTC).

Chapter 4 Directors and Managers

Article 19: The Company shall have five to nine Directors for a term of three years, who shall be nominated by candidates and shall be elected by the Shareholders' Meeting from a list of candidates and shall be eligible for re-election.

Among the aforesaid number of directors, no less than two shall be independent directors and no less than one-fifth of the number of directors. The professional qualifications, shareholdings, restrictions on part-time employment, nomination and election of independent directors and other matters to be complied with shall be governed by the relevant regulations of the competent security authorities.

Article 20: The Company may establish functional committees in accordance with the relevant provisions of the Securities and Exchange Act. The Audit Committee shall be composed of all independent directors and shall be responsible for carrying out the duties and responsibilities of the supervisors under the Company Act, the Securities and Exchange Act and other laws and regulations.

Article 21: The Board of Directors shall be organized by the directors and shall be composed of at least two-thirds of the directors present and a majority of the directors present agreeing to elect from among themselves a chairman who shall represent the Company externally. The Chairman of the Board shall represent the Company externally.

Article 22: A meeting of the Board of Directors of the Company shall be convened at least once in every quarter. The Board of Directors shall convene a meeting with seven-days notice, stating the reason for the convening. However, in case of emergency, the Board may be convened at any time.

Notice of such convening may be given in writing, by facsimile or by e-mail.

Article 23: The chairman of the board of directors shall be the Chairman of the Board of Directors. If the Chairman of the Board of Directors is absent from office or is unable to exercise his or her powers and functions for any reason, his or her proxy shall be appointed in accordance with the provisions of Article 208 of the Company Act. If a director is unable to attend a board meeting for any reason, he or she may appoint another director to act as his or her proxy, provided that the aforementioned proxy is appointed by one person.

A director may participate in a board meeting by video conference. A director who participates in a meeting by video conference shall be deemed to be present in person.

Article 24: The Company shall purchase liability insurance for its directors in order to reduce the risk of a director being sued by shareholders or other related parties for the performance of his duties in accordance with the law.

Article 25: The Company shall remunerate the directors for executing the business of the

Company, irrespective of the profit or loss of the Company, and shall authorize the Board of Directors to determine such remuneration in accordance with the extent of their participation in and the value of their contribution to the operations of the Company and with reference to the ordinary standards of the industry.

Article 26: The Company may have a manager, whose appointment, dismissal and remuneration shall be in accordance with the provisions of Article 29 of the Company Act.

Chapter 5 Accounting

Article 27: At the close of each fiscal year, the directors shall prepare the following reports and financial statements and submit to the general meeting of shareholders for approval:

(1) the business report;

(2) the financial statements; and

(3) the surplus earning distribution or loss off-setting proposals.

Article 28: If the Company makes a profit in a year, it shall set aside not less than one percent for the remuneration of its employees and not more than two percent for the remuneration of its directors. However, if the Company has accumulated losses, the Company shall have reserved a sufficient amount to offset its accumulated losses, and then distribute the employees and directors' remuneration in accordance with the previous ratio.

Remuneration of employees may be in the form of shares or cash and may be granted as defined by the Board of Directors. Remuneration of directors may be in cash only. The foregoing two items shall be resolved by the Board of Directors and reported to the shareholders' meeting.

Article 28-1: When the Company has a surplus in each year's final accounts, the Company shall first make a tax payment to cover the deficit of the previous year and then set aside 10% of the legal reserve, except that the legal reserve may not be set aside if it has reached the Company's paid-in capital; furthermore, the Company shall set aside or reverse the special reserve as required by law. If there are still unappropriated earnings at the beginning of the period, the Board of Directors shall prepare a proposal for the appropriation of earnings and submit it to the shareholders' meeting for resolution on their distribution to shareholders.

If the Company distributes all or part of a dividend, capital reserve, or legal reserve in cash, the Board of Directors is authorized to do so by a resolution of at least two-thirds of the Directors present and a majority of the directors present, and to report to the shareholders' meeting in accordance with Article 240, Paragraph 5 of the Company Act.

The Company's dividend distribution policy will take into account the current and

future investment environment, capital requirements, domestic and international competition, and capital budget, as well as the interests of shareholders, the balance of dividends and the Company's long-term financial planning, etc. The Board of Directors shall prepare a proposal for dividend distribution and submit it to the shareholders' meeting annually in accordance with the law. The types and rates of dividends may be adjusted by resolution of the shareholders' meeting depending on the actual profitability and capital position of the year, provided that the total amount of dividends to be distributed from each year's earnings shall not be less than 10% of the distributable earnings for that year, and the proportion of cash dividends to be distributed shall not be less than 10% of the total amount of dividends.

Chapter 6 Supplementary Provisions

Article 29: Matters not stipulated in the Articles of Association shall be handled in accordance with the provisions of the Company Act and other relevant laws and regulations.

Article 30: The Articles of Incorporation were established on December 7, 2012.
First amendment on 26 July 2013.
Second amendment on 14 January 2014.
Third amendment on 3 September 2014.
Fourth amendment on 20 April 2015.
Fifth amendment on 20 April 2016.
Sixth amendment on 13 June 2017.
Seventh amendment on 16 July 2021.
Eighth amendment on 22 June 2022.

Medeon Biodesign, Inc.

【Appendix 3】

Medeon Biodesign, Inc.

Rules and Procedures for Shareholders Meetings

Article 1: The Company's shareholders' meetings shall be conducted in accordance with these rules unless otherwise specified by law.

Article 2: An attendance book shall be provided for shareholder attendance registrations, or a sign-in card shall be handed in by the shareholders present to sign in on their behalf. The number of shares present shall be calculated by adding the number of shares exercising the right to vote by written or electronic means to the attendance book or the sign-in card.

Article 3: Attendance and voting at shareholders' meetings shall be counted on the basis of shares.

Article 4: The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting shall commence no earlier than 9 a.m. and no later than 3 p.m.

Article 5: If a shareholders' meeting is convened by the Board of Directors, the chairman of the meeting shall be the Chairman of the Board of Directors. If the Chairman of the Board of Directors is absent from office or is unable to exercise his or her powers and functions for any reason, the Chairman of the Board of Directors shall appoint a Director to act as his or her proxy, or if the Chairman of the Board of Directors does not appoint a proxy, the directors shall appoint one from among themselves to act as their proxy. If a shareholders' meeting is convened by a person other than the Board of Directors with the right to convene, the chairman of the meeting shall be the person with the right to convene.

Article 6: The Company may appoint lawyers, accountants or related personnel to attend the shareholders' meetings. The meeting personnel conducting the shareholders' meetings shall wear identification cards or armbands.

Article 7: The proceedings of the shareholders' meetings shall be audio or video recorded and kept for at least one year.

Article 8: The Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate.

If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one - third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Act. If during the process of the Meeting the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act.

Article 9: If a shareholders' meeting is convened by the Board of Directors, the agenda shall be set by the Board of Directors, and the relevant motions (including provisional motions and amendments to original motions) shall be decided on a case-by-case basis, and the meeting shall proceed in accordance with the scheduled agenda, which cannot be changed without a resolution of the shareholders' meeting. If a shareholders' meeting is convened by a person other than the Board of Directors with the right to convene, the provisions of the preceding paragraph shall apply. The chairman of the meeting shall not adjourn the meeting without a resolution before the conclusion of the proceedings (including interim motions) as set out in the preceding two items. After the meeting has been adjourned, the shareholders shall not elect another chairman to continue the meeting at the same place or at another place.

Article 10: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order shareholders speak will be set by the chairman. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairman and the shareholder that has the floor; the chairman shall stop any violation.

Article 11: Except with the consent of the chairman, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairman may terminate the speech.

Article 12: When a legal person is appointed to attend as proxy, it may designate only one person to represent it in the meeting. If a corporate shareholder designates two or more representatives to attend the meeting, only one representative can speak for each discussion item.

Article 13: After an attending shareholder has spoken, the chairman may respond in person or

direct relevant personnel to respond.

Article 14: When the chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairman may announce the discussion closed, call for a vote and arrange adequate time for voting.

Article 15: Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairman, provided that all monitoring personnel shall be shareholders of the Company. The result of voting shall be announced at the Meeting and placed on record.

Article 16: At the discretion of the chairman, a break may be declared at any time during the meeting.

Article 17: Except as otherwise provided in the Company Act and the Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chairman or a person designated by the chairman shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the Market Observation Post System.

Article 18: When there is an amendment or an alternative to a proposal, the chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 19: The chairman may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear armband bearing the word “Proctor.”

Article 20: These Rules, and any amendments hereto, shall be implemented after adoption by shareholders’ meetings.

【Appendix 4】

Shareholding of All Directors

1. The minimum shareholding required for all Directors and shares all Directors held on the book closure date are listed as follows:

Title	Minimum shareholdings required	Shares on the book closure date
Directors	7,379,591 shares	37,964,971 shares

Note: Book closure date: April 14, 2024

2. Shareholding of Directors

Title	Name	Shares on the book closure date	Remarks
Chairman	Medeon, Inc. (USA) Representative: Yue Teh Jang	10,450,911	
Director	Center Laboratories, Inc. Representative: Jung Chin Lin	27,411,028	
Director	Center Laboratories, Inc. Representative: Chih Hsiung Wu		
Director	Hong Jen Chang	84,545	
Director	Hsin Yuan Fang	18,487	
Independent Director	Chi Hang Yang	0	
Independent Director	Chia Ying Ma	0	
Independent Director	Jerome Shen	0	
Independent Director	Jien Wei Yeh	0	

Note: Book closure date: April 14, 2024