

Mycenax Biotech Inc.

2024 Annual Report

Mycenax's Annual Report is available at:
Taiwan Stock Exchange Market Observation
Post System:mops.twse.com.tw
Mycenax's Website:www.mycenax.com
Printed on May 2, 2025



Notice to Readers

This English version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Contact Information

Spokesperson: Pei-Jiun Chen

Title: Chairman / President

Tel: +886-3-6670880

E-mail: info@mycenax.com.tw

Deputy Spokesperson: Wei-I Chou

Title: AVP of Pharmaceutical Development Division

Tel: +886-3-6670880

E-mail: info@mycenax.com.tw

Headquarter

Address: 7F., No. 66, Shengyi 2nd Rd., Zhubei, Hsinchu, Taiwan

Tel: +886-3-6670880

Business Center

Address: 10F-7, No. 3, Yuanqu Street, Nangang District, Taipei City, Taiwan

GMP Plant 1

1F., 2F., 3F., and 5F., No. 8 / 2F., No. 10/ 1F., No. 6, Kedong 3rd Rd. Zhunan, Miaoli, Taiwan

GMP Plant 2

Address: No. 8, Kexi 1st Rd. Zhunan, Miaoli, Taiwan

Stock Transfer Agent

Company: Capital Securities Corporation

Address: B2, No. 97, Section 2, Dunhua South Road, Taipei, Taiwan

Tel: +886-2-2702-3999

Website: www.capital.com.tw

Independent Auditor

Company: Ful-Fill & Co., CPAs

CPA: Jin-Di Wu, Wei-Liang Dai

Address: 8F, No. 35, Section 1, Zhongxiao East Road, Taipei, Taiwan

Tel: +886-2-2391-9955

Website: www.full-go.com

Overseas Securities Exchange

None.

Table of Contents

1. Letter to Shareholders	1
2. Corporate Governance	5
2.1. Board of Directors and Executive Management	5
2.2. Corporate Governance.....	20
2.3. Information on CPA Professional Fees	47
2.4. Replacement of CPA	47
2.5. Chairman, President or Finance/Accounting Manager Held Positions in the Company's Audit Firm or Its Affiliates Within the Past Year	48
2.6. Changes in Shareholdings and in Shares Pledged by Directors, Management and Shareholders Holding more than 10%.	48
2.7. Relationships between Mycenax's top10 Shareholders	49
2.8. Direct and Indirect Investments in Affiliated companies	49
3. Capital Raising.....	50
3.1 Capital and Shares	50
3.2 Issuance of Corporate Bonds.....	52
3.3 Preferred Shares	52
3.4 Issuance of Overseas Depositary Shares.....	52
3.5 Status of Employee Stock Option Plan.....	53
3.6 Status of Employee Restricted Stock.....	55
3.7 Status of New Share Issuance in Connection with Mergers and Acquisitions	58
3.8 Funding Plans and Implementation	58
4. Operational Overview	59
4.1 Business Activities	59
4.2 Market and Sales Status	73
4.3 Information on Employee	78
4.4 Information on Environmental Expenditure.....	78
4.5 Labor-Management Relations	78
4.6 Information Security Management.....	80
4.7 Intellectual Property Management Plan.....	83
4.8 Important Contracts.....	84
5. Financial Overview	85
5.1 Financial Status	85
5.2 Financial Performance	86
5.3 Cash Flow	87
5.4 Major Capital Expenditure on Financial and Business Operations.....	87
5.5 Investment Policy, Main Reasons for Profit or Loss and Future Investment Plans	87
5.6 Risk Management	88

5.7 Other Significant Items	92
6. Special Disclosure	93
6.1 Information on Affiliated Companies	93
6.3 Other Supplementary Explanations	93
6.4 Other Significant Events Affecting Shareholders' Equity or Stock Price.....	93

1. Letter to Shareholders

Dear Shareholders,

Mycenax is the only company in Taiwan that is 100% focused on biologics CDMO services. With the completion and opening of the highly automated filling line at our GMP plant2 in 2024, Mycenax further strengthens our ability to provide high-quality, one-stop biologics services (from DNA to DP). At the same time, we signed MOUs for strategic collaborations with several companies, including Merck, Apexcella Biomedical, and Chitose Laboratory from Japan in 2024. We continue to deepen our involvement in traditional biologics while actively developing high-tech biologics, such as bispecific/multispecific antibodies, antibody-drug conjugates (ADCs), and cell and gene therapies (CGT). Furthermore, in line with supporting our customers' applications for international drug certifications, Mycenax underwent official audit by multiple international authorities in 2024. The audit proceeded smoothly, and we look forward to obtaining formal approvals in 2025, positioning Mycenax as an internationally recognized CDMO for biologics. We sincerely hope our future operations will experience significant growth, creating a win-win-win outcome for our shareholders, customers, and employees.

Below is a report on Mycenax's operational results for 2024 and an outline of our operational plans for 2025:

Business Results for 2024

Mycenax's revenue is derived from our CDMO business. In 2024, Mycenax recorded operating revenue of NTD683,924 thousand, representing a 5% increase compared to 2023. The operating gross loss was NTD241,357 thousand, a reduction of NTD133,834 thousand from the previous year, primarily due to improved overall capacity utilization following the commencement of project execution at the GMP plant2. Operating expenses for 2024 amounted to NTD220,180 thousand, decrease by NTD6,731 thousand from 2023. In addition, non-operating net expenses decreased by NTD73,830 thousand compared to the previous year.

In summary, Mycenax reported a pre-tax net loss of NTD469,586 thousand in 2024, with earnings per share (EPS) of -NTD2.27.

Budget Execution for 2024

Mycenax did not publicly disclose financial forecasts for 2024.

Analysis of Financial Revenue and Profitability for 2024 and the Previous Year

	Item	2023	2024
Financial Structure	Debt to Asset Ratio (%)	35.09	39.93
	Long-term Capital to Property, Plant, and Equipment Ratio (%)	169.53	169.07
Solvency	Current Ratio (%)	145.74	111.32
	Quick Ratio (%)	119.78	90.70
Profitability	Net Profit Margin (%)	(104.63)	(68.30)
	Earnings per Share (NTD)	(3.32)	(2.27)

In 2024, Mycenax's financial structure indicators showed a slight increase in the debt-to-asset ratio compared to 2023. This was mainly due to the losses incurred in 2024, which led to a reduction in total equity and total assets. The ratio of long-term funds to fixed assets remained similar to that of 2023.

Regarding the debt solvency indicators for 2024, they were lower compared to 2023. This was due to the impact of the losses in 2024 and increased capital expenditures, which resulted in higher cash outflows and a reduction in current and quick assets.

The profitability indicators for 2024 improved compared to 2023, mainly due to a reduction in losses for the year.

Research and Development Status

Mycenax continues to enhance our technology platforms for monoclonal antibodies, bispecific/multispecific antibodies, antibody-drug conjugates (ADCs), cell therapies, and plasmid DNA production. Mycenax has introduced several new technical service offerings, providing solutions that are increasingly tailored to the needs of global biopharmaceutical CDMO customers.

In 2024, Mycenax introduced the highly anticipated NaxLEAP™ carrier platform, which not only significantly enhances cell line stability but also increases early-stage yields by 19 times. This allows for earlier testing, greatly shortening development timelines. For complex protein drugs with low yields, Mycenax successfully developed an ultra-high cell density culture technology, which increases production by more than five times compared to traditional fed-batch culture methods. In addition, Mycenax has made initial progress with process enhancement technologies in collaboration with the globally renowned supplier Merck, with plans to release a technical white paper by the end of 2025.

In the field of ADC drugs, Mycenax has established six coupling platforms to improve the efficiency of conjugation and the success rate of scale-up. These platforms target the specific point of conjugation between antibodies and small molecule drugs, as well as the linking molecules between the two. The six platforms cover the most advanced and popular technologies globally, and Mycenax aims to deliver more effective, reliable, and competitive ADC drugs for its customers.

In recent years, exosomes have become a hot product in the market. Leveraging its expertise in stem cell 3D culture technology and extensive purification experience, Mycenax has established a high-yield, high-quality production platform for exosomes. The yield is six times higher than 2D culture methods, and the quality is on par with that of major international companies. Mycenax is now the only CDMO company in Taiwan capable of both exosome process development and GMP-scale production.

Business Plan for 2025

Mycenax's operating policy for 2025 is as follows:

- Continue to invest in drug development, while fully utilizing the production advantages of both GMP facilities after the filling line at the GMP plant 2 starts operations. This implements a business model of "innovative development capability (D) and appropriate production scale (M)," achieving the brand positioning of "large D, medium M."
- Continue to align with customer drug registration and market launch schedules, becoming a supplier of globally launched biopharmaceuticals, thus establishing a stable foundation for future revenue growth.
- Build a comprehensive one-stop service for emerging biopharmaceutical fields such as cell therapy and ADCs, through self-construction, strategic alliances, and investments. This provides customers with more drug development options and enriches the value chain of the biopharmaceutical CDMO.

Expected Sales Volume and Its Basis

Mycenax's 2025 sales plan is based on orders from signed contracts, existing major customers, and potential orders from ongoing projects, as well as market changes. The sales target for 2025 is expected to maintain steady growth.

Important Production and Sales Policies

In terms of sales policy, Mycenax has deeply cultivated the CDMO market in Taiwan and Japan for many years, creating a strong brand effect, and has secured important contracts with customers in Korea and other regions. Moving forward, Mycenax will continue to focus on the Japanese, Korean, and Taiwanese markets. Additionally, by actively participating in exhibitions in Europe and the United States, Mycenax hopes to build brand awareness in these regions and expand its customer base.

In terms of research, development, and production policies, Mycenax will continue to invest in the development and manufacturing of traditional biologic drugs while also focusing on the innovative technology development of emerging drugs. The company plans to leverage the advantages of its two GMP plants, including the newly automated large-scale filling line at the GMP plant2, to provide

comprehensive production solutions. Mycenax is committed to becoming one of the largest CDMO companies for biologic drugs in Asia.

Impact of External Competitive Environment, Regulatory Environment, and Overall Operational Environment

Currently, the global economy has generally entered a rate-cutting cycle, and with the uncertainty of policies under the new U.S. government, ongoing geopolitical conflicts, and increasing global economic and political instability, Mycenax faces a challenging external environment and intense competition. The key challenge in 2025 will still be the ability to expand business and manage cost efficiency. Mycenax will focus on developing more comprehensive and competitive technology platforms to expand revenue in the biologic drug CDMO service field, with the aim of maximizing shareholder value.

Future Company Development Strategy

Mycenax will use Taiwan as our base, leveraging local R&D, manufacturing, and medical regulatory talents, and linking upstream and downstream industry resources to provide world-class biopharmaceutical CDMO services to global customers, accelerating the progress of medical drug development and contributing to human health and well-being.

Thank you to all shareholders for your trust and support. The management team will continue to strengthen Mycenax's advantages, improve technology, quality, and customer service. We look forward to working with you towards a long-term and prosperous future.

A handwritten signature in black ink, appearing to read 'P. Chen', with a stylized, flowing script.

Pei-Jiun Chen

Chairman/President

2. Corporate Governance

2.1. Board of Directors and Executive Management

2.1.1. Board of Directors

2025/5/2 ; Unit:Shares ; %

Title	Name	Nationality	Gender Age	Date of Elected	Term (year)	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding of Spouse or Minor Children		Education and Experience	Other Positions
							Shares	%	Shares	%	Shares	%		
Director	Center Laboratories, Inc.	R.O.C	-	2022/5/30	3	2004/10/8	33,974,314	22.04	41,974,314	20.27	0	0	-	-
	Representative: Pei-Jiun Chen ¹ (Chairman)	R.O.C	Female 51~60	2022/10/06	3	2022/10/06	0	0	1,200,000	0.58	0	0	<u>Education</u> Ph.D. in Biology, University of Michigan, USA <u>Experience</u> Post-doctoral research fellow, Stanford University, USA Sr. Researcher, AltruBio (Taiwan) Post-doctoral research fellow, University of Lausanne, Switzerland Chairman and President, TPG Biologics, Inc. Supervisor, Krisan Biotech Co., Ltd.	President, Mycenax Biotech Inc. Director, Ever Supreme Bio Technology Co., Ltd. Director, Krisan Biotech Co., Ltd.
	Representative: Chun-Hong Chen ²	R.O.C	Male 61~70	2022/5/30	3	2006/6/20	0	0	0	0	0	0	<u>Education</u> Bachelor's degree in Business Administration, United University, USA <u>Experience</u> Vice President, MasterLink Securities Co., Ltd. President, Microbio Co., Ltd. Director / Supervisor, MasterLink Securities Co., Ltd. Supervisor, Taiwan Depository & Clearing Corporation (TDCC)	Chairman, MasterLink Securities Co., Ltd. Chairman, MasterLink Futures Co., Ltd. Chairman, MasterLink Venture Capital Corp. Chairman, MasterLink Venture Management Corp. Chairman, MasterLink Venture Capital Corp. (Tianjin) Chairman, MasterLink Venture Management Corp. (Tianjin) Chairman, MasterLink Securities (B.V.I) Corp. Director, Shin Kong Financial Holding Co., Ltd. Director, Center Laboratories, Inc. Director, Collins Co., Ltd. Director, Chia Her Industrial Co., Ltd Director, HI-Clearance Inc. Director, Yemi Investment Co., Ltd. Supervisor, GrowTrend Biomedical Co., Ltd. Supervisor, Minoshin International Co., Ltd. Supervisor, Kingbird Tech Co., Ltd. Director, Taipei Exchange (TPEx) Chairman, Taiwan Securities Association Director, Taiwan Futures Exchange Co.

Title	Name	Nationality	Gender Age	Date of Elected	Term (year)	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding of Spouse or Minor Children		Education and Experience	Other Positions
							Shares	%	Shares	%	Shares	%		
Director	Jason Technology Co., Ltd.	R.O.C	-	2022/5/30	3	2019/8/15	1,302,674	0.85	1,302,674	0.63	0	0	-	-
	Representative: Jung-Chin Lin	R.O.C	Male 61~70	2024/11/01	3	2004/10/8	0	0	0	0	4,584	0	<u>Education</u> Honorary Doctorate, Taipei Medical University Bachelor's Degree in Pharmacy, Taipei Medical University <u>Experience</u> President, Center Laboratories, Inc. President, Mycenax Biotech Inc. President, Synmosa Biopharma Corporation President, Adimmune Corporation President, Tung Yuan International Pharmaceutical Co., Ltd.	Director, BioGend Therapeutics Co. Ltd. Director, Medeon Biodesign Inc. Director, Adimmune Corporation Director, Bioengine Technology Development Inc. Chairman, KriSan Biotech Co., Ltd. Chairman, Cytoengine Co., Ltd. Chairman, ROYAL FOODS CO., LTD. Chairman, Bioflag international corporation (Cayman) Chairman, Glac Biotech Co., Ltd. Chairman, Ausnutria Nutrition Research Cloud Co., Ltd. Director, Youluck International Inc. Director, Xiang Yong Biotech Management Consulting Co., Ltd. Director, Beijing Sinotau International Pharmaceutical Technology Co., Ltd. Director, SHENGDI BIOMEDICINE (SUZHOU) CO.,LTD. Director, Guangzhou Hypotech Co., Ltd. Director, T-E Pharma Holding (Cayman) Director, Vaxon Investment Inc. Director, Aiviva Holding Limited (Cayman)
Director	China Investment and Development Co., Ltd.	R.O.C	-	2022/5/30	3	2019/8/15	452,437	0.29	227,707	0.11	0	0	-	-
	Representative: Yi-Hsin Lee	R.O.C	Female 41~50	2024/2/19	3	2024/2/19	0	0	0	0	0	0	<u>Education</u> MBA, University of Strathclyde, UK <u>Experience</u> Analyst, Yuanta Securities Investment Consulting Co., Ltd. Associate, J.P. Morgan Asset Management	Vice President of Business, CTCI Corporation Director, Brim Biotechnology, Inc.
Independent Director	Kuo-Pin Kao	R.O.C	Male 61~70	2022/5/30	3	2013/3/28	0	0	0	0	0	0	<u>Education</u> Bachelor's degree in economics, National Chung Hsing University <u>Experience</u> Chairman, MasterLink Futures Co., Ltd. President, MasterLink Securities Co., Ltd. Chairman, Global Securities Finance Corporation Director, K WAY Information Corp.	Chairman, P&L Investment Co., Ltd.
Indepen-	Yu-Sheng Tsai	R.O.C	Male	2022/5/30	3	2019/8/15	0	0	0	0	0	0	<u>Education</u>	Managing Attorney, Genda Law Firm

Title	Name	Nationality	Gender Age	Date of Elected	Term (year)	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding of Spouse or Minor Children		Education and Experience	Other Positions
							Shares	%	Shares	%	Shares	%		
dent Director			41~50										EMBA, National Chengchi University Master of Law, Fu Jen Catholic University <u>Experience</u> Supervisor, WebComm Technology Co., Ltd. Managing Attorney, Wisetem Law Firm Assistant Manager of the Compliance Department, Si- nopac Holdings Legal Supervisor, Taiwan Chi Cheng Enterprise Co., Ltd. Legal Supervisor, Asia Pacific Telecom Co., Ltd.	Arbitrator of Chinese Arbitration Association Chief Legal Officer, Quilter International Enter- prise Co., Ltd. Administration, Ministry of Economic Affairs Lawyer of Legal Aid Foundation Independent Director, LIAN FA International Din- ing Business Corporation
Indepen- dent Director	Allen Y Chao	USA	Male 71~80	2022/5/30	3	2022/5/30	0	0	0	0	0	0	<u>Education</u> Ph.D. in Pharmacy, Purdue University, USA <u>Experience</u> Founder and CEO, Watson Pharmaceuticals	Director, Tanvex Biologics corporation. Director, Tanvex BioPharma USA, Inc. Chairman, Tanvex Biologics, Inc. Director, Tanvex BioPharma, Inc. Director, Ausun Biotechnology In. Director, Mithra Biotechnology, Inc Director, Taipei Medical University
Indepen- dent Directo	Kuo-Lung Yen	R.O.C	Male 61~70	2023/6/24	3	2023/6/24	0	0	0	0	0	0	<u>Education</u> Master's Degree in Public Finance, National Chengchi University <u>Experience</u> Board Supervisor, Center Laboratories, Inc. Board Supervisor, DERON Biotech Co., Ltd. Board Supervisor, Glac Biotech Co., Ltd. Board Supervisor, TOT BIOPHARM International Com- pany Limited (Suzhou) Board Supervisor, TONGEN Biomedical Technology (Shanghai) Co., Ltd. Independent Director, SHENG DA Technology Co., Ltd. Member of the Compensation Committee, Taiwan C- Soar Technology Co., Ltd. Supervisor, SUN FON Construction Co., Ltd. Supervisor, TAHAN Construction Co., Ltd. Convener of the Compensation Committee, HUNG PU Construction Co., Ltd. Independent Director, RITEK Corporation	CPA, Answer CPAs Firm Independent Director, San Fan Construction Co., Ltd. Independent Director, Win Win Precision Tech- nology Co., Ltd. Remuneration Committee, Center Laboratories, Inc.

Notes:

1.Center Laboratories, Inc. appointed Pei-Jiun Chen as its Board representative on October 6, 2022, and was elected as the chairman by the Board of Directors.

2.Chun-Hung Chen was elected as a supervisor on October 20, 2006, and resigned on June 30, 2008, and was elected as a Director on June 25, 2014.

3. Notes:

- Directors holding shares in Mycenax on behalf of others: None.
- Directors with a spouse or relatives within the second degree of kinship as other supervisors or Directors: None.
- If the Chairman and the President (or equivalent highest-ranking executive) are the same person, spouses, or first-degree relatives, please explain the reason, rationality, necessity, and corresponding measures:

The Chairman and President of the Company is the same person. This arrangement is intended to enhance operational efficiency and the effectiveness of decision-making, as well as to facilitate timely and effective communication with the Board of Directors. Currently, the Company's Board of Directors comprises eight members, including four Independent Directors. These Independent Directors possess professional expertise in finance and accounting, legal affairs, and the biotechnology industry, enabling them to effectively exercise their supervisory functions. Moreover, only one Board member concurrently serves as a managerial officer, which is in line with sound corporate governance practices.

2.1.2. Major Shareholders of institutional shareholders

(1) Major Shareholders of Mycenax's Institutional Shareholders as Directors

Institutional Shareholders	Major Shareholders	Holding Percentage
Center Laboratories, Inc.	Lejean Biotech Co., Ltd.	9.13%
	Royal Foods Co., Ltd.	5.72%
	Jason Technology Co., Ltd.	3.51%
	Yuanta Commercial Bank acts as the custodian for the Delfu Mineral Investment Fund Segregated Account	2.71%
	Farglory Life Insurance Co., Ltd.	1.48%
	Yu Te Investment Co., Ltd.	1.10%
	Assets of Advanced Starlight Fund Corporation are held in custody by the Business Department of Standard Chartered International Commercial Bank	1.07%
	Mu Mao Tzu Investment Co., Ltd.	0.98%
	Yong Lien Corp.	0.91%
	JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	0.90%
Jason Technology Co., Ltd.	Hung-Hsuan Lin	35.83%
	Chia-Ling Lin	25.97%
	Wei-Hsuan Lin	25.69%
	Li-Chu Ou	12.25%
	Jung-Chin Lin	0.26%
China Investment and Development Co., Ltd.	Global Investment Holdings Co., Ltd.	37.76%
	Central Investment Holding Co. Ltd.	31.97%
	YFY Inc.	12.93%
	Mega International Commercial Bank Co., Ltd.	2.09%
	YFY Paradigm Investment Co., Ltd.	1.60%
	Tasco Chemical Co., Ltd.	1.60%
	Earle Ho and Sons, Ltd.	1.60%
	Tai Lung Capital Inc.	1.60%
	He-Xin Investment Co., Ltd.	1.55%
	Tung Mung Development Co., Ltd.	1.31%

(2)Major shareholders of companies mentioned on the right hand side of the table above

Institutional Shareholders	Major Shareholders	Holding Percentage
Lejean Biotech Co., Ltd..	Jason Technology Co., Ltd.	92.07%
	Jung-Chin Lin	7.857%
	Li-Chu, Ou	0.059%
	Hung-Hsuan, Lin	0.005%
	Chia-Ling Lin	0.005%
	Wei-Hsuan, Lin	0.004%
Royal Foods Co., Ltd.	Lejean Biotech Co., Ltd.	92.31%
	Jason Technology Co., Ltd.	7.67%
	Jung-Chin Lin	0.02%
Farglory Life Insurance Co., Ltd.	Xinyu Investment Co., Ltd.	19.00%
	Far East Construction Co., Ltd.	12.48%
	Yuan-Jian Investment Co., Ltd.	8.91%
	Teng Xiong Zhao	8.49%
	Hafo International Investment Co., Ltd.	6.71%
	Ruiqi International Investment Co., Ltd.	6.43%
	Farglory International Investment Co., Ltd	6.43%
	Jun Yao Yeh	5.96%
	Yu Nu Zhao	5.77%
	Dong Yuan Construction Engineering Co., Ltd.	5.63%
Yu Te Investment Co., Ltd.	Su-Chi Wang	75.00%
	Yu-En Lin	25.00%
Mu Mao Tzu Investment Co., Ltd.	Jun Yao Lin	99.997%
	Ming Yue Zheng	0.003%
Yong Lien Corp.	Wen Ti Cheng	27.90%
	Wen Yu Cheng	27.90%
	Cheng I Tsai	27.90%
	Wan Lai Cheng	12.40%
	Zheng Baocai Social Culture and Education Foundation	3.33%
	Yu Fen Chang	0.57%
Global Investment Holdings Co., Ltd.	Wbl Corporation Ltd. (Singapore)	20.79%
	Wan Hai Lines Group	11.73%
	Kuang Hwa Investment Holdings Co., Ltd.	9.38%
	Taiwan Styrene Monomer Corporation	5.82%
	Walsin Lihwa Group	5.86%
	Venture Tech Alliance	5.86%
	Scotia Capital Inc.	5.00%
	F. C. Lai Lai Department Store Co., Ltd.	4.69%
	Prince Motor Group	2.93%
	Yuen Foong Yu Paper Manufacturing Co., Ltd.	2.97%
	Shin Kong Life Insurance Group.	2.93%
Central Investment Holding Co. Ltd.	Kuomintang	100.00%
YFY Inc.	S. C. Ho	9.77%
	Hsin-Yi Foundation	5.66%
	Shin-Yi Enterprise Co., Ltd.	4.69%
	Hsinex International Corp.	3.61%
	Cheng-Ting Ho	2.80%
	Supervisory Committee of Workers' Pension Reserve Funds, YFY Inc.	2.79%
	Ru Yi Enterprise Co., Ltd.	2.68%
	Mei-Yu Ho	2.65%
	NEW Talent Ltd.	2.16%

Institutional Shareholders	Major Shareholders	Holding Percentage
	Felix Ho	2.15%
Mega International Commercial Bank Co., Ltd.	Mega Financial Holding Company Ltd.	100.00%
YFY Paradigm Investment Co., Ltd.	Yfy Inc.	100.00%
Tasco Chemical Co., Ltd.	Tai-Ho Investment Co., Ltd.	58.20%
	He-Cheng Invest Co., Ltd.	19.55%
	Fong-He Development Co., Ltd.	9.84%
	Da-Jan Development Invest Co., Ltd.	1.72%
	He-Fong Invest Co., Ltd.	1.16%
	Fong-He Invest Co., Ltd.	1.01%
	Cheng-Ching Wu	0.99%
	Shang-Ping Wu	0.99%
	Pei-Jyuan Wu	0.95%
	Pei-Rong Wu	0.97%
Earle Ho and Sons, Ltd.	Chieh-Teng Hou	80.53%
Tai Lung Capital Inc.	Chung Lung Investment Co., Ltd.	27.72%
	Cheng-Wang Huang	27.55%
	Wu-Chen Huang	6.89%
	Chiao-Chang Huang	2.69%
	Chiao Hsin Huang	2.62%
He-Xin Investment Co., Ltd.	(Company Undergoing Liquidation and Dissolution)	-
Tung Mung Development Co., Ltd.	Tuntex Incorporation	10.1%
	TUNTEX DISTINCT CORP.	7.25%
	Lifung Holdings Limited	6.96%
	HOTEL-TAINAN	6.78%
	Brighton-Best International (Taiwan) Inc.	6.62%
	Chin-Pi Kuo	6.51%
	Hu-Ya-Hsiang Chen	5.99%
	Shou-Ching Cheng	5.92%
	Wen-Lung Cheng	5.02%
	Yu-Che Chen	4.86%

2.1.3. Professional Qualifications and Independence of Directors

Criteria Name		Qualifications and Experience	Independence	No. of Public Companies in which He or She also Serves as an Independent Director
Chairman	Pei-Jiun Chen	Please refer to "2.1.1 Director Information". None of the Directors have any circumstances listed in Article 30 of the Company Act.	Not Applicable	0
Director	Chun-Hong Chen			0
Director	Jung-Chin Lin			0
Director	Yi-Hsin Lee			0
Independent Director	Kuo-Pin Kao		All Independent Directors meet the following criteria: 1. Not the person, the person's spouse, relative within the second degree of kinship of a director, supervisor or an employee of Mycenax or any of its affiliates. 2. Not the person who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, hold no shares of Mycenax. 3. Not a director or supervisor of Mycenax or any of its affiliates. 4. Not a professional who provides audits or commercial, legal, financial, accounting, or other related services with compensation within the past two years to Mycenax or its affiliates.	0
Independent Director	Yu-Sheng Tsai			1
Independent Director	Allen Y Chao			0
Independent Director	Kuo-Lung Yen			2

Note: A person who is under any of the following circumstances shall not act as a managerial personnel of a company. If he has been appointed as such, he shall certainly be discharged:

- Having committed an offence as specified in the Statute for Prevention of Organizational Crimes and subsequently convicted of a crime, and has not started serving the sentence, has not completed serving the sentence, or five years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon.
- Having committed the offence in terms of fraud, breach of trust or misappropriation and subsequently convicted with imprisonment for a term of more than one year, and has not started serving the sentence, has not completed serving the sentence, or two years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon.
- Having committed the offense as specified in the Anti-corruption Act and subsequently convicted of a crime, and has not started serving the sentence, has not completed serving the sentence, or two years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon.
- Having been adjudicated bankrupt or adjudicated of the commencement of liquidation process by a court and having not been reinstated to his rights and privileges.
- Having been dishonored for unlawful use of credit instruments, and the term of such sanction has not expired yet.
- Having no or only limited disposing capacity.
- Having been adjudicated of the commencement of assistantship and such assistantship having not been revoked yet.

2.1.4. Board of Directors Diversity and Independence

(1) Board Member Diversity Policy and Management Objectives

On March 10, 2022, Mycenax's Board of Directors revised the "Corporate Governance Best Practice Principles." Chapter Three, titled "Enhancing Board Functions," stipulates that the number of directors concurrently serving as company officers shall not exceed one-third of the Board. An appropriate diversity policy shall be established based on Mycenax's business operations, operating model, and developmental needs, and should include, but not be limited to, the following two key dimensions:

- **Basic requirements**

Gender, age, nationality, and culture, and the ratio of female Directors should reach one-third of the Board seats.

- **Professional knowledge and skills**

Board members should generally possess the knowledge, skills, and qualities necessary to perform their duties, including a professional background (e.g., law, accounting, industry, finance, marketing and technology), skills and industry experience.

In addition to the aforementioned diversity policy, the Company has set the following specific board diversity management objectives:

- The proportion of female directors shall reach one-third of the total board seats.
- At least one-third of the board members shall have a professional background in the biotechnology industry, with at least one director having expertise in finance and accounting, and at least one director with legal expertise.

(2) Implementation

The 10th Board of Directors of Mycenax is currently composed of eight members, with only one director concurrently serving as an employee. All board members possess extensive industry experience and complementary expertise in fields such as biotechnology, finance, and law. In addition, the board is composed of individuals from multiple nationalities, bringing diverse international and market experience. At present, two board seats are held by women, which does not yet exceed one-third of the total seats. However, a full re-election of the board will take place at the 2025 Annual General Meeting, during which one additional female director is expected to be appointed, resulting in female representation exceeding one-third. In summary, the members of the Mycenax Board of Directors possess diverse experience and capabilities that contribute significantly to the company's overall governance and operations.

The following table shows the implementation of Board of Directors diversity policy:

Diversity Items		Gender	Nationality	Age	Professional Ability			Industry Experiences
					Biotechnology	Finance /Accounting	Legal Practice	
Chairman	Pei-Jiun Chen	Female	R.O.C	51-60	V			V
Director	Chun-Hong Chen	Male	R.O.C	61-70		V		V
Director	Jung-Chin Lin	Male	R.O.C	61-70	V	V		V
Director	Yi-Hsin Lee	Female	R.O.C	41-50	V	V		V
Independent Director	Kuo-Pin Kao	Male	R.O.C	61-70		V		V
Independent Director	Yu-Sheng Tsai	Male	R.O.C	41-50			V	V
Independent Director	Allen Y Chao	Male	USA	71-80	V			V
Independent Director	Kuo-Lung Yen	Male	R.O.C	61-70		V		V

- Only 1 Director concurrently serves as an employee, accounting for 12.5% of the Board.
- There are 2 female Directors, accounting for 25%, and 6 male Directors, accounting for 75%.
- The Board is composed of Directors from multiple nationalities: 1 American Director, accounting for 12.5% ; the remaining 7 Directors are of domestic nationality, accounting for 87.5%.
- 1 Director is over 70 years old, accounting for 12.5% ; 4 Directors are aged between 61-70, accounting for 50% ; 1 Director is aged between 51-60, accounting for 12.5% ; and 2 Directors are under 50 years old, accounting for 25%.
- 4 Directors have a professional background in the biotechnology industry, accounting for 50%, and all 8 Directors have industry experience, accounting for 100%.
- There are no spousal or second-degree kinship relationships among the Directors.

2.1.5. Information of Management Team

2025/5/2 ; Unit: Shares ; %

Title	Name	Nationality	Gender	Effective Date	Shareholding		Shareholding of Spouse or Minor Children		Shareholding by Nominee Arrangement		Education and Experience	Other Positions	Manager is a Spouse or Consanguineous within Two Degrees		
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship
President ¹	Pei-Jiun Chen	R.O.C	Female	2019/3/1	1,200,000	0.58	0	0	0	0	<u>Education</u> Ph.D. in Biology, University of Michigan, USA <u>Experience</u> Post-doctoral research fellow, Stanford University, USA Sr. Researcher, AltruBio (Taiwan) Post-doctoral research fellow, University of Lausanne, Switzerland Chairman and President, TPG Biologics, Inc. Supervisor, Krisan Biotech Co., Ltd.	Director, Ever Supreme Bio Technology Co., Ltd. Director, Krisan Biotech Co., Ltd.	None	None	None
AVP of Pharmaceutical Development Division	Wei-I Chou	R.O.C	Male	2019/5/13	150,000	0.07	2,000	0	0	0	<u>Education:</u> Ph.D. in Life Sciences, Tsinghua University <u>Experience:</u> Senior Manager, Research and Development Department, Zymergen Company Senior Manager, Research and Development Department, GeneVax Company	None	None	None	None
AVP of Administration and Management Division	Chin-Hao Liang	R.O.C	Male	2020/8/17	37,000	0.02	0	0	0	0	<u>Education:</u> Master's in Information Management, Chung Yuan Christian University <u>Experience:</u> Deputy Manager, Plant Affairs Department, Chiwei Textile Company Senior System Management Consultant, Syscom Computer Company Senior Engineer, Achievo Technologies Company Senior Associate Manager, Kadokawa Taiwan Corporation	None	None	None	None
AVP of Finance and Accounting Division	Liru Yeh	R.O.C	Female	2023/8/11	0	0.00	0	0	0	0	<u>Education:</u> Master's in Financial Management, Sun Yat-sen University <u>Experience:</u> Associate Manager, Operations and Finance Department, Ancheng International Pharmaceutical Company Associate Manager, Operations and Finance Department, Ancheng Biotechnology Company Associate Manager, Capital Markets Department, KGI Securities Vice President, Investment Department, Intech Investment Holdings Manager, Finance and Accounting Department, Tung Lung Hardware Company Deputy Manager, Project Management Department, Taishin Securities Special Assistant of President	Independent Director - TricornTech Technology Co., Ltd.	None	None	None

Note: Explanation, justification, necessity, and corresponding measures for cases where the Chairman and General Manager (or equivalent top executive) are the same person, spouses, or first-degree relatives:

At Mycenax, the Chairman also serves as the General Manager. This arrangement is intended to enhance operational efficiency and decision-making effectiveness, as well as to facilitate timely and effective communication with the Board of Directors.

2.1.6. Remuneration of Directors, President, and Vice President

(1) Remuneration of Directors and Independent Directors for 2024

Unit: NTD thousand ; %

Title	Name	Director's remuneration								(A+B+C+D) and ratio to net income		Remuneration Received by Directors as an Employee								The total amount of items A, B, C, and D, and their percentage of profit after tax (%)		Remuneration received from Non-consolidated Affiliates or Parent Company		
		Base compensation (A)		Retirement pay and pensions (B)		Director profit-sharing compensation (C)		Expenses (D)				Salaries, bonus, and special disbursements (E)		Retirement pay and pensions (F)		Employees' profit-sharing compensation (G)								
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company (%)	From All Consolidated Entities (%)	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities		The Company (%)	From All Consolidated Entities (%)			
																Cash	Shares	Cash	Shares					
Director	Center Laboratories, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None	
	Representative: Pei-Jiun Chen (Chairman)	-	-	-	-	-	-	25	25	25 (0.005)	25 (0.005)	6,992	6,992	-	-	-	-	-	-	-	-	7,017 (1.502)	7,017 (1.502)	None
	Representative: Chun-Hong Chen	-	-	-	-	-	-	25	25	25 (0.005)	25 (0.005)	-	-	-	-	-	-	-	-	-	-	25 (0.005)	25 (0.005)	None
Director	Jason Technology Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None	
	Representative: Chia-Ling Lin (Note 1)	-	-	-	-	-	-	15	15	15 (0.003)	15 (0.003)	-	-	-	-	-	-	-	-	-	-	15 (0.003)	15 (0.003)	None
	Representative: Jung-Chin Lin (Note1)	-	-	-	-	-	-	5	5	5 (0.001)	5 (0.001)	-	-	-	-	-	-	-	-	-	-	5 (0.001)	5 (0.001)	None
Director	China Investment and Development Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None	
	Representative: Hsiu-Yuan Lee (Note2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None	
	Representative: Yi-Hsin Lee (Note2)	-	-	-	-	-	-	25	25	25 (0.005)	25 (0.005)	-	-	-	-	-	-	-	-	-	-	25 (0.005)	25 (0.005)	None
Director	JCR Pharmaceuticals Co., Ltd (Note 3)	-	-	-	-	-	-	15	15	15 (0.003)	15 (0.003)	-	-	-	-	-	-	-	-	-	-	15 (0.003)	15 (0.003)	None
	Representative: Yoh Ito	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None	
Director	Nien Hsing International Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None	

Title	Name	Director's remuneration								(A+B+C+D) and ratio to net income		Remuneration Received by Directors as an Employee								The total amount of items A, B, C, and D, and their percentage of profit after tax (%)		Remuneration received from Non-consolidated Affiliates or Parent Company		
		Base compensation (A)		Retirement pay and pensions (B)		Director profit-sharing compensation (C)		Expenses (D)				Salaries, bonus, and special disbursements (E)		Retirement pay and pensions (F)		Employees' profit-sharing compensation (G)								
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities (%)	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities	The Company (%)	From All Consolidated Entities (%)				
																		Cash	Shares	Cash	Shares			
	Co., Ltd. (Note 4)																							
	Representative: En-Tzn Liu	-	-	-	-	-	-	5	5	5 (0.001)	5 (0.001)	-	-	-	-	-	-	-	-	-	5 (0.001)	5 (0.001)	None	
Independent Director	Kuo-Pin Kao	600	600	-	-	-	-	60	60	660 (0.141)	660 (0.141)	-	-	-	-	-	-	-	-	-	660 (0.141)	660 (0.141)	None	
Independent Director	Yu-Sheng Tsai	240	240	-	-	-	-	55	55	295 (0.063)	295 (0.063)	-	-	-	-	-	-	-	-	-	295 (0.063)	295 (0.063)	None	
Independent Director	Allen Y. Chao	240	240	-	-	-	-	60	60	300 (0.064)	300 (0.064)	-	-	-	-	-	-	-	-	-	300 (0.064)	300 (0.064)	None	
Independent Director	Kuo-Lung Yen (Note5)	125	125	-	-	-	-	25	25	150 (0.032)	150 (0.032)	-	-	-	-	-	-	-	-	-	150 (0.032)	150 (0.032)	None	
1. Please state the policy, system, standards and structure of independent Directors' remuneration payment, and describe the relevance to the amount of remuneration, responsibilities, risks, time invested and other factors: The remuneration of Independent Directors of Mycenax is comprehensively considered based on industry characteristics, peer payment practices, the contribution of Independent Directors to business operations, and the degree of risk they bear. After evaluation and discussion by the Remuneration Committee, it is submitted to the Board of Directors for resolution. Currently, Independent Directors of Mycenax receive fixed compensation on monthly basis and are reimbursed for transportation expenses when attending board meetings and functional committees.																								
2. Other than the disclosures in the table above, the remuneration received by the Mycenax's Directors for their services provided (such as serving as non-employee consultants of the parent company / all the companies listed in the financial reports/reinvested enterprises, etc.) in the most recent year: None.																								

Note 1: Jason Technology Co., Ltd. appointed Jung-Chin Lin as the new representative on November 1, 2024, replacing the previous representative, Chia-Ling Lin.

Note 2: China Investment and Development Co., Ltd. appointed Yi-Hsin Lee as the new representative on February 19, 2024, replacing the previous representative, Hsiu-Yuan Lee.

Note 3: JCR Pharmaceuticals Co., Ltd. resigned from the Board of Directors on September 27, 2024.

Note 4: Nien Hsing International Investment Co., Ltd. resigned on April 23, 2024.

Note 5: Mr. Kuo-Long Yen was appointed as an Independent Director at the shareholders' meeting on June 24, 2024.

(2) Remuneration of the President and Vice President

Unit: NTD thousand ; %

Unit: NT\$ thousand /

Title	Name	Salary (A)		Retirement Pay and Pensions (B)		Bonus and Allowance (C) ²		Employees' Profit-sharing Compensation (D)				(A+B+C+D) and Ratio to Net Income		Remuneration Received from Non-consolidated Affiliates or Parent Company
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities		The Company	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
President	Pei-Jiun Chen	4,574	4,574	-	-	2,418	2,418	-	-	-	-	6,992 (1.50)	6,992 (1.50)	None

Note : The employee stock options recognized as salary expenses under IFRS 2 "Share-based Payment" have been included in the bonuse and special allowance in the above table

(3) Remuneration of the Top Five Highest-Paid Executives

Unit: NTD thousand ; %

Unit: RMB thousand, %

Title	Name	Salary (A)		Retirement Pay and Pensions (B)		Bonus and Allowance (C) ²		Employees' Profit-sharing Compensation (D)				(A+B+C+D) and Ratio to Net Income		Remuneration Received from Non-consolidated Affiliates or Parent Company
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities		The Company	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
President	Pei-Jiun Chen	4,574	4,574	0	0	2,418	2,418	-	-	-	-	6,992 (1.50)	6,992 (1.50)	None
Associate Vice President	Wei-I Chou	2,189	2,189	108	108	1,000	1,000	-	-	-	-	3,297 (0.70)	3,297 (0.70)	None
Associate Vice President	Chin-Hao Liang	2,480	2,480	108	108	795	795	-	-	-	-	3,383 (0.72)	3,383 (0.72)	None
Assistant Manager of Finance and Accounting Department	Liru Yeh	2,261	2,261	108	108	707	707	-	-	-	-	3,076 (0.66)	3,076 (0.66)	None

Note 1: The employee stock options recognized as salary expenses under IFRS 2 "Share-based Payment" have been included in the bonuses and special allowance in the above table.

(4) Employee Profit Sharing of Management Executives: None.

2.1.7. Remuneration of Directors and Management Executives as a Percentage of Net Income in the Past Two years and Guiding Principles

(1) Comparison of Remuneration for Directors, President and Vice President

Unit: NTD thousand

Item \ Year	2023		2024	
	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities
Total Directors' Remuneration	1,490	1,490	1,520	1,520
Percentage of Directors' Remuneration (%)	(0.22)	(0.22)	(0.32)	(0.32)
Total Remuneration of President and Vice President	12,142	12,142	6,992	6,992
Percentage of Remuneration for President and Vice President (%)	(1.78)	(1.78)	(1.50)	(1.50)

Note : The salary of Director Pei-Jiun Chen, who also serves as an employee, has been excluded as it is already included in the remuneration of the President and Vice President.

(2) Policies, Rules, and Combinations of Remuneration Payments, Procedures for Determining Remuneration, and Correlation to Business Performance and Future Risks

• Policy and Standards for Compensation:

The compensation for Mycenax's directors and managerial officers is determined in accordance with Article 25-1 of Mycenax's Articles of Incorporation. Based on the annual profitability, 10% to 12% is allocated for employee compensation, and up to 2% is allocated for director compensation. However, if Mycenax has accumulated losses, a reserve must be set aside to offset such losses before any allocation. In the past two years, due to continued losses, no compensation has been distributed to directors or managerial officers.

• Compensation Determination Process:

Director compensation is evaluated periodically in accordance with the "Regulations for the Compensation of Directors and Functional Committee Members" and is reviewed and approved by both the Compensation Committee and the Board of Directors. However, due to the Company's continued losses, no director compensation has been granted, and directors only receive transportation allowances for attending board meetings. Independent directors, in accordance with the same regulations, receive a fixed monthly remuneration and transportation allowances for attending board meetings.

Managerial officers' salaries are determined according to the "Managerial Officers' Compensation Regulations." Their performance bonuses are approved based on the "Performance and Competency Evaluation Guidelines," reviewed by the Compensation Committee, and distributed following approval by the Board of Directors.

• Correlation with Business Performance and Future Risks:

The Company's policy on compensation for directors and managerial officers primarily considers the overall business performance of the Company. The determination of compensation standards takes into account performance results and individual contributions, along with potential macroeconomic challenges, operational risks, and their correlation with business performance, to ensure both sustainable corporate development and the interests of stakeholders.

2.2. Corporate Governance

2.2.1. Information of Board Meeting

(1)The Board of Directors held 5 meetings in the most recent fiscal year (A), and the attendance of directors is as follows:

Title	Name	Attendance in person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remark
Chairman	Center Laboratories, Inc. Representative: Pei-Jiun Chen	5	0	100	-
Director	Center Laboratories, Inc. Representative: Chun-Hong Chen	5	0	100	-
Director	Jason Technology Co., Ltd. Representative: Chia-Ling Lin	3	0	100	(Note1)
Director	Jason Technology Co., Ltd. Representative:Jung-Chin Lin	1	1	50	(Note1)
Director	China Investment and Development Co., Ltd. Representative: Hsiu-Yuan Lee	0	0	0	(Note2)
Director	China Investment and Development Co., Ltd. Representative: Yi-Hsin Lee	5	0	100	(Note2)
Director	JCR Pharmaceuticals Co., Ltd. Representative: Yoh Ito	3	0	100	(Note3)
Director	Nien Hsing International Investment Co., Ltd. Representative: En-Tzn Liu	1	0	100	(Note4)
Independent Director	Kuo-Pin Kao	5	0	100	-
Independent Director	Yu-Sheng Tsai	5	0	100	-
Independent Director	Allen Y Chao	5	0	100	-
Independent Director	Kuo-Lung Yen	2	1	66.67	(Note5)

Note 1: Jason Technology Co., Ltd. reappointed Jung-Chin Lin as its representative on November 1, 2024.

Note 2: China Investment and Development Co., Ltd. reappointed Yi-Hsin Lee as its director representative on February 19, 2024.

Note 3: JCR Pharmaceuticals Co., Ltd resigned from the position of Director on September 27, 2024.

Note 4: Nien Hsing International Investment Co., Ltd. resigned from the position of Director on April 23, 2024.

Note 5: The Company appointed Kuo-Long Yen as an Independent Director at the Annual Shareholders' Meeting on June 24, 2024.

(2)Other Issues

- In the event of either of the following situations, dates, sessions, contents of resolutions of the Board Meetings, opinions from all independent directors, and Company responses to their opinions should be noted:

Issues specified in Article 14-3 of the Securities and Exchange Act: Not applicable. Mycenax has already established an audit committee. For details on matters listed in Article 14-5 of the Securities and Exchange Act, please refer to "2.2.2 Information of Audit Committee."

- Other issues opposed by Independent Directors, or about which said Directors have reservations should be recorded in writing in the meeting minutes of the Board.

(3) Recusals due to Conflicts of Interest

Date	Name of Directors	Proposal	Reasons for Recusal	Participation in Deliberation
2024/3/13	Pei-Jiun Chen, Chun-Hong Chen, Yoh Ito, Tzn Liu, Chia-Ling Lin, Hsiu-Yuan Lee	Proposal for the Private Placement of New Shares via Cash Capital Increase	The potential investors consulted regarding the private placement include the Company's general (non-independent) directors	Excluded from the deliberations
2024/3/13	Chun-Hong Chen, Yi-Hsin Lee	The case of lifting the non-compete restriction for the Company's directors.	The director whose non-compete restriction was lifted.	
2024/5/13	Pei-Jiun Chen	The performance bonuses for Mycenax's managers for the fiscal year 2023 were distributed.	Chairwoman Pei-Jiun Chen is an executive of the Company.	
2024/5/13	Pei-Jiun Chen	The performance bonuses for Mycenax's managers for the fiscal year 2024 were distributed.	Chairwoman Pei-Jiun Chen is an executive of the Company.	

(4) Evaluation to the Board of Directors

Evaluation frequency	Evaluation period	Evaluation scope	Evaluation method	Evaluation measures
Once a year	2024/1/1 ~ 2024/12/31	Board of Directors	Internal Self-Evaluation of the Board of Directors	<ul style="list-style-type: none"> Evaluations are divided into five aspects: participation in the operations of the company, improvement in the quality of decision-making, composition and structure of the board, election and continuing education of directors, and internal control. The weighted self-evaluation score of the Board of Directors totaled 93.29 out of 100. Aside from slightly lower scores in director attendance at the shareholders' meeting, the overall performance of the Board was assessed as satisfactory. Mycenax will actively engage with directors in 2025 to improve their participation in the shareholders' meeting. The secretariat reported to the Board of Directors on February 27, 2025.
		Individual Directors	Self-Evaluation of Directors	<ul style="list-style-type: none"> Evaluations are divided into six aspects: alignment with the goals and missions of the company, awareness of the duties of a director, participation in the operations of the company, management of internal relationships and communication, professionalism and continuing education of directors, and internal control. The total self-evaluation score of the Board of Directors members, after weighted scoring, is 95.27 out of 100, indicating that the Directors can adequately perform their functions in the Company's operations. The secretariat reported to the Board of Directors on February 27, 2025.
		Audit	Self-Evaluation of	<ul style="list-style-type: none"> Evaluations are divided into five aspects:

Evaluation frequency	Evaluation period	Evaluation scope	Evaluation method	Evaluation measures
		Committee	Audit Committee	<p>participation in the operations of the Company, awareness of the duties of the Audit Committee, improvement in the quality of decision-making, election and composition of the Audit Committee, internal control.</p> <ul style="list-style-type: none"> • The total self-evaluation score of the Audit Committee, after weighted scoring, is 96.4 out of 100, indicating excellent operation of the Audit Committee. • The Secretariat reported to the Audit Committee and the Board of Directors on February 27, 2024.
		Remuneration Committee	Self-Evaluation of Remuneration Committee	<ul style="list-style-type: none"> • Evaluations are divided into five aspects: participation in the operations of the Company, awareness of the duties of the Remuneration Committee, improvement in the quality of decision-making, election and composition of the Remuneration Committee, internal control. • The total self-evaluation score of the Remuneration Committee, after weighted scoring, is 99.2 out of 100, indicating good operation of the Remuneration Committee. • The Secretariat reported to the Audit Committee and the Board of Directors on February 27, 2024.
Every three years	2023/1/1 ~ 2023/12/31	Board of Directors	Engage External Professional Organization - Taiwan Investor Relations Institute to conduct written reviews and on-site evaluations	<ul style="list-style-type: none"> • Evaluations are divided into five aspects: the organization and professional development, quality of decision-making, the performance result, internal control and risk management, level of participation in corporate social responsibility. • The external institution evaluated that the company's Board of Directors is able to fully communicate and discuss matters effectively. • Suggestions from external organizations improvement directions: <ul style="list-style-type: none"> - The responsibilities of the Chairman of the Board and the President (CEO) should be clearly delineated. - Annual training programs for Board members are planned in advance. - The sustainability report is submitted to the Board of Directors for approval. - The independence and suitability of the external auditor are evaluated based on Audit Quality Indicators (AQIs) and disclosed in the annual report. • <u>Mycenax's Response Measures</u> : <ul style="list-style-type: none"> - Mycenax appointed one additional independent director at the Annual General Shareholders' Meeting on June 24, 2024, in compliance with corporate governance regulations. - The directors serving at the end of 2024 have completed the required training programs. - The sustainability report is expected to be submitted to the Board of Directors in 2025 . - In 2024, the Company evaluated the independence and suitability of the external auditor based

Evaluation frequency	Evaluation period	Evaluation scope	Evaluation method	Evaluation measures
				<p>on Audit Quality Indicators (AQIs) and plans to disclose this evaluation in the 2024 annual report.</p> <ul style="list-style-type: none"> The Secretariat reported to the Board of Directors on March 13, 2024 .
		Functional Committees		<ul style="list-style-type: none"> Evaluations are divided into five aspects: The following five aspects: participation in the operations of the Company, awareness of the duties of the Functional Committee, improvement in the quality of decision-making, election and composition of the Functional Committee, internal control. Recommendations and Improvements: At the Annual Shareholders' Meeting held on June 24, 2024, one additional Independent Director was elected. As of the end of 2024, all incumbent directors have completed the required training courses. The Sustainability Report has been submitted to the Board of Directors for approval and is scheduled to be presented in the 2025 fiscal year. The meeting unit reported to the Audit Committee and the Remuneration Committee on March 11, 2024, and subsequently reported to the Board of Directors on March 13, 2024.

(5) Strengthening the Functions of the Board of Directors

- To enhance the functions of the Board of Directors, Mycenax has established performance goals to improve the operational efficiency of the Board. Mycenax revised the "Performance Evaluation Measures for the Board and Functional Committees," conducting internal performance evaluations annually and engaging external professional independent institutions or external experts every three years to perform external evaluations.

2.2.2. Information of Audit Committee

(1) The Audit Committee Convened 6 Meetings in 2023

Title	Name	Attendance in Person(B)	By Proxy	Attendance rate (%) (B/A)	Remark
Independent Director (Convener)	Kuo-Pin Kao	5	0	100	-
Independent Director	Yu-Sheng Tsai	4	1	80	-
Independent Director	Allen Y Chao	5	0	100	-
Independent Director	Kuo-Lung Yen	3	0	100	Note 1

Note1: Kuo-Lung Yen was expected to attend 3 meetings.

(2)Other Issues

- In the event of either of the following situations, dates, sessions, contents of resolutions of the Board Meetings, opinions from all Independent Directors, and Mycenax responses to their opinions should be noted:

Issues specified in Article 14-5 of the Securities and Exchange Act:

Date	Proposals and reports	Audit Committee's Opinion	The Company's Response
2024/3/11	<ol style="list-style-type: none"> 1. Approval of the Company's 2023 Operating Report and Financial Statements. 2. Approval of overdue accounts receivable (and other receivables) exceeding three months by the Company, confirmed as not being of a lending nature. 3. Approval of the Company's 2023 Loss Allocation Plan. 4. Approval of the Company's 2023 Internal Control System Declaration. 5. Approval of the status of the cash capital increase through private placement and issuance of new shares, as passed at the Company's 2023 Annual Shareholders' Meeting. 6. Approval of the cash capital increase through private placement and issuance of new shares. 7. Approval of the proposal to lift the non-competition restrictions on the Company's directors. 8. Approval of the determination of the record date for the issuance of common shares under the employee stock options plan and the record date for the cancellation of restricted employee rights for new shares under the capital reduction plan. 9. Approval of the revision of the Company's "CL-103 Board of Directors Meeting Rules." 10. Approval of the revision of the Company's "CL-133 Audit Committee Organization Regulations." 	Approved as proposal	Approved as proposal
2024/5/10	<ol style="list-style-type: none"> 1. The Company's Consolidated Financial Report for the First Quarter of 2024 2. Proposal for the Company to Apply for a Short-Term Credit Line with Yuanta Bank 3. Proposal for the Company to Apply for a Short-Term Credit Line with Shanghai Bank 4. Setting the Record Date for the Execution of Employee Stock Options and the Cancellation of Newly Issued Shares with Restricted Employee Rights 5. Amendment to the Company's Internal Control System "CN-R&D Cycle 6. Amendment to the Company's Internal Control System "CO-103 Warehouse Management 7. Amendment to the Company's "CL-102 Shareholders Meeting Rules 	Approved as proposal	Approved as proposal
2024/8/8	<ol style="list-style-type: none"> 1. The Company's Consolidated Financial Report for the Second Quarter of 2024 2. Setting the Record Date for Capital Increase through Conversion of Employee Stock Options into Common Shares 	Approved as proposal	Approved as proposal
2024/11/8	<ol style="list-style-type: none"> 1. The Company's Consolidated Financial Report for the Third Quarter of 2024 2. Accounts Receivable (and Other Receivables) Overdue for More Than Three Months Not Related to Fund Lending 	Approved as proposal	Approved as proposal

Date	Proposals and reports	Audit Committee's Opinion	The Company's Response
	3. Setting the Record Date for Capital Increase through Conversion of Employee Stock Options into Common Shares 4. Amendment to the Company's "Payroll Cycle" Process		
2024/12/16	1. The Company's Budget Plan for Fiscal Year 2025 2. Assessment of the Independence and Competency of the Company's Signing CPA 3. Change of Signing CPA Due to Internal Rotation of the Accounting Firm 4. CPA Fees for Fiscal Year 2025 5. Proposal for the Company to Apply for a Short-Term Credit Line with First Commercial Bank 6. The Company's Audit Plan for Fiscal Year 2025	Approved as proposal	Approved as proposal
2025/2/27	1. The Company's Business Report and Financial Report for Fiscal Year 2024 2. Proposal for Deficit Compensation for Fiscal Year 2024 3. Proposal to apply for a Short-Term Credit Line with the Bank of Shanghai Commercial & Savings Bank 4. Proposal to apply for a Short-Term Credit Line with Fubon Bank 5. Internal Control System Declaration for Fiscal Year 2024 6. Status Report on the Private Placement of Common Shares via Cash Capital Increase Approved at the 2024 Annual Shareholders' Meeting 7. Proposal for the Private Placement of Common Shares 8. Setting the Record Date for Capital Increase through Conversion of Employee Stock Options into Common Shares 9. Establishment of "Sustainable Information Management Procedures" 10. Amendment to Internal Control System – "Sales and Collection Cycle"	Approved as proposal	Approved as proposal

- In addition to the items listed above, any resolution passed by over two-thirds of the Board of Directors, but not approved by the Audit Committee: None.

(3) Recusals due to conflicts of interest: None.

(4) Communication between Independent Directors, Head of the Internal Audit, and the Accountant

- In addition to receiving monthly audit reports, Mycenax's independent directors are briefed quarterly by the head of internal audit, who attends audit committee meetings to report on audit execution and significant internal control and audit matters. The head of internal audit also holds at least one one-on-one meeting with independent directors each year. In 2024, a total of three one-on-one meetings were conducted. Additionally, the head of internal audit may contact independent directors at any time as needed to ensure effective communication.
- Mycenax invites the external auditors to attend the Audit Committee and Board of Directors meetings at least four times annually. In addition, the auditors communicate and report to the Independent Directors on matters such as the review or audit results of quarterly and annual financial reports, important accounting standards or interpretation letters, updates on securities

regulations, and tax laws. Furthermore, in 2024, there were two separate meetings between the auditors and the Independent Directors, indicating good communication between the Independent Directors and the auditors.

(5) Bullet Points of the Audit Committee for 2024

- Review financial reports.
- Communicate audit report results with the chief audit executive based on the annual audit plan.
- Discuss audit results of the financial statements with the certifying accountant.
- Evaluate the effectiveness of the internal control system.
- Appointment, dismissal, or remuneration of the certifying accountant.
- Ensure compliance with regulations.

2.2.3. Information of Remuneration Committee

(1)Information of Remuneration Committee Members

<div> <div>Position</div> <div>Name</div> <div>Item</div> </div>		Professional Qualifications and Experience	Independence	Number of Remuneration Committee Members Held in Other Public Companies
Independent Director (Convener)	Kuo-Pin Kao	Please refer to "2.1.1 Board of Director "	The remuneration committee of Mycenax is composed of Independent Directors and has complied with the relevant regulations on independence. Please refer to "2.1.3 Professional Qualifications and Independence Directors "	0
Independent Director	Yu-Sheng Tsai			1
Independent Director	Allen Y Chao			0

(2)Functions of the Remuneration Committee

Mycenax established the Remuneration Committee on June 20,2022 , by resolution of the Board of Directors. The committee consists of three Independent Directors who perform their duties with the care of a good administrator and faithfully fulfill their listed responsibilities, submitting their recommendations to the Board of Directors for discussion:

- Formulate and regularly review the policies, systems, standards, and structures for evaluating the performance and remuneration of Directors and managers.
- Regularly assess and determine the remuneration of Directors and managers.

(3) Operation of the Remuneration Committee

The Remuneration Committee consists of three members, all of whom are Independent Directors, with a term from May 30, 2022, to May 29, 2025. The Remuneration Committee convened two meetings in 2023:

Title	Name	Attendance in Person (B)	By proxy	Attendance Rate (%) (B/A)	Remark
Convener	Kuo-Pin Kao	2	0	100	-
Member	Yu-Sheng Tsai	2	0	100	-
Member	Allen Y Chao	2	0	100	-

(4) Other issues

- Any suggestion made by the Remuneration and Nomination Committee that was not accepted or revised by the Board of Directors: None.
- Any written objections or issues raised by a member of the Remuneration and Nomination Committee against resolutions passed by the committee: None.

(5) Meetings of Remuneration Committee

Date	Proposal	Remuneration Committee's opinion	The Company's Response
2024/3/11	1. Change in Compensation for the Company's Corporate Governance Officer.	Approved as proposal	Approved as proposal
2024/5/10	1. Proposal for Distribution of 2023 Performance Bonuses to Managerial Officers. 2. Proposal for Adjustment of 2024 Compensation for Managerial Officers.	Approved as proposal	Approved as proposal

2.2.4. Information of the Nomination Committee

Mycenax has not yet established a Nomination Committee.

2.2.5. Corporate Governance – Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary Description	
1. Has the Company instituted its own corporate governance best practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and made disclosure?	✓		Mycenax has formulated the Corporate Governance Best Practice Principles which are disclosed on Mycenax's website. For details, please visit www.mycenax.com .	None
2. Shareholding structure & shareholders' rights (1) Has the Company established its internal operation procedure for	✓		Mycenax has established spokesman, vice spokesman system and dedicated an investor mailbox to handle shareholder suggestions, inquiries, disputes, and litigation matters.	None

Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary Description	
responding to the suggestions, queries, disputes, and legal actions of the shareholders in accordance with the procedure?				
(2)Has the Company kept the list of the dominant shareholders that exercise de facto control of and the ultimate controllers of the Company?	✓		Mycenax verifies the accurate identification of the principal shareholders who have actual control over Mycenax by obtaining monthly reports on the shareholding changes of Directors and major shareholders holding more than 10% of Mycenax's shares. In addition, Mycenax maintains good interaction with these principal shareholders to further collect the ultimate controllers of the major shareholders.	None
(3)Has the Company established and exercised risk control and firewall mechanisms with its affiliates?	✓		Mycenax's transactions with affiliated companies are managed in compliance with the Management for Transactions with Group Enterprises, Specific Companies, and Related Parties, the Measures for Management of Financial and Business Transactions among affiliated companies, and applicable legal regulations.	None
(4)Has the Company instituted internal rules and regulations prohibiting insiders from using undisclosed information in the market for the trading	✓		Mycenax prohibits its insiders from trading securities based on non-public information, in accordance with the "Internal Material Information Handling Procedures." On March 10, 2022, Mycenax amended the "Corporate Governance Best Practice Principles" to include regulations on stock trading restrictions for insiders from the date they become aware of the company's financial reports or relevant performance details. Insiders are also prohibited from trading company stocks during the closed periods, which are 30 days before the annual financial report announcement and 15 days before the quarterly financial report announcement. The responsible department reminds insiders electronically of these regulations during the above-mentioned periods. The "Internal Material Information Handling Procedures" and the "Corporate Governance Best Practice Principles" are disclosed on Mycenax's website. Please refer to www.mycenax.com for further details.	None
3. The Organization and Function of the Board	✓		The composition of the Board of Directors of Mycenax is diverse. Please refer to section "2.1.4 Board of Directors Diversity and Independence", which has been disclosed on Mycenax's website.	None
(1)Has the board of directors formulated diversity policies, specific management objectives and fully implement them?				
(2)Has the Company voluntarily established other functional committees besides the establishment of a compensation committee and audit committee?		✓	Mycenax has established Remuneration Committee and an Audit Committee. Additional functional committees might be established according to requirements.	Except for the addition of other functional committees as needed in the future, there are no significant differences.
(3)Has the Company established the rules and regulations and the methods for the evaluation of Board performance, and has it conducted performance evaluations at regular intervals each year?	✓		Mycenax has established the Board and Functional Committee Performance Evaluation Procedures on November 8, 2016. Performance evaluations are conducted regularly each year and reported to the Board. These evaluations serve as references for individual director remuneration and re-election. For details on the performance evaluation methods and implementation, please refer to section "2.2.1(4) Evaluation to the Board of Directors".	None
(4)Has the Company assessed the independence status of the CPAs at regular intervals?	✓		Mycenax's Audit Committee conducts an annual assessment of the independence and competence of the external certified public accountants (CPAs) and	In compliance with the Corporate Governance

Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary Description	
			<p>reports the evaluation results to the Board of Directors.</p> <p>1.Assessment Procedure: (1) Obtain the "Independence Declaration" issued by the auditor, refer to Article 47 of the Certified Public Accountant Act and the Taiwan CPA Professional Ethics Bulletin No. 10 ("Integrity, Objectivity, and Independence"), and verify that the auditor complies with the relevant independence regulations. (2) Refer to the Audit Quality Indicators (AQIs) and assess the independence and suitability based on the following standards: • Professionalism Evaluation: Confirm that the auditor and the firm have more audit experience and lower turnover rates compared to peers. • Quality Control Evaluation: Confirm that the firm's quality control review (EQCR) and quality control support capabilities exceed industry standards. • Independence Evaluation: Confirm that the non-audit services provided by the auditor's firm to Mycenax do not affect their independence.</p> <p>2.Assessment Results: On December 16, 2024, the Audit Committee conducted the assessment of Wu Jin-di and Dai Wei-liang, auditors from Fu Feng Certified Public Accountants, based on the above procedures. Both auditors were found to meet Mycenax's requirements for independence and suitability. The assessment results were approved by the Board of Directors on the same day, in compliance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.</p>	Best-Practice Principles for TWSE/TPEx Listed Companies.
4. Does the TWSE/TPEx listed company have a dedicated unit/staff member in charge of the Company' corporate governance affairs (including but not limited to providing information required for director/supervisor's operations, convening board/shareholders' meetings in compliance with the law, apply for/change company registry and producing meeting minutes of board/shareholders' meetings)?	✓		<p>The Board of Directors resolved and approved Mycenax to establish the position of Governance Supervisor for the first time on November 8, 2022. In addition, the Board of Directors resolved to appoint Li-ru Yeh as the head of corporate governance on March 13, 2024. Liru Yeh possesses extensive qualifications in accounting, financial management, stock affairs, and related administrative management in matters relating to Board meeting and shareholders meeting.</p> <p>A. The responsibilities of the head of corporate governance includes the following items: Handling the affairs of the Board of Directors and shareholders meetings in accordance with the law and preparing minutes of the Board of Directors and shareholders meetings. B. Assisting directors with their onboarding and continuous development training. C. Providing directors with necessary information for their duties. D. Assisting directors in complying with laws and regulations. E. Managing other matters specified in the corporate articles of association or contracts.</p>	None
5. Has the Company set up channels of communication for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), dedicated a section on the	✓		<p>Mycenax has set up a Stakeholders Section on corporate website, providing communication channels for stakeholders (such as employees, shareholders, customers, suppliers, etc.) to express their opinions. This enables corporate to collect the issues of concern to stakeholders and respond appropriately. For more</p>	None

Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary Description	
Company's website for stakeholder affairs, and responded adequately to stakeholders' inquiries on significant corporate social responsibility issues?			details, please visit the website at www.mycenax.com .	
6. Does the Company commission any professional shareholder services agency to hold shareholders' meeting and other relevant affairs?	✓		Mycenax has appointed Capital Securities Corporation's Stock Affairs Agency Department to handle the shareholders' meetings and stock affairs.	None
7. Information Disclosure (1) Has the Company set up a website to disclose information pertaining to financial services and corporate governance?	✓		There is an Investor Relations Section on the website of Mycenax that discloses information on financial business and corporate governance.	None
(2) Has the Company utilized other methods of information disclosure (such as setting up a website in English, assigning someone to be responsible for the collection and disclosure of company information, implementing the spokesperson system, and/or recording the investors' conference and uploading it to the Company website)?	✓		Mycenax has dedicated efforts to collect and disclose corporate information. Additionally, we have appointed a spokesperson and a vice spokesperson. The presentation files from investor conference are available on the website of Mycenax (Investor Relations Section/Financial Information).	None
(3) Has the Company publish and report annual financial report within two months after the end of a fiscal year, and publish and report financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?		✓	Mycenax currently discloses and files quarterly financial reports and monthly operating results in accordance with the deadlines stipulated in the Securities and Exchange Act. However, the Company has not yet disclosed and filed its annual financial report within two months after the end of the fiscal year. The reporting date will be adjusted in the future based on the progress of the closing process.	Except for the potential adjustment of the annual financial report filing date based on the closing process, all other disclosure practices are in compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies.
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance (Including but not limited to employee's rights, employee care, investor relations, supplier relations, stakeholders' rights, further studies of directors and supervisors, implementation of risk management policies and measurement standards, implementation of customer policies and purchase of liability insurance for the directors and supervisors of the Company)?	✓		<p>A. Employee Rights and Care: For details on implementation, please refer to section 4.5 Labor-Management Relations of this annual report, as well as Mycenax's Sustainability Report and the official company website at www.mycenax.com.</p> <p>B. Investor Relations, Supplier Relations, and Stakeholder Engagement: Please refer to the Investor Relations and Stakeholders sections on the company website.</p> <p>C. Implementation of Risk Management Policies and Risk Assessment Standards: Please refer to section "5.6" Risk Management in this annual report and the company's Sustainability Report.</p> <p>D. Customer Policy Implementation: Please refer to section "4.2" Market and Sales Status.</p>	None

Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary Description	
			<p>E. Directors and Officers Liability Insurance: On August 16, 2024, Mycenax purchased Directors and Officers (D&O) Liability Insurance from Chubb Insurance (U.S.), and has disclosed this information on the Market Observation Post System (MOPS).</p> <p>F. Director Training: Please refer to Note (1) for details.</p>	
9. Succession Planning for Board Members and Key Executives	✓		<p>A. Succession Planning for Board Members In consideration of diversity, the number of directors concurrently serving as company executives does not exceed one-third of the board seats. The company also emphasizes gender equality and ensures that board members possess the necessary knowledge, skills, and competencies to perform their duties. Mycenax actively participates in biotechnology-related associations, such as the Taiwan Bio Industry Organization and the Taiwan Pharmaceutical Manufacture and Development Association, and maintains strong interactions with domestic and international experts. These efforts support the development of a candidate pool for future board succession planning.</p> <p>B. Management Succession Planning To enhance the strategic thinking and managerial competencies of management-level supervisors, Mycenax has established a comprehensive talent development and succession system through various cultivation methods such as task assignments, meeting participation, job rotation, and interim duty assignments. Since 2023, the company has launched a management competency development program, selecting 5 to 8 high-potential internal talents and assigning mentors for one-on-one coaching. The succession plan is continuously reviewed and adjusted based on organizational changes and needs to ensure the company's sustainable development and long-term operational stability.</p>	None
<p>10. Please explain the improvement of the company's corporate governance evaluation results released by the Corporate Governance Center of the Taiwan Stock Exchange Corporation in the past year, and propose priorities and measures for criteria that have not been improved:</p> <p>1. The Company's unscored items in the latest evaluation mainly include:</p> <p>(1) failure to assess the independence and suitability of the signing CPA using Audit Quality Indicators (AQIs);</p> <p>(2) absence of a clearly defined dividend policy in the Articles of Incorporation; and</p> <p>(3) failure to have a majority of directors personally attend the shareholders' meeting.</p> <p>2. The Company's actions to address and enhance these areas are as follows:</p> <p>(1) On December 16, 2024, the Company assessed the independence and suitability of the signing CPA using AQIs;</p> <p>(2) On February 27, 2025, the Board of Directors resolved to explicitly include the dividend policy in the Articles of Incorporation, which will be submitted to the 2025 Annual Shareholders' Meeting for discussion;</p> <p>(3) Directors have been asked in advance to reserve time to attend the 2025 Shareholders' Meeting, and the Company will continue to evaluate other possible improvement measures.</p>				

Note 1: Training programs for Directors in 2024

Title	Name	Date	Organization	Training program	Hours
Chairman	Pei-Jiun Chen	2024/11/12	Chinese Human Resource Management Association	Practical Analysis of Workplace Sexual Harassment	1
		2024/11/12	Taiwan Corporate Governance Association	Business Growth and Innovation Strategies in the AI Era	3
		2024/11/22	Greater China Financial and Economic Development Association	Circular Economy and Emerging Trends in Sustainable Management	3
Director	Chun-Hong Chen	2024/7/26	Taiwan Academy of Banking and Finance	Corporate Governance Forum – Sustainable Business Operations	3
		2024/9/5	Taiwan Securities Association	The Applications and Emerging Trends of Generative AI	6
		2024/11/12	Chinese Human Resource Management Association	Practical Analysis of Workplace Sexual Harassment	1
Director	Jung-Chin Lin	2024/7/9	Taipei Exchange	TPEX Family – AI Strategy and Governance	3
		2024/9/20	Taiwan Investor Relations Institute	Trade Secrets, Information Security Practices, and Securities Regulations	3
		2024/11/12	Chinese Human Resource Management Association	Practical Analysis of Workplace Sexual Harassment	1
Director	Chia-Ling Lin	2024/9/10	Taipei Exchange	Briefing Session on Insider Shareholding Regulations for TPEX and Emerging Market Companies	3
		2024/9/12	Securities and Futures Institute	Practical Cases of Insider Trading and the Associated Legal Responsibilities	3
Director	Yi-Hsin Lee	2024/7/3	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
		2024/9/18	The Accounting Research and Development Foundation	2024 ESG Summit – Net Zero in All Dimensions, A Sustainable Future Ahead	6
		2024/11/12	Chinese Human Resource Management Association	Practical Analysis of Workplace Sexual Harassment	1
Independent Director	Kuo-Pin Kao	2024/7/16	Taiwan Corporate Governance Association	Zero-Carbon Strategy: ESG Mindset and Practical Energy Management for Enterprises	3
		2024/8/6		The Latest Regulations and Trends in Corporate Governance	3
		2024/11/12	Chinese Human Resource Management Association	Practical Analysis of Workplace Sexual Harassment	1
Independent Director	Yu-Sheng Tsai	2024/10/8	Taiwan Project Management Association	Board of Directors vs. Management Team	3
		2024/10/18	Taiwan Investor Relations Institute	Brand Communication and Effective Stakeholder Management	3
		2024/11/12	Chinese Human Resource Management Association	Practical Analysis of Workplace Sexual Harassment	1
Independent Director	Allen Y Chao	2024/10/24	Taiwan Project Management Association	Stakeholder Analysis and Integration in Corporate Governance: Project Management Approaches	3
		2024/11/12	Chinese Human Resource Management Association	Practical Analysis of Workplace Sexual Harassment	1
		2024/11/28	Taiwan Project Management Association	Operations and Evaluation of Performance Management Systems in Corporate Governance	3
Independent Director	Kuo-Lung Yen	2024/8/7	Securities and Futures Institute	Promoting Sustainable Business Development through Risk Management - Practical Guidelines for Risk Management in Listed and OTC Companies	3
		2024/11/12	Financial Law and Crime Prevention Center	Corporate Governance and Trade Secret Protection	3

2.2.6. Implementation of Sustainable Development Practices and Deviation from the Corporate Sustainability Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	✓		<p>The Corporate Governance Division currently serves as the unit responsible for promoting sustainable development at Mycenax. This division is tasked with formulating, revising, and coordinating corporate social responsibility (CSR) policies, regularly engaging with relevant departments to discuss issues of concern to stakeholders, and compiling the Sustainability Report on a regular basis to outline the company's sustainability goals and the progress made in achieving them.</p> <p>In addition, the division collaborates with relevant departments to report to the Board of Directors on the implementation status of sustainability initiatives at irregular intervals each year. The report includes information such as greenhouse gas (GHG) inventory and verification, the operation of ethical business practices, and the implementation of intellectual property protection. The Board may provide improvement or execution suggestions at any time to ensure the company remains committed to sustainable development.</p> <p>To further strengthen its sustainability efforts, Mycenax established a Greenhouse Gas Inventory Task Force on March 27, 2025. The General Manager serves as the highest-ranking officer of the task force, while the Occupational Safety and Environmental Protection Department (OSEP) is responsible for assisting in the coordination, execution, and supervision of GHG inventory-related matters.</p>	None
2. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	✓		<p>In the third quarter of 2023, the Company published its first Sustainability Report for the year 2022. As the Company's subsidiaries were still in the early stages of operation, the scope of the risk assessment primarily focused on the Company itself, including its headquarters, production sites (GMP Plant I and GMP Plant II in Zhunan), and R&D centers (located in Nangang and Zhubei). The Sustainability Report conducted a risk assessment of environmental, social, and governance (ESG) issues related to the Company's operations in accordance with the principle of materiality, identifying risk events that may potentially impact the achievement of the Company's business objectives.</p>	None
3. Environmental Issues (1) Has the Company set an environmental management system designed to industry characteristics?	✓		<p>Mycenax is a contract development and manufacturing organization (CDMO) specializing in biologics. The materials we use comply with medical and healthcare regulations and have a low environmental impact. To continuously promote and implement energy-saving measures,</p>	None

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons																					
	Yes	No	Summary Description																						
			we have progressively adopted initiatives such as digitalizing forms and waste sorting. Looking ahead, we are also evaluating the replacement of existing equipment with higher-efficiency alternatives to further optimize energy usage.																						
(2)Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	✓		The Company is a Contract Development and Manufacturing Organization (CDMO) for biopharmaceuticals and is not classified as a high energy-consuming or high-pollution industry. The materials used by the Company comply with medical regulations and pose minimal environmental impact. To promote continuous energy reduction efforts, the Company has implemented measures such as digitizing forms, waste segregation, and environmental greening. Future plans also include evaluating the replacement of equipment with higher energy efficiency to optimize energy usage.	None																					
(3)Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	✓		The company's management team places great importance on the risks posed by climate change and periodically discusses and evaluates them. On March 27, 2025, the company established a Greenhouse Gas (GHG) Audit Task Force and has been implementing the following related measures: 1.Promoting water conservation, energy efficiency, and waste reduction management measures to minimize the impact of its operations on climate change. 2.Establishing a risk assessment for its backup supply chain list (including supplier reliability, compliance, technical quality, and transportation risks). 3.Developing a Business Continuity Plan (BCP) to ensure the company can resume operations in the shortest possible time in the event of climate change-related or disaster-related disruptions.	None																					
(4)Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	✓		<div>The statistics and relevant management policies for mycenax's greenhouse gas emissions, water usage, and total waste weight for the past two years are as follows:</div> <div>1. Greenhouse Gas Emissions</div> <div>Unit: Metric Tons CO2e; NTD (Million)</div> <table><tr><td>Item</td><td>2023(base year)</td><td>2024</td></tr><tr><td>Scope 1</td><td>241.81</td><td>669.02</td></tr><tr><td>Scope 2</td><td>3,906.60</td><td>4,304.63</td></tr><tr><td>Scope 3</td><td colspan="2">Non-significant and unquantified</td></tr><tr><td>Total Emission Equivalent (A)</td><td>4,148.41</td><td>4,973.65</td></tr><tr><td>Annual Revenue (B)</td><td>652.62</td><td>683.92</td></tr><tr><td>Emission Intensity (A/B)</td><td>6.36</td><td>7.27</td></tr></table>	Item	2023(base year)	2024	Scope 1	241.81	669.02	Scope 2	3,906.60	4,304.63	Scope 3	Non-significant and unquantified		Total Emission Equivalent (A)	4,148.41	4,973.65	Annual Revenue (B)	652.62	683.92	Emission Intensity (A/B)	6.36	7.27	None
Item	2023(base year)	2024																							
Scope 1	241.81	669.02																							
Scope 2	3,906.60	4,304.63																							
Scope 3	Non-significant and unquantified																								
Total Emission Equivalent (A)	4,148.41	4,973.65																							
Annual Revenue (B)	652.62	683.92																							
Emission Intensity (A/B)	6.36	7.27																							

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons												
	Yes	No	Summary Description													
			<p>In 2024, Mycenax’s total greenhouse gas (GHG) emissions increased by approximately 825 metric tons of CO₂e compared to 2023, representing a growth of around 20%. Overall emission intensity also rose by approximately 14%. The increase was primarily due to the continued production activities at GMP Plant 2, which began operations in the third quarter of 2023.</p> <p>In 2025, Mycenax plans to establish formal guidelines for GHG inventory and will progressively implement energy-saving measures to achieve its GHG reduction goals:</p> <ul style="list-style-type: none">• Implement temperature regulation in non-production and R&D areas to reduce the energy consumption of the chiller units.• Use energy-efficient lighting, electrical appliances, and machinery. For cooling equipment, choose environmentally friendly refrigerants or new types of eco-friendly refrigerants whenever possible.• Turn off lights when not in use, ensure computers are powered off after work hours, turn off lighting in unused office areas, turn off lights for one hour during lunch breaks, and avoid using elevators below the third floor. <p>2. Total Water Consumption</p> <p style="text-align: right;">Unit: Tons; NTD (Million)</p> <table><tr><th>Item</th><th>2023</th><th>2024</th></tr><tr><td>Water Consumption (A)</td><td>42,113</td><td>51,272</td></tr><tr><td>Annual Revenue (B)</td><td>652.62</td><td>683.92</td></tr><tr><td>Water Intensity (A/B)</td><td>64.53</td><td>74.97</td></tr></table> <p>In 2024, the company's water usage increased by 9,159 tons compared to 2023, representing a 22% increase. The water usage intensity also grew by approximately 16%. This was primarily due to the continued production at the GMP Phase II plant and the commissioning of the filling line, which resulted in a slight increase in overall water consumption.</p> <p>Mycenax's water conservation policy includes the following measures:</p> <ul style="list-style-type: none">• A water usage plan has been established for the production process, which involves reviewing the water usage patterns across the entire process. It evaluates the water volume at each usage point, the operational timing, and the relationship between the production process and water consumption, analyzing the	Item	2023	2024	Water Consumption (A)	42,113	51,272	Annual Revenue (B)	652.62	683.92	Water Intensity (A/B)	64.53	74.97	
Item	2023	2024														
Water Consumption (A)	42,113	51,272														
Annual Revenue (B)	652.62	683.92														
Water Intensity (A/B)	64.53	74.97														

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons																		
	Yes	No	Summary Description																			
			<p>differences in water usage between various production stages.</p> <ul style="list-style-type: none">• Regularly inspect pipeline facilities and use cost-effective, durable, easy-to-maintain, and compatible high-efficiency water-saving devices.• Through real-time monitoring systems, early warning mechanisms, and regular inspections, continuously optimize and maintain the effectiveness of water-saving measures.• Introduce water recycling systems, including rainwater retention measures in the plant area, membrane filtration technology (UF) between processes, and RO wastewater recovery for the air conditioning system. <p>3. Total Waste Weight</p> <p style="text-align: right;">Unit: Tons; NTD (Million)</p> <table><tr><th>Item</th><th>2023</th><th>2024</th></tr><tr><td>Hazardous Industrial Waste</td><td>13.19</td><td>9.06</td></tr><tr><td>Non-Hazardous Industrial Waste</td><td>12.39</td><td>17.37</td></tr><tr><td>Total (A)</td><td>25.58</td><td>26.43</td></tr><tr><td>Annual Revenue (B)</td><td>652.62</td><td>683.92</td></tr><tr><td>Waste Generation Intensity (A/B)</td><td>0.0392</td><td>0.0386</td></tr></table> <p>Mycenax's total waste in 2023 increased by 0.85 tons compared to 2022, showing a 3% increase. The waste generation intensity slightly decreased by 2%. Despite the minimal changes in total waste and intensity, the waste reduction policies were effectively implemented. Waste was first sorted, reusable materials were recycled, and cross-department chemical sharing or material reallocation was practiced. As a result, the amount of hazardous industrial waste significantly decreased by 31%, demonstrating the effectiveness of Mycenax's waste reduction measures.</p> <p>Mycenax's waste reduction policy:</p> <ul style="list-style-type: none">• Perform initial sorting of waste generated on-site to determine if it can be reused.• For reusable materials, assess the feasibility of inter-departmental chemical sharing or material transfer.• For materials that cannot be reused, prioritize cooperation with waste recycling service providers to maximize resource recovery and reuse.• Finally, for materials that do not have recycling value, disposal through incineration or landfill is considered.• Strengthen advocacy and conduct irregular training to reduce general waste or employee household waste	Item	2023	2024	Hazardous Industrial Waste	13.19	9.06	Non-Hazardous Industrial Waste	12.39	17.37	Total (A)	25.58	26.43	Annual Revenue (B)	652.62	683.92	Waste Generation Intensity (A/B)	0.0392	0.0386	
Item	2023	2024																				
Hazardous Industrial Waste	13.19	9.06																				
Non-Hazardous Industrial Waste	12.39	17.37																				
Total (A)	25.58	26.43																				
Annual Revenue (B)	652.62	683.92																				
Waste Generation Intensity (A/B)	0.0392	0.0386																				

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>generated by business activities.</p> <ul style="list-style-type: none"> Implement source reduction with the goal of significantly reducing paper consumption and waste paper generation by promoting an electronic form system. 	
<p>4. Social Issues</p> <p>(1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</p>	✓		<p>On 2021/11/9, the Board of Directors passed a resolution to establish a Human Rights Policy, which respects and supports fundamental human rights as outlined in international conventions. We are committed to treating all employees with dignity and respect, in compliance with local regulations in all operational locations.</p> <p>The key principles of our Human Rights Policy include:</p> <ul style="list-style-type: none"> Compliance with labor laws, fostering a friendly work environment, and ensuring reasonable working hours. Establishing a healthy and safe workplace. Established "Regulations for the Prevention of Sexual Harassment" and set up a grievance mechanism for sexual harassment complaints. Promoting harmonious labor-management communication and providing grievance management. Supporting and assisting employees in maintaining physical and mental health and achieving work-life balance. Providing multiple open dialogue channels, including anonymous reporting, allowing suppliers, business partners, and other stakeholders to provide feedback or report suspected violations. In response to evolving circumstances and stakeholder needs, we regularly review and assess relevant risks, practices, and impacts. 	None
<p>(2) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?</p>	✓		<p>Mycenax has adopted work rules and personnel management regulations. For employee benefits measures, please refer to section "4.5" Labor-Management Relations in the Company's annual report. Mycenax conducts salary adjustments annually based on the Company's performance and market compensation surveys, and in accordance with the "Performance Management Guidelines," reflects operational performance and results appropriately in employee compensation.</p>	None
<p>(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?</p>	✓		<p>Our company regularly implements safety and health education, including new employee orientation training, annual health check-ups and special health examinations, workplace environment assessments, regular inspection of fire safety equipment, and quarterly health promotion newsletters. We also organize workplace health promotion activities, such as health seminars and</p>	None

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			weight-loss competitions. In the 113th year, our company operated in a systematic manner in accordance with the ISO 45001 Occupational Health and Safety Management System and will assess the need to obtain relevant certifications as necessary. We have strengthened the safety mechanisms at our plant, and in the 113th year, no major work-related injuries or fatalities involving employees or contractors occurred, nor was there any fire incident.	
(4)Has the Company established effective career development training programs for employees?	✓		Mycenax formulates the annual company-wide training plan based on the training needs survey results of managers and employees. The company encourages continuous learning and personal career development. Each year, to enhance the diversity of course offerings, general education and management training programs are organized. To promote internal knowledge sharing, managers are specially invited to serve as instructors for training sessions and workshops.	None
(5)Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	✓		The biotechnology and pharmaceutical industry is highly regulated. Regarding customer health and safety, marketing, and labeling of products and services, our company adheres to relevant laws and international standards. Concerning customer privacy, our company signs confidentiality agreements with both employees and customers, and ensures the protection of customer confidential information through information security measures. For details on how confidentiality is ensured, please refer to "4.7 Intellectual Property Management Plan" in this annual report. Our company also has dedicated personnel to liaise with customers, effectively manage complaints, and implement product improvements and strengthen service processes.	None
(6)Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	✓		Mycenax has established a supplier management policy, which includes conducting on-site visits or written assessments of suppliers. We require suppliers to comply with relevant laws and regulations and to actively enhance corporate social responsibility, in order to align with the principles of sustainable development.	This policy is in line with the sustainability practices for listed companies as per the relevant guidelines.
5. Does the company refer to international reporting standards or guidelines when preparing its		✓	In the future, we will consider obtaining assurance or verification from a third-party verification unit based on the situation. The rest is in accordance with the sustainability development guidelines for listed companies.	None

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?				
6.If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: Mycenax have already established a Sustainability Development Best Practice Principle to ensure our operations comply with relevant regulations without significant deviations.				
7.Other important information to facilitate better understanding of the company's promotion of sustainable development: For more information about our promotion of sustainable development, please refer to our ESG Report.				

2.2.7. Implementation of Climate-Related Information

Item	Implementation status		
1. Describe board and management oversight and governance of climate-related risks and opportunities.	Mycenax currently monitors climate-related risks and opportunities through its Environmental, Safety, and Health (ESH) unit. On June 8, 2022, the Company presented its first report on greenhouse gas (GHG) inventory and future verification plans to the Board of Directors, and continues to provide regular updates on progress. Furthermore, on March 27, 2025, Mycenax established a GHG Inventory Task Force to advance related initiatives.		
2. Describe how the identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, medium-term, long-term).	In 2024, Mycenax proactively completed its greenhouse gas (GHG) inventory for Scope 1 (direct emissions) and Scope 2 (indirect emissions from energy consumption) ahead of schedule. The inventory covers GHG emissions and energy usage data. The potential impacts and opportunities related to climate risks for Mycenax are summarized as follows:		
	Item	Impact	Opportunity
	Short term	<ul style="list-style-type: none"> The severity of a single extreme weather event (heat-waves/droughts/heavy rainfall/abnormally high or low temperatures, etc.) may increase, potentially causing production disruptions, supply chain interruptions, or logistical difficulties, negatively impacting operations. Domestic and international environmental policies and regulations are becoming increasingly stringent (e.g., carbon taxes, pollution prevention fees, carbon trading), requiring businesses to incur additional climate-related expenses. 	Continue to implement various energy-saving and carbon-reduction measures, while strengthening disaster response measures to enhance resilience and reduce the negative impact of climate-related disruptions on operations.
	Medium term	Based on international development trends and the company's risk management regarding climate and the environment, changes in time, context, and regulations may lead to management	Based on international development trends and the company's risk management regarding climate and the environment, changes in time, context, and regulations may lead to

Item	Implementation status		
		strategies that do not meet stakeholder expectations, potentially resulting in negative impacts on the company's reputation, revenue, and increased production costs.	management strategies that do not meet stakeholder expectations, potentially resulting in negative impacts on the company's reputation, revenue, and increased production costs. In response to climate change trends and demands, the company will gradually adjust operational methods in collaboration with suppliers and customers, while continuing to develop feasible low-carbon processes. This includes confirming whether existing materials can be replaced as part of a green supply chain, as well as implementing water resource and waste management mechanisms, with the goal of enhancing industry competitiveness.
	Long term	The long-term changes in climate patterns (such as global warming leading to more frequent natural disasters) may alter market demand and product value chains, bringing about structural changes in the operating model.	Actively integrate resources from government and private organizations to formulate climate change response strategies, aiming to lead with a sustainable management approach in addressing future changes.
3. Describe the financial impact of extreme climate events and transition actions.	<p>The potential financial impacts of extreme weather events on our company are outlined as follows:</p> <ul style="list-style-type: none"> • Direct Losses: These may result in physical damage, such as facility destruction or equipment loss, requiring repairs or replacements, which increase operational costs. • Indirect Losses: These may lead to production disruptions, supply chain interruptions, or reduced customer demand, affecting business operations and potentially causing significant operational losses. 		
4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	On March 27, 2024, the Greenhouse Gas Promotion Team was established, with members grouped based on their business functions. Based on the results of the greenhouse gas inventory, feasible targets for energy conservation and carbon reduction were explored. Additionally, in conjunction with the "Hazard Identification and Risk Assessment Procedure," risks and opportunities for improvement are periodically identified, assessed, and controlled.		
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.	Mycenax is currently conducting greenhouse gas (GHG) inventory activities. In the future, the company will carry out climate change scenario analysis and assessments in accordance with the progress of its sustainability development.		
6. If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical and transformation risks.			

Item	Implementation status
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Mycenax is not an industry prioritized for carbon tax imposition. However, in the future, we will comply with regulatory requirements and conduct internal carbon pricing assessments.
8. If climate-related goals are set, information such as the activities covered, greenhouse gas emission scope, planning schedule, annual achievement progress, etc. should be explained ; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, information such as Indicate the source and quantity of carbon reduction credits or the quantity of renewable energy certificates (RECs) being redeemed.	<p>Mycenax's paid-in capital has now exceeded NTD2 billion. According to the Financial Supervisory Commission's timeline for the "Sustainable Development Roadmap for Listed and OTC Companies," Mycenax is required to complete a greenhouse gas inventory by 2026 and finalize greenhouse gas verification by 2028. Mycenax began a comprehensive greenhouse gas inventory process in 2024 and established a Greenhouse Gas Task Force on March 27, 2024. The task force members are divided into groups based on their business functions, and they will explore feasible energy-saving and carbon-reduction initiatives based on the results of the greenhouse gas inventory.</p> <p>In 2025, internal training for the Greenhouse Gas Task Force will be conducted, a carbon inventory cloud module will be implemented, and the 2025 inventory will be completed.</p>
9. Greenhouse gas inventory and assurance, reduction goals, strategies and specific action plans.	Following the aforementioned, Mycenax will successively carry out greenhouse gas (GHG) inventory and verification activities, and will use the results to formulate reduction targets and strategies.

2.2.8. Implementation of Integrity and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons

item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1. Establishment of ethical corporate management policies and programs (1) Does the company have an ethical corporate management policy approved by its Board of Directors, and by-laws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	✓		1. Mycenax has established the "Ethical Corporate Management Best Practice Principles" and the "Code of Ethics," which are disclosed on Mycenax's website, serving as the basis for the Board members and management to implement the integrity management policy. 2. The members of the 10th Board of directors and management have signed the Statement of Compliance with Ethical Business Conduct, committing to actively implement ethical business practices.	None
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct ; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct ; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	✓		Mycenax has established the "Ethical Corporate Management Best Practice Principles," the "Code of Ethics," and the "Procedures for Handling Material Inside Information," and has promoted them internally to ensure that employees, managers, directors, the management team, and relevant stakeholders better understand the related regulations. Audits are also conducted irregularly to ensure compliance.	None
(3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	✓		Mycenax has established the "Ethical Corporate Management Best Practice Principles" and the "Code of Ethics." Within various internal control system procedures, each transaction is reviewed, implementing layered controls to prevent unethical or other erroneous behaviors.	None
2. Ethical Management Practice	✓		Before collaborating with customers, our company undergoes an assessment to avoid partnering with entities	None

item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?			engaged in unethical behavior.	
(2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	✓		Currently, the Administration Management Division is in charge of promoting ethical corporate management in Mycenax, which regularly (at least once a year) reports to the Board of Directors on its ethical corporate management policies, measures to prevent dishonest conduct, and the supervision of their implementation. The latest report was submitted to the Board on November 12, 2024.	None
(3) policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	✓		Mycenax has established the "Ethical Corporate Management Best Practice Principles," the "Code of Ethics," and the "Procedures for Preventing Insider Trading." Additionally, Mycenax have set up suggestion boxes and a whistleblowing email inbox to provide appropriate channels for opinions.	None
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	✓		Mycenax has established relevant accounting and internal control systems, with auditors regularly reporting the audit status to the Board of Directors and the Audit Committee.	None
(5) Does the company provide internal and external ethical corporate management training programs on a regular basis?	✓		Mycenax regularly organizes internal and external education and training sessions related to integrity management issues, including courses on compliance with integrity regulations, accounting systems, and internal controls.	None
3. Implementation of Complaint Procedures (1) Has the company established specific whistleblowing and reward procedures, set up conveniently	✓		Mycenax has established a "Whistleblowing Policy," which sets up channels for reporting and procedures for handling illegal and unethical behavior by internal and external personnel, along with a system of rewards and	None

item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers?			penalties. Additionally, there is an appeal mechanism in place for the parties involved in reported cases.	
(2)Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	✓		Mycenax has established a "Whistleblower Policy," which clearly defines the standard procedures for investigating reported matters and relevant confidentiality mechanisms.	None
(3)Has the company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?	✓		Mycenax maintains confidentiality regarding the identity of whistleblowers and the content of their reports and commits to ensuring that whistleblowers will not face any undue retaliation as a result of their reports.	None
4. Strengthening Information Disclosure Does the Company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	✓		Mycenax discloses information related to the "Ethical Corporate Management Best Practice Principles" and the "Code of Ethics" on Mycenax's website.	None
5. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation: No significant deviations. Mycenax has established the " Ethical Corporate Management Best Practice Principles " which has been approved by the Board of Directors and reported to the shareholders' meeting. Both the Board of Directors and the management team committed to actively implementing it, with no significant difference s.				
6. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., Mycenax's reviewing and amending of its ethical corporate management best practice principles): (1)Mycenax revised the " Ethical Corporate Management Best Practice Principles" based on authority's instruction, which was resolved by the Board of Directors on March 10, 2022 and reported to the shareholders' annual meeting in 2023. (2)The Board of Directors resolved to revise the "Procedures for Handling Material Inside Information" on December 27, 2022. The content includes but not limited to prohibiting directors and managers of our company from trading their stocks during the closed periods of thirty days before the announcement of annual financial reports and fifteen days before the announcement of quarterly financial reports. Starting from the 2023, our company notifies directors and managers via email about the closed periods before the announcement of each quarter's financial report to prevent inadvertent violations of this regulation by directors.				

2.2.9. Additional Information on Corporate Governance:

Mycenax's newly appointed directors, managers, and other insiders are issued the latest version of the "Regulations and Precautions for Insider Shareholding of Listed and OTC Companies" compiled by the Taipei Exchange upon their appointment. Monthly reminders are also sent to ensure compliance by insiders.

2.2.10. Implementation Status of Internal Control:

(1) Internal Control Declaration: Please visit the Market Observation Post System (MOPS) at <https://mops.twse.com.tw>, and navigate to “Company” → “Corporate Governance” → “Company Regulations / Internal Control” → “Internal Control System Statement” to access the information. (Direct link: <https://mops.twse.com.tw/mops/#/web/t06sg20>)

(2) If CPA was engaged to Conduct a Special Audit of Internal Control, provide its Audit Report.
None.

2.2.11. Major resolutions at the Shareholders’ and Board Meetings.

Date	Major Resolutions of Board of Directors Meetings/ Shareholders' Meeting
Board Meeting 2024/3/13	<ol style="list-style-type: none">1. Approval of the company's 2023 business report and financial statements.2. Approval of the company's overdue receivables (and other amounts) for more than three months, which are not related to fund lending.3. Approval of the company's 2023 loss compensation plan.4. Approval of the company's 2023 internal control system statement.5. Approval of the company's 2023 shareholders' meeting resolution regarding the private placement for cash capital increase and the issuance of new shares.6. Approval of the private placement for cash capital increase and issuance of new shares.7. Approval of the election of an additional independent director.8. Approval of the nomination list for the election of an independent director at the 2024 shareholders' meeting.9. Approval of the removal of the non-compete restriction on the company's directors.10. Approval of setting the date, location, and agenda of the 2024 shareholders' meeting, as well as the handling of shareholder proposals.11. Approval of setting the record date for the exercise of employee stock warrants to issue common stock and the record date for the cancellation of restricted employee rights in new shares for capital reduction.12. Approval of the revision to the company's "CL-103 Board of Directors Meeting Rules.13. Approval of the revision to the company's "CL-133 Audit Committee Organization Rules.14. Approval of the change of the custodian of the company's endorsement and guarantee seal.15. Approval of the appointment of the corporate governance officer.
Board Meeting 2024/5/13	<ol style="list-style-type: none">1. Approval of the company's 2024 first-quarter consolidated financial report.2. Approval of the company's proposal to apply for a short-term credit limit with Yuanta Bank.3. Approval of the company's proposal to apply for a short-term credit limit with Shanghai Bank.4. Approval of setting the record date for the exercise of employee stock warrants to issue common stock and the record date for the cancellation of restricted employee rights in new shares for capital reduction.5. Approval of the revision to the company's internal control system "CN-R&D Cycle."6. Approval of the revision to the company's internal control system "CO-103 Warehouse Management."7. Approval of the revision to the company's "CL-102 Shareholders' Meeting Rules."8. Approval of adding a discussion item to the agenda of the 2024 shareholders' meeting.9. Approval of the company's 2023 management performance bonus distribution.10. Approval of the company's 2024 management compensation adjustment.

Date	Major Resolutions of Board of Directors Meetings/ Shareholders' Meeting
Shareholders' Meeting 2024/6/24	<p>Approval Items:</p> <p>1.Approval of the company's 2023 operating report and financial report. Execution Status: The financial statements were announced on March 13, 2024, and the operating report was announced on May 24, 2024.</p> <p>2.Approval of the company's 2023 loss offset plan. Execution Status: The plan was announced after the shareholders' meeting on June 24, 2024.</p> <p>Discussion Items</p> <p>1.Approval of conducting a cash capital increase through private placement. Execution Status: Not implemented.</p> <p>2.Approval of amending certain provisions of the company's "CL-102 Shareholders' Meeting Rules." Execution Status:</p> <p>1. Proposal for the Election of an Additional Independent Director Implementation Status: Mycenax adopts a candidate nomination system for elections. The newly appointed independent director, Kuo-Lung Yen, has the same term as the original directors, with the term starting from June 24, 2024, to May 29, 2025.</p> <p>Other Proposals:</p> <p>1. Approval of the Proposal to Release the Directors of the Company from Non-Competition Restrictions. Execution Status: Announced after the shareholders' meeting on June 24, 2024.</p>
Board Meeting 2024/8/9	<p>Acknowledgements:</p> <p>1.Approval of the consolidated financial statements of the Company for the second-quarter of 2024 were approved.</p> <p>2.Approval of the record date for the capital increase resulting from the conversion of employee stock options into common shares was approved.</p>
Board Meeting 2024/11/12	<p>1. Approval of the Company's consolidated financial statements for the third-quarter of 2024.</p> <p>2. Approval of the case regarding accounts receivable and other receivables overdue for more than three months, which are not considered as loans of funds.</p> <p>3. Approval of the record date for capital increase through the issuance of new common shares upon the exercise of employee stock options.</p> <p>4. Approval of the amendment to the Company's "Salary Cycle" plan.</p>
Board Meeting 2024/12/16	<p>1. Approval of the Company's budget for the year 2025.</p> <p>2. Approval of the assessment of the independence and competence of the Company's certified public accountants (CPAs).</p> <p>3. Approval of the change of the Company's signing CPAs in accordance with the internal rotation policy of the accounting firm.</p> <p>4. Approval of the audit fees for the Company's CPAs for the year 2025.</p> <p>5. Approval of the Company's application for a short-term credit line from First Commercial Bank.</p>
Board Meeting 2025/2/27	<p>1. Approval of the 2024 Business Report and Financial Statements.</p> <p>2. Approval of the Proposal for Covering the 2024 Deficit.</p> <p>3. Approval of the Amendment to Certain Articles of the Articles of Incorporation.</p> <p>4. Approval of the Company's Application for a Short-Term Credit Line from Shanghai Commercial & Savings Bank.</p> <p>5. Approval of the Company's Application for a Short-Term Credit Line from Fubon Bank.</p> <p>6. Approval of the 2024 Internal Control System Statement.</p> <p>7. Approval of the Status of the Private Placement of New Shares through Capital Increase as Approved by the 2024 Annual Shareholders' Meeting.</p> <p>8. Approval of the Private Placement of Common Shares.</p> <p>9. Approval of the Re-election of Directors.</p> <p>10. Approval of the Date, Venue, and Agenda of the 2025 (Year 114) Annual Shareholders' Meeting, and Matters Related to Shareholder Proposals and Director Nomination.</p> <p>11. Approval of the Base Date for Capital Increase due to the Execution of Employee Stock Warrants for Common Shares.</p> <p>12. Approval of the "Sustainable Information Management Procedure."</p> <p>13. Approval of the Amendment to the Internal Control System – "Sales and Collection Cycle."</p>

2.2.12. Major Dissenting Comments Over Board Meeting Resolutions From 2024 up to the Publication Date in 2025: None.

2.3. Information on CPA Professional Fees

2.3.1. CPA service fees

Unit: NTD thousand

Accounting Firm	Name of CPA	Period covered by CPA's audit	Audit Fees	Non-Audit Fees ¹	Total
Ful-Fill & Co., CPAs	Jin-di Wu	2024/1/1~	1,500	200	1,700
	Wei-Liang Dai	2024/12/31			

Note: The non-audit service fees include NTD100,000 for tax certification, NTD50,000 for the issuance of the 2024 non-executive position salary verification report, and NTD50,000 for agreed-upon procedures.

2.3.2. For CPA Changes, If the Audit fee in 2023 is Lower than 2022, Explain the Amount and the Reasons: None.

2.3.3. If the Audit Fee Dropped by more than 10%, Explain the Amount and Percentage of Decline and Reasons: None.

2.4. Replacement of CPA :

2.4.1. Regarding the Former CPA

Date of Change	Starting from the first quarter financial report of 2024		
Reason for the Change and Explanation	Due to Job Rotation at Ful-Fill & Co., CPAs, the previous auditors, Jin-di Wu and Wei-Liang Dai, have been replaced by Chung-Hao Cheng and Chia-Yu Chi.		
Reason for the Change and Explanation	The parties		CPA
	Situation		Mycenax
	voluntary termination of the engagement		N/A
	refusal to continue the engagement		N/A
Opinions and reasons for audit reports issued in the past two years other than unqualified opinions	None		
Whether there are any disagreements with the issuer	Yes		Accounting principles or practices
			Disclosure of financial reports
			Audit scope or procedures
			Other
	None	V	
	Explanation		
Other disclosure matters (which should be disclosed according to Subparagraphs 4 to 7 of Item 1, Paragraph 6, Article 10 of this standard)	None		

2.4.2. Regarding the successor auditor:

Name of the firm	Ful-Fill & Co., CPAs
Name of the accountant	Chung-Hao Cheng , Chia-Yu Chi
Date of appointment	Starting from the first-quarter financial report of 2025
Accounting treatment methods or accounting principles for specific transactions prior to the appointment, as well as consultation matters and outcomes regarding potential audit opinions on the financial reports	N/A
Written opinions of the successor auditor regarding disagreements with the predecessor auditor	None

2.4.3 Response letter from the predecessor auditor regarding the matters specified in Subparagraphs 1 and 3 of Paragraph 6, Article 10 of this standard: None**2.5. Chairman, President or Finance/Accounting Manager Held Positions in the Company's Audit Firm or Its Affiliates Within the Past Year: None.****2.6. Changes in Shareholdings and in Shares Pledged by Directors, Management and Shareholders Holding more than 10%.****2.6.1. Changes in the shareholdings of directors, managers and major shareholders**

Please visit the Market Observation Post System (MOPS) at <https://mops.twse.com.tw>, and navigate to "Company" → "Shareholding Changes / Securities Issuance" → "Share Transfer Information" → "Post-reporting of Insider Shareholding Changes" to access the information. (Direct link: https://mops.twse.com.tw/mops/#/web/query6_1)

2.6.2. Information of Shares Trade or Shares Pledge with Related Party**(1) Shares Trade with Related Party:**

Name	Reason for Share Transfer	Transaction Date	Counterparty	Relationship with the Company and Its Major Stakeholders	Number of shares	Trading price
JCR Pharmaceuticals Co., Ltd.	Corporate Financial Planning	2024/9/9	Bioengine Technology Development Inc.	The subsidiary wholly owned by the company's director, Center Laboratories, Inc.	780,000 shares	41.5 NTD

(2) Shares Pledge with Related Party: None.

2.7. Relationships between Mycenax's top10 Shareholders

2025/5/2 ; Unit: Shares ; %

Name	Shareholding		Shareholding of Spouse or Minor Children		Shareholding by Nominee Arrangement		The relationship Between Any of the Company's Top Ten Shareholders		Remark
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Center Laboratories, Inc.	41,974,314	20.27%	0	0	0	0	LeJean Biotech Co., Ltd	Serves as a director of Center Laboratories, Inc.	-
							Jason Technology Co., Ltd.	Chairman of CenterLab.	
							Chia-Ling Lin	Serves as the corporate representative director of CenterLab.	-
Center Laboratories, Inc. Chairman: Su-Chi Wang	0	0	0	0	0	0	-	-	-
JCR Pharmaceuticals Co., Ltd.	41,220,000	19.90%	0	0	0	0	-	-	-
JCR Pharmaceuticals Co., Ltd. Chairman: Shin Ashida	0	0	0	0	0	0	-	-	-
Chien-Hsing Wu	4,111,000	1.99%	0	0	0	0	-	-	-
Nien Hsing Textile Co., LTD.	2,573,665	1.24%	0	0	0	0	-	-	-
Nien Hsing Textile Co., LTD. Chairman: Wei-Han Chen	0	0	0	0	0	0	-	-	-
Hsin-Ying Fan	1,665,000	0.80%	0	0	0	0	-	-	-
Chia-Ling Lin	1,543,070	0.75%	38,023	0.02%	0	0	Center Laboratories, Inc.	Serves as the corporate representative director of CenterLab.	-
							LeJean Biotech Co., Ltd. Chairman: Li-Chu Ou	First degree of kinship	-
							Jason Technology Co., Ltd. Chairman: Li-Chu Ou	First degree of kinship	
							Hung-Hsuan Lin	Second degree of kinship	-
							Wei-Hsuan Lin	Second degree of kinship	-
Wei-Hsuan Lin	1,345,152	0.65%	0	0	0	0	LeJean Biotech Co., Ltd. Chairman: Li-Chu Ou	First degree of kinship	-
							Lirong Technology Co., Ltd. Chairman: Li-Chu Ou	First degree of kinship	
							Chia-Ling Lin	Second degree of kinship	-
							Hung-Hsuan Lin	Second degree of kinship	-
LeJean Technology Co., Ltd.	1,342,546	0.65%	0	0	0	0	Center Laboratories, Inc.	Serves as a director of CenterLab.	-
LeJean Technology Co., Ltd. Chairman: Li-Chu Ou	4,584	0.00%	0	0	0	0	Chia-Ling Lin	First degree of kinship	-
							Hung-Hsuan Lin	First degree of kinship	-
							Wei-Hsuan Lin	First degree of kinship	-
Jason Technology Co., Ltd.	1,302,674	0.63%	0	0	0	0	Center Laboratories, Inc.	Chairman of CenterLab.	-
Jason Technology Co., Ltd. Chairman: Li-Chu Ou	4,584	0.00%	0	0	0	0	Chia-Ling Lin	First degree of kinship	-
							Hung-Hsuan Lin	First degree of kinship	-
							Wei-Hsuan Lin	First degree of kinship	-
Hung-Hsuan Lin	1,302,006	0.63%	0	0	0	0	LeJean Biotech Co., Ltd. Chairman: Li-Chu Ou	First degree of kinship	-
							Jason Technology Co., Ltd. Chairman: Li-Chu Ou	First degree of kinship	
							Chia-Ling Lin	Second degree of kinship	-
							Wei-Hsuan Lin	Second degree of kinship	-

2.8. Direct and Indirect Investments in Affiliated companies

2025/3/31 Unit: Shares ; %

Investees accounted for under the equity method ¹	Company Investment		Directors, Supervisors, Managers, and Direct or Indirectly Controlled Business Investment		Total Investment	
	Shares	%	Shares	%	Shares	%
KriSan Biothech Co., Ltd.	10,000,000	19.15	10,675,000	20.44	20,675,000	39.59

Note 1: This is a long-term investment accounted for using the equity method by the Company.

3. Capital Raising

3.1 Capital and Shares

3.1.1 Source of Capital

(1) Types of Shares

2025/5/2 ; Unit: shares

Types of Shares	Authorized Capital				
	Outstanding Shares			Unissued Shares	Total
	Listed Shares	Private Placement Shares	Subtotal		
Registered Common Stock	139,114,300	68,000,000	207,114,300	292,885,700	500,000,000

Note: Mycenax's outstanding listed shares, including 107,400 shares issued due to the exercise of employee stock options, have not yet completed change registration as of the annual report publication date.

(2) The capital formation process in 2024 and by the date of this annual report

Unit: shares ; NTD

Year/ Month	Issued Price	Approved Capital		Paid-in Capital		Notes		
		Shares	Amount	Shares	Amount	Source of capital	Capital In- creased by Assets other than cash	Other
2024.03	29.9 20.8	500,000,000	5,000,000,000	205,722,200	2,057,222,000	Employee stock op- tions exercised: 36,000 shares Restricted employee shares canceled: 200,000 shares	-	Note 1
2024.05	20.8	500,000,000	5,000,000,000	205,817,200	2,058,172,000	Employee stock op- tions exercised: 235,000 shares Restricted employee shares canceled: 140,000 shares	-	Note 2
2024.08	20.8	500,000,000	5,000,000,000	206,106,200	2,061,062,000	Employee stock op- tions exercised: 289,000 shares	-	Note 3
2024.11	20.8 36.1	500,000,000	5,000,000,000	206,614,900	2,066,149,000	Employee stock op- tions exercised: 508,700 shares	-	Note 4
2025.03	20.8 36.1	500,000,000	5,000,000,000	207,006,900	2,070,069,000	Employee stock op- tions exercised: 392,000 shares	-	Note 5

Note 1: Approved by the Hsinchu Science Park Bureau, National Science and Technology Council, via official letter No. 1130008847 dated March 25, 2024.

Note 2: Approved by the Hsinchu Science Park Bureau, National Science and Technology Council, via official letter No. 1130016906 dated May 28, 2024.

Note 3: Approved by the Hsinchu Science Park Bureau, National Science and Technology Council, via official letter No. 1130026936 dated August 23, 2024

Note 4: Approved by the Hsinchu Science Park Bureau, National Science and Technology Council, via official letter No. 1130038064 dated November 27, 2024

Note 5: Approved by the Hsinchu Science Park Bureau, National Science and Technology Council, via official letter No. 1140007706 dated March 13, 2025

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

3.1.2 List of Major Shareholders

2025/5/2 ; Unit: shares ; %

Major Shareholders	Shareholding	Shareholding percentage
Center Laboratories, Inc.	41,974,314	20.27
JCR Pharmaceuticals Co., Ltd	41,220,000	19.90
Chien-Hsing Wu	4,111,000	1.99
Nien Hsing Textile Co., LTD.	2,573,665	1.24
Hsin-Ying Fan	1,665,000	0.80
Chia-Ling Lin	1,543,070	0.75
Wei-Hsuan Lin	1,345,152	0.65
LeJean Technology Co., Ltd.	1,342,546	0.65
Jason Technology Co., Ltd.	1,302,674	0.63
Hung-Hsuan Lin	1,302,006	0.63

3.1.3 Dividend Policy and Implementation Status

(1) Dividend Policy as Stipulated in the Company's Articles of Incorporation

Article 25, Articles of Incorporation:

- Annual earnings concluded by the Company are the first subject to pay the tax and reimbursement of previous losses, followed by a 10% provision for legal reserve unless legal reserves have accumulated to the same amount as the Company's paid-up capital, and condition or reversal of special reserve as the laws may require. Any earnings remaining may be prioritized for the current year's preferred share dividends and then added to opening undistributed earnings for distribution at the Board of Directors' proposal. Distributions that involve the issuance of new shares are subject to resolution at a shareholder meeting.
- Since the Company is in a highly developing industry, the dividend distribution policy is based on the Company's current year's earnings and previous years' accumulated earnings, considering the Company's profitability, capital structure, and future operating needs to determine the Company's planned dividend distribution. The distribution of stock dividends is limited to no more than 50% of the total dividends, and the remaining cash dividends are distributed. The Board of Directors will consider operating and capital expenditure requirements, propose a distribution plan and submit it to the shareholders' meeting for decision.

(2) Proposal of Dividend Distribution at this Shareholders' Meeting:

Mycenax had a net loss in 2024 and has accumulated losses that need to be offset. Therefore, no dividends will be distributed. This proposal was approved by the Board of Directors on 2025/2/27 and will be submitted for acknowledgment at the Mycenax's 2025 annual shareholders' meeting.

(3) Explanation of Expected Major Changes in Dividend Policy: None.

3.1.4 Impact of Proposed Stock Dividends at this Shareholders' Meeting on the Company's Business Performance and Earnings Per Share

Not applicable.

3.1.5 Employee and Director Remuneration

(1) Percentage or Range of Employee and Director Remuneration as Stated in the Articles of Incorporation

Please refer to the explanation in Section “3.1.3 Dividend Policy and Implementation Status”.

(2) The basis for estimating the amounts of employee and director remuneration for the current period is the calculation based on the number of shares to be distributed as employee remuneration. If there is a difference between the actual distribution amounts and the estimated amounts, the accounting treatment will be as follows:

If there is a difference between the estimated amounts and the actual amounts for the current period, the variance will be regarded as a change in accounting estimate and will be included in the profit or loss of the subsequent period.

(3) Board of Directors' Approval of Remuneration Distribution

- Amount of employee compensation and director compensation distributed in cash or stock. If there is any discrepancy between the actual amount and the estimated amount recognized in the expense for the year, the difference, reasons, and handling measures should be disclosed: In 2024, Mycenax recorded a loss and did not distribute any employee or director compensation.

Therefore, this is not applicable.

- Amount of employee compensation distributed in stock and its proportion to the after-tax net income of the individual or separate financial statements for the period, as well as the total employee compensation: In 2024, Mycenax recorded a loss and did not distribute any employee or director compensation in stock. Therefore, this is not applicable.

(4) Actual Distribution of Employee and Director Remuneration for the Previous Year (Including Number of Shares Distributed, Amount, and Share Price), and Explanation of Any Differences from Recognized Employee and Director Remuneration, Including the Variance, Reasons, and Handling:

Mycenax had a loss in 2024, so this is not applicable.

3.1.6 Company Share Buyback: None.

3.2 Issuance of Corporate Bonds: None.

3.3 Preferred Shares: None.

3.4 Issuance of Overseas Depositary Shares: None.

3.5 Status of Employee Stock Option Plan

3.5.1 Status of Employee Stock Option Not Yet Expired

2025/5/2

Employee Stock Option Type	First Issuance of 2019	First Issuance of 2022	
Declared Effective Date	2019/12/13	2022/6/23	2022/6/23
Issue date	2020/3/5	2022/7/19	2023/5/20
Units Issued	3,585	2,828	172
Units Available for Issuance	0	0	0
Available for subscription shares to total issued shares ratio	1.73%	1.37%	0.08%
Subscription Period	7 Year	5 Year	5 Year
Delivery Method	Delivery of Newly Issued Shares	Delivery of Newly Issued Shares	Delivery of Newly Issued Shares
Restricted Subscription Period and Ratio (%)	2 years from the issue date: 40 3 years from the issue date: 70 4 years from the issue date: 100	2 years from the issue date: 40 3 years from the issue date: 70 4 years from the issue date: 100	2 years from the issue date: 40 3 years from the issue date: 70 4 years from the issue date: 100
Shares Acquired Through Execution	2,759,900 shares	412,700 shares	0 shares
Subscription Amount Executed	NTD 58,251,920	NTD 14,898,470	NTD 0
Shares Not Yet Executed ¹	219,600 shares	1,378,900 shares	20,000 shares
Subscription Price per Share Not Yet Executed	NTD 20.8	NTD 36.1	NTD 39.15
Percentage of unexercised stock options to total issued shares	0.11%	0.67%	0.10%
Impact on shareholders' interest	No material impact to the dilution effect on the existing shareholders' interest.		

Note1: Number of units cancelled: In the first batch of employee stock warrants in 2019, 605,500 shares were cancelled. In the first batch of employee stock warrants in 2022, 1,036,400 shares and 152,000 shares were respectively cancelled.

3.5.2 As of the date of this annual report, the names of the top ten employees who have obtained employee stock option, along with the number of options they are eligible to exercise and their subscription status.

2025/5/2 ; Unit: thousand Shares ; NTD thousand ; %

	Title	Name	Number of Shares Obtained	Shares obtained to total issued shares (%)	Executed				Not Executed			
					Number of Shares Subscribed	Subscription Price	Subscription Amount	Shares subscribed to total issued shares (%)	Number of Shares Subscribed	Subscription Price	Subscription Amount	Shares subscribed to total issued shares (%)
Managers	President	Pei-Jiun Chen	1,667	0.81	1,282	NTD 21.7 NTD 20.8	27,551	0.62	385	NTD 20.8 NTD 36.10 NTD 39.15	13,277	0.19
	Vice President	Chih-Yung Lin										
	Associate Vice President	Wei-I Chou										
	Associate Vice President	Wan-Tzu Chang										
	Associate Vice President	Chin-Hao Liang										
	Associate Vice President	Liru Yeh										
	Senior Manager	Yu-Ching Chang										
	Manager	Teh-Chu Sun										
Employees	Division Director	Hung-Ming Huang	891	0.43	496.4	NTD 21.7 NTD 20.8	10,696	0.24	394.6	NTD 20.8 NTD 36.1 NTD 39.15	13,057	0.19
	Manager	Chih-Hung Kuo										
	Assistant Manager	Ming-yi Qiu										
	Assistant Manager	Yvonne Lin										
	Assistant Manager	Hsin-Te Li										
	Manager	Jheng-Liang Yao										
	Assistant Project Manager	Jie-Ru Shih										
	Supervisor	Ya-Ching Shih										
	Principle Engineer	Leo Lai										
	Vice President of the U.S. Subsidiary	Li-Ming Liang										

Note1: Chih-Yung Lin, Wan-Tzu Chang, Yu-Ching Chang, Teh-Chu Sun , Hsin-Te Li , Leo Lai ,and Li-Ming Liang have resigned.

Note2: The unexercised number of stock options includes a total of 440,000 shares that were canceled due to resignations or failure to meet vesting conditions by managerial officers and the top ten employees.

3.6 Status of Employee Restricted Stock

3.6.1 Status of Restricted Stock Award

2025/5/2

Type	RSA - 2022
Effective date of declaration	2022/6/23
Issue date	2022/7/5
The number RSA issued	1,000,000 shares
Issue price	NTD 0
The ratio of the number of RSA to total issued shares	0.48%
Conditions for vesting RSA	<p>1. Indicator A (55% of total shares issued): Employees who receive RSA must remain employed on each vesting date and have not violated any company labor contracts, work rules, non-compete agreements, confidentiality agreements, or other agreements with the company during the period. They must also meet both Mycenax's operational performance indicators and individual performance evaluation criteria. The conditions for vesting and the corresponding share ratios are as follows:</p> <p>(1)Vesting Conditions: A. Individual Performance: Achieve a score of 3.5 or above on the work objectives assessment for the most recent year at each vesting period. B. Company Operational Objectives: a. The audited financial statements for 2023 show operating revenue of NTD 1 billion or more. b. The audited financial statements for 2025 show operating revenue of NTD 2.5 billion or more.</p> <p>(2)Vesting Percentage: A. As of March 31, 2024: 40% of the allocated shares. B. As of March 31, 2026: 60% of the allocated shares.</p> <p>2. Indicator B (45% of total shares issued): Employees who receive RSA must remain employed on each vesting date and have not violated any company labor contracts, work rules, non-compete agreements, confidentiality agreements, or other agreements with Mycenax during the period. They must also achieve Mycenax's set operational performance indicators:</p> <p>(1)Vesting Conditions: Within 24 months after the customer submits a new drug marketing authorization application to PMDA, both Production Line 1 (2F, No. 8 and No. 10, Science East 3rd Road, Zhunan Township) and Production Line 2 (1F, No. 8, Science East 3rd Road, Zhunan Township) must pass PMDA facility inspection.</p> <p>(2)Vesting Percentage: A. If both Production Line 1 and Production Line 2 pass PMDA Japan's facility inspection within 18 months after the customer submits a new drug marketing authorization application to PMDA, 100% of the allocated shares will vest. B. If both Production Line 1 and Production Line 2 pass PMDA Japan's facility inspection within 18 to 24 months after the customer submits a new drug marketing authorization application to PMDA, 80% of the allocated shares will vest.</p>
The restricted rights of RSA	<p>1. The RSA cannot be sold, pledged, transferred, gifted to others, used as collateral, or disposed of in any other way.</p> <p>2. Voting rights at shareholders' meetings: Same as other common stock of Mycenax.</p> <p>3. Rights to subscribe and receive dividends: Same as other common stock of Mycenax. Employees are entitled to receive cash dividends and stock dividends distributed by Mycenax, and such dividends are considered to have met the vesting conditions and do not need to be held in trust.</p>
The custody situation of RSA	<p>1. After the issuance of RSA, they should be immediately delivered to a trustee. Before the vesting conditions are met, employees are not permitted to request the return of RSA from the trustee for any reason or by any means.</p>

	<p>2. During the period of trust for RSA, all negotiations, signing, amending, extending, terminating, and all instructions regarding the delivery, use, and disposal of trust property related to the trust agreement shall be conducted by Mycenax's fully authorized representative in collaboration with the stock trust institution (including but not limited to) ; attendance, proposals, speeches, and voting rights at shareholders' meetings shall be executed by the entrusted trust institution in accordance with the contract.</p>
<p>The procedure for employees who have been allocated or subscribed to new shares but have not met the vesting conditions</p>	<p>If an employee fails to meet the vesting conditions after being allocated RSA, Mycenax will reclaim their shares at no cost and proceed with cancellation. However, any derived rights such as rights issues or dividends need not be returned by the employee.</p> <p>1. Resignation (voluntary/retirement/dismissal): RSA that has not met the vesting conditions are considered unvested as of the effective date of resignation. Mycenax will reclaim their shares at no cost and proceed with cancellation according to the law.</p> <p>2. Leave without pay: The rights and obligations of unvested RSA remain unaffected, and they must still adhere to the regulations. The actual shares that can be vested each year, apart from meeting the conditions stipulated in the regulations, need to be calculated based on the proportion of months actually worked in the corresponding fiscal year. However, for Indicator A - Company Operational Objective b, the proportion of months worked will be calculated from January 2024 to December 2025. If the vesting date falls on a day when the employee is on leave without pay, it will be considered as unmet conditions, and Mycenax will reclaim the unvested RSA and proceed with cancellation.</p> <p>3. General Death: RSA that has not met the vesting conditions are considered unvested as of the date of death. Mycenax will reclaim their shares at no cost and proceed with cancellation according to the law.</p> <p>4. Disability or Death Due to Occupational Accident: In the event of disability or death due to an occupational accident rendering the employee unable to continue working, if the vesting conditions for the year of resignation or death are met, it will be considered as meeting the vesting conditions for that year. The heirs must complete the necessary legal procedures and provide relevant documentation to apply for the inheritance of the shares or rights they are entitled to, in compliance with the regulations of these provisions. However, for RSA that have not met the vesting conditions, Mycenax will reclaim their shares at no cost and proceed with cancellation according to the law.</p> <p>5. Transfer: If an employee voluntarily transfers to a related company, their treatment regarding allocated RSA should be handled similarly to that of resigned employees. However, if the transfer is at Mycenax's request, their allocated RSA will not be affected by the transfer.</p> <p>6. Organizational Restructuring Due to Merger and Acquisition: If Mycenax undergoes organizational restructuring due to merger and acquisition laws, the status of unvested RSA as meeting or not meeting the vesting conditions, and the proportion of vesting, will be determined by the board of directors.</p>
The number of RSA reclaimed or repurchased	500,000 shares
The number of RSA that have been released	0 shares
The number of RSA that have not been released	500,000 shares
The ratio of unreleased RSA to the total issued shares	0.24%
The impact on shareholders' interest	The dilution effect on the future earnings per share of Mycenax is currently limited, and there is no significant impact on existing shareholder interest

3.6.2 As of the date of this annual report, the names of the top ten employees who have obtained restricted employee stock options, along with the number of shares obtained

2025/5/2 ; Unit: thousand Shares/NTD thousand ; %

	Title	Name	Number of RSA Acquired	RSA Acquired to Total Issued Shares (%)	Released				Unreleased			
					Number of Shares Released	Issue Price (NTD)	Issue Amount	Released shares to total issued shares (%)	Number of Shares Unreleased	Issue Price (NTD)	Issue Amount	Unreleased shares to total is- sued shares (%)
Manager	President	Pei-Jiun Chen	600	0.29	0	0	0	0	600	0	0	0.29
	Vice President	Chih-Yung Lin										
	Associate Vice President	Wei-I Chou										
Employee	Div. Director	Hung-Ming Huang	400	0.19	0	0	0	0	400	0	0	0.19
	Div. Director	Tzu-Ling Yeh										
	Senior Manager	Keng-Te Ho										
	Senior Manager	Yu-Nung Lin										
	Manager	Cheng-Han Tsai										
	Manager	Chih-Hung Kuo										
	Assistant Manager	Hsiang-Kai Lin										

Note 1: Chih-Yung Lin, Tzu-Ling Yeh, Keng-Te Ho, Hsiang-Kai Lin have resigned.

Note 2: Unreleased shares include 500,000 shares that have been clawed back due to resignation or failure to meet vesting conditions by managers and the top ten employees.

3.7 Status of New Share Issuance in Connection with Mergers and Acquisitions: None.

3.8 Funding Plans and Implementation

3.8.1 As of the end of the previous quarter before the date of this annual report, the content and execution status of previous issuances or private placements of securities that have not been completed are as follows

Please visit the Market Observation Post System (MOPS) at <https://mops.twse.com.tw>, and navigate to “Company” → “Shareholding Changes / Securities Issuance” → “Fundraising” → “Execution of Fundraising Plans” to access the information. (Direct link: https://mops.twse.com.tw/mops/web/bfhtm_q2)

3.8.2 As the above plan involves the expansion or construction of real estate, factories, and equipment, as well as the replenishment of working capital, the following items are disclosed:

- (1) Comparison and explanation of items such as real estate, factories and equipment, operating income, operating costs, and operating profit:** Please refer to the annual report for '5. Financial Overview. '
- (2) Explanation of changes in current assets, current liabilities, total liabilities, interest expenses, operating income, and comparison of earnings per share:** Please refer to the annual report for '5. Financial Overview. '

4. Operational Overview

4.1 Business Activities

4.1.1 Business Scope

(1) Key Business Components

- C802041 Manufacture of Drugs and Medicines
- C802060 Veterinary Drug Manufacturing
- F108021 Wholesale of Western Pharmaceutical
- F401010 International Trade
- CF01011 Medical Devices Manufacturing
- C199990 Manufacture of Other Food Products Not Elsewhere Classified
- C802990 Other Chemical Products Manufacturing
- IG01010 Biotechnology Services
- IG02010 Research and Development Service

Mycenax is the first company in Taiwan dedicated to providing Contract Development and Manufacturing Organization (CDMO) services for biopharmaceuticals. We are committed to delivering professional, end-to-end process solutions to global customers. Unlike traditional large-scale, manufacturing-oriented CMO models, Mycenax focuses on addressing the challenges of process instability and scale-up during the early stages of new drug development. We support customers through pre-clinical and clinical phases by facilitating smooth process scale-up and technology transfer, ensuring continuity and increasing the success rate of product development.

Leveraging its strong technical capabilities and years of hands-on experience, Mycenax has established a high-quality manufacturing platform capable of supporting a wide range of complex biologics, offering solutions that balance stability, quality, and cost-effectiveness. As of the date of this annual report, Mycenax has successfully passed audits by regulatory authorities from multiple countries, demonstrating that our manufacturing technologies and quality management systems have reached international standards. From drug development, clinical trials, and regulatory review to commercial launch, Mycenax provides reliable professional services at every stage, continuously strengthening long-term partnerships with customers and steadily driving our future growth momentum.

Main Categories of Biopharmaceuticals Worldwide Include

- New Protein Molecules and Biosimilars
- Antibody-Drug Conjugates, ADCs
- Stem Cell Products
- Immune Cell Products

Mycenax is currently the only CDMO in Taiwan capable of providing end-to-end services—from pre-clinical process development to clinical drug manufacturing—for all four major categories of biologics. We remain committed to deepening our roots in Taiwan by leveraging local expertise in R&D, manufacturing, and regulatory affairs, while actively integrating upstream and downstream industry resources to enhance overall service value. Looking ahead, Mycenax will continue to expand its global service capacity, supporting partners in accelerating pharmaceutical development and making tangible contributions to human health and well-being.

(2)Current Company Services

In response to market trends, Mycenax not only maintains a solid foundation in protein drugs but also actively develops and deploys process technologies for emerging biopharmaceuticals. The current services provided by Mycenax for conventional biologics and emerging biologics are as follows:

A. Conventional Biologics Process Development and Production

With over a decade of experience in research and practical application, Mycenax has established two major technology platforms: mammalian cell and microbial cell systems. These platforms provide customers with optimal protein drug expression systems.

• Mammalian Cell Platform

The mammalian cell platform is currently the mainstream technology for global protein drug production. Its key advantage lies in producing drug molecules that closely resemble natural human proteins, offering excellent biocompatibility and therapeutic efficacy. This platform also enables high protein yields, meeting the demands of commercial-scale manufacturing. Mycenax has long collaborated with internationally renowned biotech companies such as Merck and Thermo Fisher, obtaining licenses for the CHO-S and CHOZN cell line platforms. In addition, we have implemented the industry-leading Beacon® single-cell selection system to significantly enhance the efficiency and stability of cell line development.

With industry-leading expertise in cell line technology and extensive development experience, Mycenax helps customers shorten development timelines, enhance process productivity, and reduce manufacturing costs—further strengthening the competitiveness of their products.

• Microbial Cell Platform

The production of protein-based drugs using microbial cells offers key advantages, particularly in the rapid expression of proteins with simpler structures, low levels of modification, and smaller molecular weights—such as cytokines and insulin. These systems are characterized by low cultivation costs and ease of large-scale production. In recent years, with the advancement of emerging biopharmaceutical fields, the demand for microbial cell platforms has been steadily increasing. Mycenax has obtained licenses for various microbial strains and plasmid systems from international sources, enabling the development of manufacturing processes for a wide range of drugs. This allows Mycenax

to provide stable and high-quality CDMO services based on microbial cell platforms.

B. Emerging Biologics Process Development and Production

Emerging biologics refer to newly developed types of biological drugs in recent years, including Antibody-Drug Conjugates (ADC), cell therapy drugs, nucleic acid drugs, gene therapy drugs, and exosomes. The mechanisms of action, manufacturing methods, and characteristic analyses of these drugs are vastly different from conventional biologics. However, emerging biologics that have been brought to market have shown significant efficacy in treating previously intractable diseases, making them a highly anticipated choice and a hot focus of current drug development companies. In response to this trend, Mycenax provides CDMO services specifically designed for the process design and production of ADCs, allogeneic cell therapy products, and exosomes.

• Antibody-Drug Conjugates (ADCs)

Antibody-Drug Conjugates (ADCs) are a class of biopharmaceuticals specifically targeting cancer cells. They use large molecule monoclonal antibodies with targeting properties to carry toxic small molecule chemotherapeutic agents, effectively treating various cancers. With the growing acceptance of targeted therapies and the increasing number of such drugs, by 2024 the U.S. Food and Drug Administration (FDA) has approved 14 ADCs for market release. This indicates that ADCs have become a new trend in global drug development, with the market size expected to continue rising. Mycenax has been involved in ADC process development for many years and has established an ADC laboratory in Zhubei. This lab has built a technical platform for antibody-drug conjugates, possessing both traditional conjugation and site-specific conjugation techniques for linking drugs to antibodies. Additionally, Mycenax has invested in KriSan Biotech to incorporate the capability to manufacture the small molecule drugs required for ADCs, thus providing customers with a comprehensive one-stop CDMO service for ADC drugs.

• Allogeneic Cell Therapy Products

Cell therapy drugs have emerged as highly promising new options for treating previously incurable diseases in recent years. These include both stem cell and immune cell products. Mycenax is actively developing processes for allogeneic cell products and has successfully established advanced automated and closed-process technologies, overcoming the production hurdles for allogeneic cell products. This enables customers to achieve the possibility of next-generation off-the-shelf cell therapy products. Concurrently, Mycenax has also developed gene-editing techniques that can produce large quantities of chimeric antigen receptor (CAR) cells, such as CAR-NK and CAR- $\gamma\delta$ T cells, which enhance the targeting and therapeutic efficacy of customers' cell therapy products, meeting the market demand for various allogeneic cell therapy drugs.

• Exosome Products

Exosomes are nano-vesicles secreted by cells that can transport proteins, nucleic acids, carbohydrates, and lipids, facilitating intercellular communication and possessing immunomodulatory

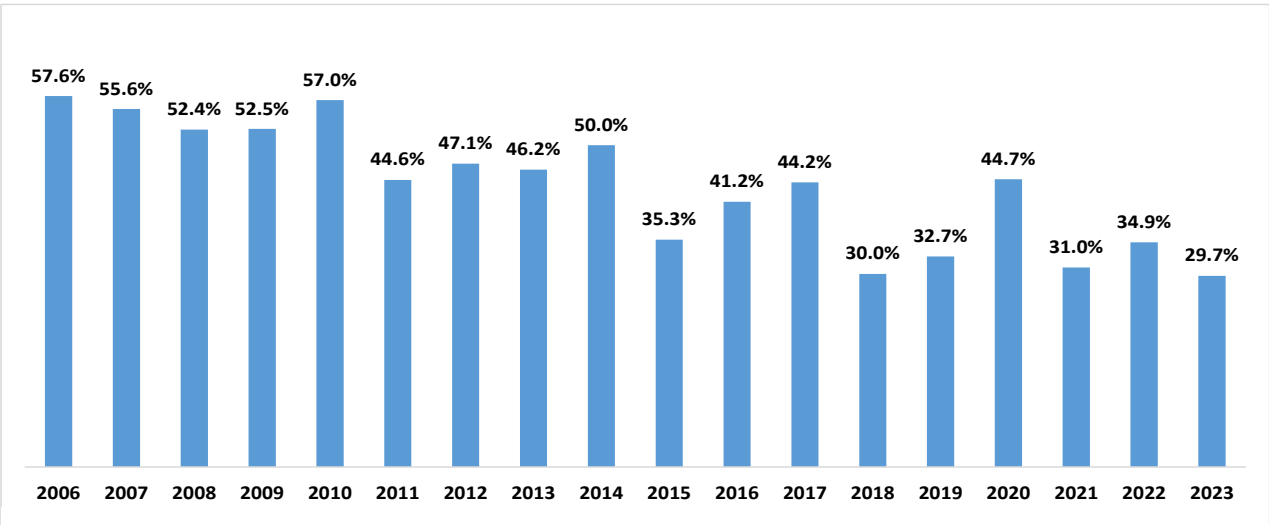
effects. They play a crucial role in various physiological processes in the human body. Exosomes have the potential to promote cell regeneration and repair, attracting significant attention for their potential therapeutic applications in tissue and organ repair and anti-inflammatory treatments. Mycenax utilizes mesenchymal stem cells to produce exosomes and invests in researching stem cell culture and exosome purification methods. Mycenax has overcome the bottlenecks in scaling up production and developed stable and standardized processes that provide high yields and high-purity exosomes, meeting customers' needs for developing exosomes into pharmaceutical or other commercial products.

4.1.2 Industry Overview

(1)Current Industry Status and Development

In early stages of biopharmaceutical development, the process was mainly dominated by global pharmaceutical development companies, utilizing their internal resources for drug development and manufacturing. However, as the biopharmaceutical market has expanded year by year, complexity of biopharmaceutical development and high costs of setting up production lines has led to process development and commercial production stages becoming increasingly reliant on CDMO companies. According to the 2023 BioPlan Associates report (20th Annual Report and Survey of Biopharmaceutical Capacity and Production), the proportion of biopharmaceuticals produced in-house by pharmaceutical companies using mammalian cell platforms has significantly decreased from 57.6% in 2006 to 29.7% in 2023 (as shown in the figure below). In other words, over the past decade, the proportion of biopharmaceutical development companies outsourcing drug manufacturing to CDMO companies has increased to 70%.

Proportion of Biopharmaceuticals Companies Manufacturing Biopharmaceuticals in-house for Mammalian Platforms (2006-2023)



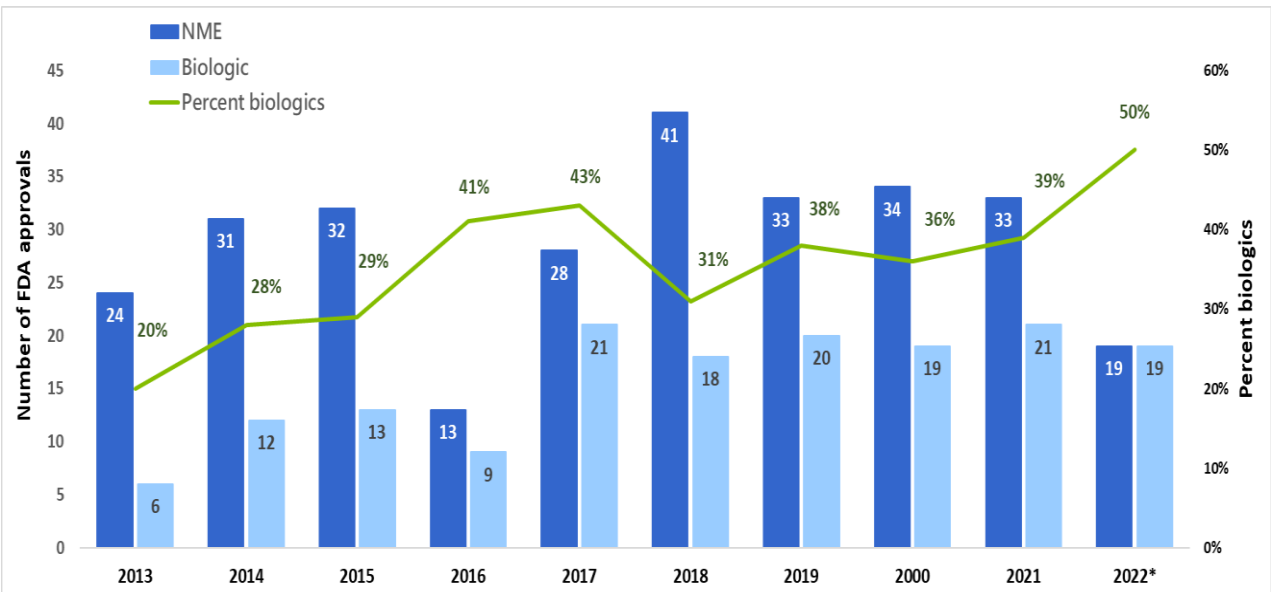
Source:BioPlan associates · 20th Annual Report and Survey of Biopharmaceutical Capacity and Production · 2023

In the rapidly evolving pharmaceutical industry, the design of both small molecule and large molecule drugs is continually advancing. The number of new drug development companies worldwide has surged from fewer than 3,000 in 2014 to over 6,000 by 2024. Many of these new biopharmaceutical startups are relatively small and lack the capital to invest in their own manufacturing facilities. Consequently, they must rely on CDMO companies to assist in developing drug processes and mass production, as well as providing regulatory knowledge and documentation services to pass the scrutiny of drug regulatory agencies and meet production needs from preclinical stages to market launch.

As a result, CDMO companies have become an indispensable part of the pharmaceutical industry—a trend reflected in the growing number of biologics-focused CDMOs worldwide. According to data from BioPlan Associates, the number of biologics CDMO companies has increased by approximately 20% since 2020, with nearly 400 such companies now operating globally (Friedman, E. 2023, Oct. 4. Outsourced Pharma).

The future market size of biologics CDMOs depends on biologic expansion trends in the drug market. Since 1998, the most new drugs approved annually by the U.S. Food and Drug Administration (FDA) have been small molecule chemical drugs, which also hold the majority of market share. However, large molecule biologics have shown better specificity in combating diseases and are more suitable for precision medicine and personalized treatment trends. Therefore, the development of biologics has become a significant trend over the past decade. In addition to conventional protein drugs, a more diverse range of biologics, such as bispecific antibodies, ADCs, cell and gene therapy drugs, and nucleic acid vaccines, have been competing for approval. The proportion of biologics among new drugs in the past decade has shown a clear upward trend (as illustrated in the figure below).

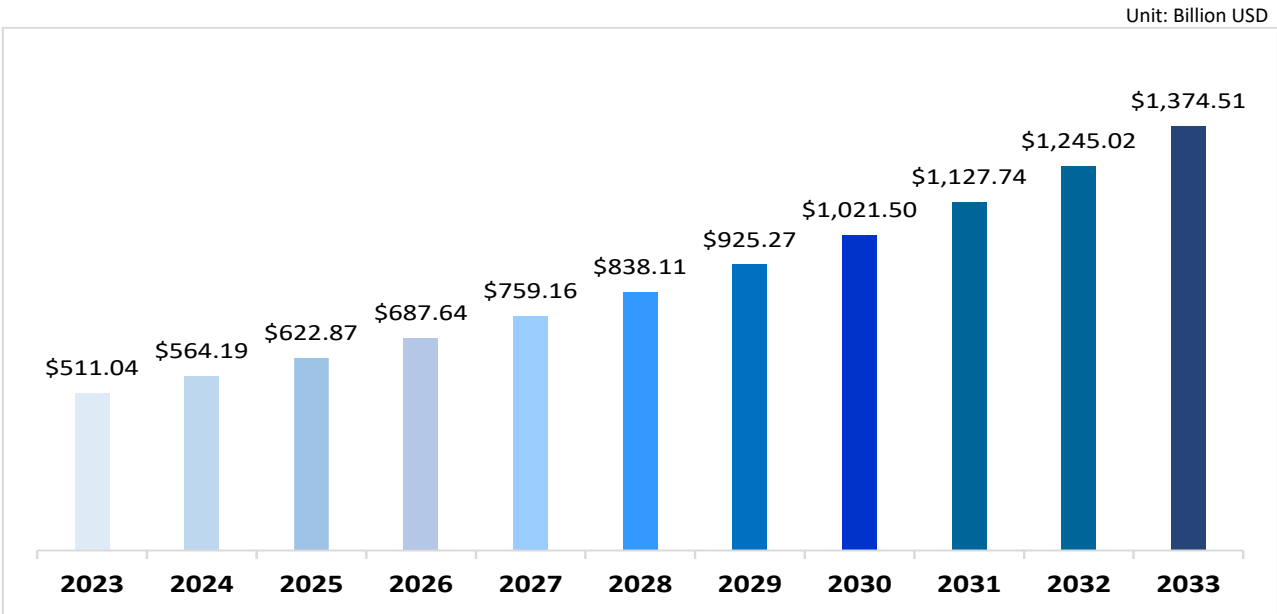
Statistics of New Drugs Approved Annually by the U.S. Food and Drug Administration (FDA)



Source : Senior, M. 2023, Feb. *nature biotechnology*, 41, 174

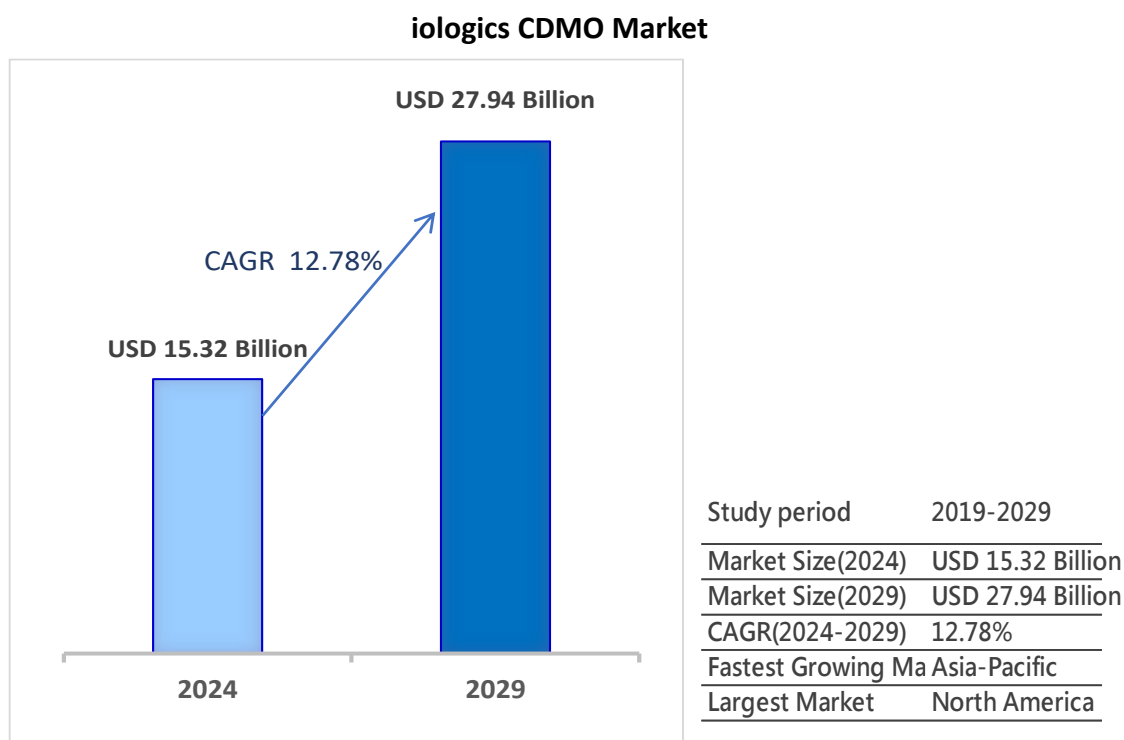
In the face of numerous currently untreatable diseases, the development of new forms of biologics is highly anticipated. The biopharmaceutical market size is projected to grow from approximately USD 511 billion in 2023 to about USD 1374.81 billion by 2033 (as illustrated in the figure below).

Biologics Market 2023 to 2033



Source : www.novaoneadvisor.com

Based on this data, the biologics CDMO market can be expected to continuously expand with the development of various biologics. According to Mordor Intelligence Source predictions, the global biologics CDMO market will grow from USD 15.3 billion in 2024 to USD 27.9 billion in 2029, at a rapid compound annual growth rate (CAGR) of 12.78%. The Asia Pacific region is anticipated to be the fastest-growing region, while the largest market will be expected to remain in North America.



Source : Mordor Intelligence

(2) Relationship between Upstream, Midstream, and Downstream in the Industry

The upstream segment of the pharmaceutical industry primarily consists of raw material and equipment suppliers, as well as new drug development companies. The midstream segment includes active pharmaceutical ingredient (API) manufacturers, who are responsible for the production, processing, and purification of APIs. The downstream segment encompasses sterile formulation manufacturers and pharmaceutical distributors. Formulation manufacturers mix APIs with excipients to create drug formulations, which are then aseptically filled and packaged into final drug products before being delivered to distribution channels.

Due to the complex nature of biologics, small and medium-sized biologics development companies in the upstream segment often seek the services of biologics CDMOs (Contract Development and Manufacturing Organizations) to reduce R&D costs and mitigate the risk of failure. By leveraging the CDMO's technical expertise in process development and manufacturing, these companies can focus their resources on innovative drug discovery, thereby accelerating the drug development process.

Professional CDMOs typically offer comprehensive one-stop services that cover all stages of a drug's lifecycle—from development and clinical trials to commercial-scale production. These services include early-stage activities such as cell line development, yield and quality optimization, process scale-up, preclinical API supply, analytical method development and validation, formulation development, and drug characterization. Mid-stage services include the preparation of CMC (Chemistry, Manufacturing, and Controls) documentation and manufacturing of clinical trial materials. In the later stages, services extend to commercial-scale formulation manufacturing, aseptic filling, and packaging. Some large CDMO companies even integrate raw material supply chain management and

logistics into their service offerings.

This illustrates that biologics CDMOs occupy a critical midstream position in the pharmaceutical industry value chain, bridging drug development and commercial sales. As a knowledge-, technology-, and capital-intensive sector, biologics CDMOs play a central role in translating scientific innovation into market-ready products.

Their upstream partners include not only new drug development companies but also suppliers of materials required for development and manufacturing activities—such as chemicals, cells, culture media, synthetic genes, analytical kits, and purification consumables—as well as equipment providers for testing instruments and manufacturing systems. Downstream, their main partners are pharmaceutical distributors and sales channels.

(3) Various Development Trends of Products/Services

Mycenax's development trends in conventional and emerging biologics CDMO services are as follows:

A. Conventional Biologics

Conventional biologics mainly consist of protein-based large molecule drugs. According to the Vision Research Report, the global CDMO market for large molecule drugs was valued at USD 11.6 billion in 2022 and is estimated to reach USD 32.3 billion by 2032.

Among large molecule drugs, monoclonal antibodies (mAbs) currently dominate the market. In 2023, they accounted for 68% of the biologics market, followed by recombinant proteins at 15%. Notably, 6 out of the world's top 10 best-selling drugs in 2023 were monoclonal antibody therapies.

Due to their stable characteristics, the manufacturing processes and analytical methods for mAbs can often be standardized. As a result, many CDMO companies have established technical platforms to attract customers with faster development timelines and more cost-effective production solutions. Mycenax has also built internationally competitive capabilities in monoclonal antibody process development and production. With its advanced platform, the company can support customers in completing the entire process—from cell line development to GMP manufacturing—within a matter of months, accelerating the progression of monoclonal antibody drug candidates to clinical trial applications.

CDMO services for recombinant proteins are considered more technically challenging and serve as a key indicator of a CDMO's development capabilities. Due to the complex and unstable nature of recombinant proteins, deep expertise and extensive experience are essential to help customers overcome various challenges during development, thereby reducing both time and cost.

According to Vision Research Reports, the global CDMO market for recombinant protein drugs was valued at USD 20.9 billion in 2023 and is projected to reach USD 77.4 billion by 2033. Before transforming into a CDMO, Mycenax developed its first biologic product—a recombinant protein drug,

Etanercept—which became the first protein-based drug developed and marketed by a Taiwanese company to be approved by the Taiwan Food and Drug Administration. This strong foundation in recombinant protein development gives Mycenax a significant competitive edge in the CDMO market.

In recent years, patents for many original protein-based drugs have expired, leading to rapid growth in the biosimilar market. By 2023, the global biosimilar market had reached a value of USD 21.2 billion, and according to IMARC Group, it is projected to surge to USD 164.5 billion by 2032. Currently, over 450 biosimilars have been approved for marketing worldwide, with more than 250 in clinical development and over 400 companies actively engaged in biosimilar development.

In this competitive landscape, speed to market is a critical factor for profitability. Only the first three biosimilar developers to launch a product typically have the opportunity to capture significant market share from the originator drug. Since biosimilar development heavily relies on advanced process development technologies, pharmaceutical companies seeking to enter this space often depend on trusted CDMO partners.

Mycenax previously demonstrated its technical leadership by developing the biosimilar drug LusiNEX at a globally leading pace, successfully selling it at a premium to a major European biosimilar company. This achievement highlights Mycenax's internationally recognized capabilities, proving its ability to support CDMO customers in efficiently developing high-yield, high-quality biosimilars with characteristics closely resembling those of the original products.

B. Emerging Biologics

• Antibody-Drug Conjugates (ADC)

The global market size for ADC drugs was USD 2.7 billion in 2019. With the continuous approval of new products and the expansion of new indications, the market size for ADC drugs is expected to reach USD 17.7 billion by 2027, with a compound annual growth rate of 25.9% from 2020 to 2027. It is evident that ADC's, which can precisely target and kill cancer cells, represents a highly anticipated new field in the drug market.

In 2022, Mycenax signed a Memorandum of Understanding (MOU) with the Industrial Technology Research Institute (ITRI) to establish a strategic partnership for the development of Antibody-Drug Conjugate (ADC) products. Additionally, Mycenax invested in GeneOnline Biotech, aiming to jointly advance ADC-related process development and manufacturing services. Through these efforts, Mycenax is positioning itself to become a comprehensive CDMO provider for ADC drugs.

• Allogeneic Cell Therapy

Currently, there are over 500 immunotherapy products targeting tumors globally, as well as nearly 250 cell therapy drugs for other disease areas, indicating that cell therapy is flourishing worldwide. Chimeric Antigen Receptor T-cell (CAR-T) therapy mainly uses autologous cells from the patient. However, due to limitations in time and process flexibility, the quality and efficacy can sometimes

fall short of expectations. Therefore, allogeneic cell therapy has emerged as a new trend in recent years.

To enhance therapeutic potential and safety, further purification of T cells into subsets such as $\gamma\delta$ -T cells, natural killer (NK) cells, NKT cells, or cytokine-induced killer (CIK) cells can significantly reduce risks of graft-versus-host disease (GVHD) and host-versus-graft attack (HVGA), achieving immediate treatment while lowering medical costs. The following table compares the advantages and disadvantages of autologous and allogeneic cell therapies:

Product Item	Time	Cost	Quality Control	Feasibility/Success Rate
Autologous Cell Therapy	2-12 weeks needed depending on the patient's own cell condition	Custom-made, higher cost	Affected by the patient's own cell condition, difficult to control	The patient's cell condition directly affects the quality of the prepared cells, impacting the success rate
Allogeneic Cell Therapy	Can be prepared in advance and obtained at any time	Mass produced, lower cost	Good quality control and testing to ensure treatment efficacy	"Off-the-shelf" cell therapy products can be stored in advance and shipped at any time to patients worldwide who need them

Mycenax established a dedicated cell therapy products process development laboratory in 2022 and is actively expanding its development services in this field. Mycenax has experience in scaling up allogeneic cell therapy processes and can expand allogeneic immune cells to a 200-liter GMP process for production. Currently, Mycenax is working on establishing a GMP production base for cell therapy in the Zhubei Biomedical Park, promoting advanced mass production manufacturing services to become a leader in providing allogeneic cell therapy drugs.

(4) Competitive Situation

Since 2005, Mycenax has progressively built a biologics development and manufacturing platform that complies with international quality standards. In 2006 and 2007, Mycenax obtained cGMP certification from Taiwan's TFDA for its biotech bulk drug substance facility and its aseptic drug product facility for sterile filling/lyophilization, respectively. In 2013, Mycenax further received PIC/S GMP certification from the TFDA. Additionally, the company has successfully passed inspections by multiple international regulatory authorities, demonstrating that its manufacturing capabilities and quality management systems have reached global standards.

Building on this foundation, Mycenax has steadily expanded its presence in Asian markets such as Japan, Taiwan, and South Korea. The company actively participates in international exhibitions to strengthen its global brand recognition and attract new customers. Moreover, through strategic collaborations with leading global companies, Mycenax continues to enhance its technical and commercial capabilities, with the goal of becoming a leading CDMO for biologics in Asia.

4.1.3 Overview of Technology and R&D

(1) R&D Expenses for the Most Recent Year and Up to Date Annual Report Publication

In 2024, Mycenax's research and development expenses amounted to approximately NTD78 million, representing an increase compared to 2023. This rise was primarily driven by expanded internal

development efforts in key areas such as allogeneic cell therapies, antibody-drug conjugates (ADCs), and bispecific/multispecific antibodies.

(2) Successfully Developed Technologies or Products

A. Cell Process Development and Protein Drug Mass Production Technology

In 2024, Mycenax officially launched its proprietary DNA transposon vector technology under the name NaxLEAP Vector System, introducing a next-generation solution to global customers. This advanced gene integration platform stands shoulder-to-shoulder with those of leading international CDMO companies. NaxLEAP is specifically designed to enhance the expression levels and long-term production stability of increasingly complex proteins, and can rapidly generate sufficient quantities of drug substance in the early development stages for various preclinical studies. With this platform, the timeline from DNA to GMP-grade protein drug production can be shortened to as little as 10 months.

In parallel, Mycenax continues to refine its two major cell line platforms: CHOZN GS-/- and CHO-S. Since 2021, CHOZN GS-/- has been widely applied in multiple CDMO projects. When paired with Beacon®, an automated single-cell selection system, Mycenax has successfully developed high-yielding and highly stable antibody-producing cell lines—earning strong praise from customers for their performance in downstream process development.

At the GMP manufacturing level, Mycenax employs optimized process design and strict quality control to successfully scale up production, supporting customers with protein drug manufacturing at 50L, 200L, 500L, and 2,000L scales. This comprehensive capability allows Mycenax to meet CDMO customers' needs for both rapid development and scalable production of protein therapeutics.

B. Bispecific/Multispecific Antibody Development Technology Platform

In recent years, the FDA has continuously approved several bispecific antibody drugs, demonstrating their effective application in cancer treatment. Mycenax's bispecific/multispecific antibody screening platform and corresponding process technology enable comprehensive early evaluation and selection of stable, effective, and developmentally promising bispecific/multispecific antibody designs. This helps customers reduce clinical failure risks and late-stage production costs in the development of new antibodies, thereby increasing drug viability.

C. Continuous Processing Technology Platform

Mycenax has partnered with the American company Cytiva to develop a continuous processing technology platform, integrating cell production and protein purification into an automated, linked process. This technology has become a mainstream trend in global pharmaceutical technology development. For CDMO companies, continuous manufacturing technology offers the advantages of automation and increased process flexibility, eliminating the need for labor and reducing human errors. Particularly in the face of diverse production items and cell therapy products, continuous manufacturing processes are more adaptable, helping to reduce potential risks and ensure product quality.

Mycenax has established a laboratory for a fully continuous platform at its Zhubei R&D center, achieving continuous production through software automation control. Mycenax has successfully integrated column purification and virus inactivation steps into the continuous processing of antibody production and has shared related results in online seminars.

D. Plasmid DNA Production Platform

In 2023, the market size for viral vectors and plasmid DNA manufacturing reached approximately USD 5.6 billion, and is projected to grow at a compound annual growth rate of 19.6% from 2024 to 2032. This market growth is primarily driven by ongoing advancements in the field of gene therapy, making high-quality viral vectors and plasmid DNA essential for developing new gene therapies. Mycenax established a plasmid DNA production platform in 2021 and successfully applied it to express viral plasmids with highly repetitive sequences in the first half of 2022. Mycenax's plasmid production process meets international standards in terms of yield and quality.

E. Antibody-Drug Conjugate (ADC) Technology Platform

In 2022, Mycenax established a dedicated ADC laboratory at its Zhubei R&D base, creating a drug chemistry synthesis and antibody conjugation experimental platform. This platform successfully controls the drug-to-antibody ratio (DAR), establishes analytical methods, and achieves large-scale production with product quality comparable to commercial drugs. In 2023, Mycenax developed site-specific conjugation technology, successfully scaled up the process, and validated its stability to meet various market demands. Moving forward, Mycenax plans to increase the safety and effectiveness of conjugation sites and develop new linker technologies, helping customers identify suitable, effective, and stable antibody-drug conjugates.

F. Liquid and Lyophilized Formulation Platforms

Mycenax continuously improves its biopharmaceutical formulation development platforms to provide comprehensive services, including optimizing existing protein liquid formulations and establishing new lyophilized formulation platforms. The global demand for lyophilized injectables is expected to grow from USD 6.93 billion in 2022 to nearly USD 13.73 billion by 2030, with a compound annual growth rate of 8.9%. Mycenax's lyophilization technology platform assists customers in rapidly developing stable protein lyophilized formulations by combining excipient screening with low-temperature ice sublimation techniques. This ensures drug stability during transport and meets long-term storage quality requirements.

G. Characterization Analysis Platform

With the rapid development of biopharmaceuticals, the importance of quality analysis has become increasingly prominent. Mycenax continues to optimize its biopharmaceutical analysis platform, establishing a characterization analysis platform on top of basic purity and activity release standards. This includes mass spectrometry-related analyses, circular dichroism spectroscopy, dynamic light scattering instruments, and surface plasmon resonance technology for affinity analysis of protein products. During early clinical stages, Mycenax provides comprehensive analytical services to help

shorten development timelines and increase success rates. During clinical stages, Mycenax's robust analytical capabilities assist customers in passing regulatory reviews.

H. Drugability Platform

The development cost for protein drugs is high, and the probability of successfully passing clinical trials and reaching the market is less than 10%. Therefore, drugability analysis is crucial in the early stages of drug development, providing a comprehensive understanding of the drug's characteristics. This includes a thorough evaluation of candidate drugs, such as biological function, purity, aggregation, thermal stability, charge heterogeneity, glycosylation, acid stability, and experimental designs for accelerated storage conditions. Conducting these tests early in drug development can effectively assess the developability of the drug, eliminating unsuitable candidates early on to reduce the risk of later-stage failures and potential issues during clinical application. Mycenax has established an early screening platform for drug targets, combining existing drug development technologies and professional analysis, significantly reducing the risks associated with subsequent drug development and manufacturing for customers.

I. Cell and Gene Therapy Product Technology Platform

Advances in cell and gene therapy offer new treatment methods for many intractable diseases. These therapies can be used to treat cancer, genetic disorders, autoimmune diseases, and have shown significant success in some cases. Mycenax continuously optimizes its services and core technology platform in the field of allogeneic cell therapy products to align with future development trends and overcome technical barriers, including:

- **Diverse Cell Sources:** Mycenax collaborates with internationally renowned companies to provide stable quality cell sources, including peripheral blood, cord blood, and stem cells, overcoming the impact of cell stability and donor variability on the process.
- **Gene Editing Technology:** At the cell therapy R&D center compliant with BSL2 operation standards, Mycenax provides small-scale viral vector production services to meet customers' needs for specific target CAR gene-edited products. For viral vector production systems, Mycenax ensures the quality of viral vectors during the development and GMP production stages through collaboration with international major companies. Additionally, a non-viral transposon vector system has been established.
- **Automated Process Technology:** Mycenax has established automated closed amplification processes to replace labor-intensive operations in traditional processes, ensuring sterility and reducing production costs.
- **Mass Production Technology Innovation:** In 2023, Mycenax has successively built 3D stem cell mass production platforms, exosome mass production platforms, and immune cell mass production platforms, along with corresponding analytical technologies, including cell markers, cytotoxicity, and cell differentiation, to provide more comprehensive services.
- **Exosome Production Platform:**

Exosomes are nanoscale vesicles with promising potential in the diagnosis and treatment of

various diseases. Mycenax leverages its advanced 3D stem cell expansion platform to enable large-scale production of exosomes. For downstream processing, we employ tangential flow filtration (TFF) and chromatography techniques to produce pharmaceutical-grade, high-purity exosomes. Our proprietary *ExoMX™* platform significantly enhances both production efficiency and product quality—on par with leading global companies—and stands as a top-tier exosome production solution in Taiwan.

(3) Technologies Under Development

A. Expansion of Allogeneic Cell Therapy Product Process Technology

To meet potential design trends of chimeric antigen receptor (CAR) immune cell drugs in the future, Mycenax is developing non-viral genetic engineering technologies that better align with anticipated customer needs. This not only increases the design capacity of CAR genes but also eliminates the risk associated with using viral vectors in the manufacturing process, significantly reducing development and production costs for customers as well. Additionally, Mycenax is continuously develops large-scale expansion process technologies for various immune cells to meet all customers' needs for cell therapy products.

B. Expansion of Process Technology for Various Conjugation Strategies of ADC Drugs

For the specific site-specific conjugation of antibodies and small molecule drugs in ADCs, and the linker molecules between them, Mycenax is developing more strategies to improve efficiency and the success rate of scaling up. This ensures that better combinations can perform well in both the process and practical application, producing more effective and reliable ADC drugs for customers.

C. Process Intensification Technology and Platform

Mycenax and global industry leader Merck are engaged in a five-year, long-term collaboration to develop process technologies. Initial results have been achieved in high-density processing and continuous manufacturing processes. The high-density process technology developed has successfully increased the yield of complex, difficult-to-express bispecific antibodies by more than five times. Meanwhile, the small-scale upstream continuous manufacturing platform is undergoing testing and optimization, with validation expected to be completed within one year. This will enable Mycenax to offer customers a comprehensive solution for the production of complex proteins and fusion proteins.

4.1.4 Short, Medium, and Long-term Business Development Plans

Mycenax aims to balance efficiency and innovative development capabilities by leveraging its innovative development capabilities (D) and appropriate production scale (M) to meet customers' GMP production needs from preclinical development to market launch. The short, medium, and long-term business development plans are outlined as follows:

(1) Short-term Business Development Plans

- Adopt a "large D, medium M" business model, focusing on efficiency and quality to provide better services and products to customers.

- Ensure compliance with global regulatory standards through various international inspections, positioning Mycenax as a company capable of producing commercialized drugs.
- Actively expand into the Japanese, Korean, and European/American markets to increase production capacity utilization.
- Expand technical capabilities in new fields through various strategic collaborations.
- Continuously acquire new projects and customers, transitioning from loss to profitability as soon as possible to solidify the operational foundation.

(2) Medium and Long-term Business Development Plans

- Enhance self-research and development capabilities to increase irreplaceability. By continuous innovation plus research and development, Mycenax aims to provide unique products and services, consolidate its market position, and expand its business scope.
- Deepen market penetration in Asia, expand into European and American markets, establish regional business teams, and collaborate directly with local customers to increase brand awareness and market share, achieving global business expansion and growth goals.
- Collaborate with world-class pharmaceutical companies to join their main drug production supply chains, bringing more business opportunities and partnerships to Mycenax while enhancing its position and reputation in the biopharmaceutical market.

4.2 Market and Sales Status

4.2.1 Market Analysis

(1) Market Share, Future Supply and Demand, and Growth Prospects

The global biologics CDMO market is estimated to reach USD 15.3 billion in 2024. Mycenax has accumulated over a decade of experience in biopharmaceutical process development and GMP manufacturing in Taiwan, serving customers not only from Taiwan but also from Japan, Korea, Singapore, and other Asia-Pacific countries. Mycenax enjoys high recognition and a strong customer base. With the continuous growth of biopharmaceuticals, the demand for professional CDMO services from new drug development companies will also increase. It is estimated that the global CDMO market will have an annual compound growth rate of over 12% in the next five years, with the fastest-growing CDMO market coming from the Asia-Pacific region. Mycenax plans to leverage this trend to actively market, expand business across countries, increase market share, and generate higher revenue.

(2)Competitive Advantages

A. Biologics Development and Manufacturing Platform Meeting International Standards

In 2006 and 2007, Mycenax received cGMP certification from TFDA for its biotech bulk drug substance plant and sterile filling/lyophilization plant, respectively. In 2013, Mycenax obtained the PIC/S GMP certification from TFDA. Mycenax possesses the capabilities required for biologics production, offering one-stop development and production services from upstream to downstream. This includes a professional team for cell culture, protein purification, protein analysis, and regulatory support, providing a top-tier technology platform for cell line generation, large-scale cultivation, cell fluid recovery, purification, drug quality analysis, and final product sterile filling. Mycenax can undertake the development of most biologics for customers. Mycenax continuously improves service quality in areas such as Development capabilities, production capacity, cost optimization, new technology applications, and customer relationships, thereby strengthening its core competitiveness.

B. Product Development Experience and Strong Execution Capabilities

Through the development of its own products and the execution of industry-commissioned projects, Mycenax has accumulated extensive development and management experience. Mycenax can integrate scientific, regulatory, and economic considerations to conduct careful evaluations, quickly formulate development strategies and execution plans, including timelines, batch sizes, and budgets, to help customers meet production needs under the most effective and high-quality control. This ensures that products comply with regulations and are produced at an economically viable scale for market launch.

C. Diverse and Leading Technical Capabilities

In October 2022, Mycenax was awarded the "Best Contract Development & Manufacturing Organization Award" by the internationally renowned consulting firm IMAPAC, recognizing the excellent process development technology and outstanding CDMO services. This award demonstrates the international recognition and affirmation of the CDMO services Mycenax has provided in protein drug process development and production. Building on its solid technological foundation, Mycenax is actively investing in the development of technologies for bispecific/multispecific antibodies, antibody-drug conjugates (ADC), cell and gene therapy products, plasmid DNA production, and continuous processing. These new technology platforms have been gradually established and are already being used to provide early drug development services to global customers. Mycenax is able to keep pace with new drug development trends in these new drug fields and provide timely technical support for the process development of various new types of drugs, helping customers shorten development timelines and reduce development costs.

D. Focus on the CDMO Business Model

Since 2019, Mycenax has transformed from a biotechnology company that developed its own drugs and provided CDMO services simultaneously, into Taiwan's first company focused exclusively on the design and mass production of biologics processes as a CDMO. By no longer developing its own drugs and solely accepting customers commissions, Mycenax can avoid conflicts of interest between client process technologies and our own, eliminating the potential risk of converting client-confidential

technologies for our use. This assures customers that they can transfer their processes to Mycenax without concerns for subsequent services. Moreover, developing proprietary drugs requires significant time, human resources, and capital, with long and risky payback periods, making it difficult to spare resources for the talent and technology-intensive CDMO business. By focusing on being a CDMO and not developing proprietary drugs, Mycenax can reduce business risks and allocate all resources to talent training, technology development, equipment optimization, and production line upgrades. Compared to companies that do not focus on CDMO, Mycenax can build professional strength, organize excellent teams, and enhance hardware facilities specifications, providing customers with the highest quality CDMO services. This focus on CDMO is the key advantage that currently enables Mycenax to earn customers' trust and maintain a competitive edge over other industry peers.

(3)Favorable and Unfavorable Factors for Development and Countermeasures

A. Favorable Factors

- Trend of Industry Division of Labor

The global biologics CDMO service market grows in tandem with the overall biopharmaceutical market. The globalization of the biopharmaceutical industry's division of labor and the trend towards Development/production outsourcing have become industry trends. Due to increasingly stringent pharmaceutical regulations worldwide, the increase in new biopharmaceutical products, complex process designs, and high control difficulties, the costs and challenges of pharmaceutical R&D have increased. Additionally, cost competition following the expiration of patented drugs has driven the biopharmaceutical industry towards a more refined and global division of labor. Large pharmaceutical companies and small to medium biotechnology companies are increasingly reliant on outsourcing service providers, with higher market penetration rates for Development and production outsourcing. Since the 1980s, the biotechnology industry has been a key technological field promoted by Taiwan government, fostering domestic biotech R&D talent through national research projects, biotech research institutions, and biotech-related university departments. In 2022, long-term promotion by the government led to the implementation of the "Biotechnology and Pharmaceutical Industry Development Act," along with tax incentives, creating a favorable environment for the development of the biotech and pharmaceutical industries and establishing an industry ecosystem beneficial for CDMO companies.

- Aging Population and Improved Living Standards

In recent years, with advancements in medical standards, improved quality of life, and a growing trend in exercise, the average lifespan of Taiwanese people has been increasing, indicating an aging population. As society ages, dependence on pharmaceuticals will increase. Along with rising national income and improved living standards, people are expected to pay more attention to health insurance and medical quality, leading to an increased demand for pharmaceuticals. This expansion of the pharmaceutical market is beneficial for the development of the biotech and pharmaceutical

industry, and the industry's future prospects remain promising.

- **A Comprehensive Biopharmaceutical Development Platform Meeting International Standards**

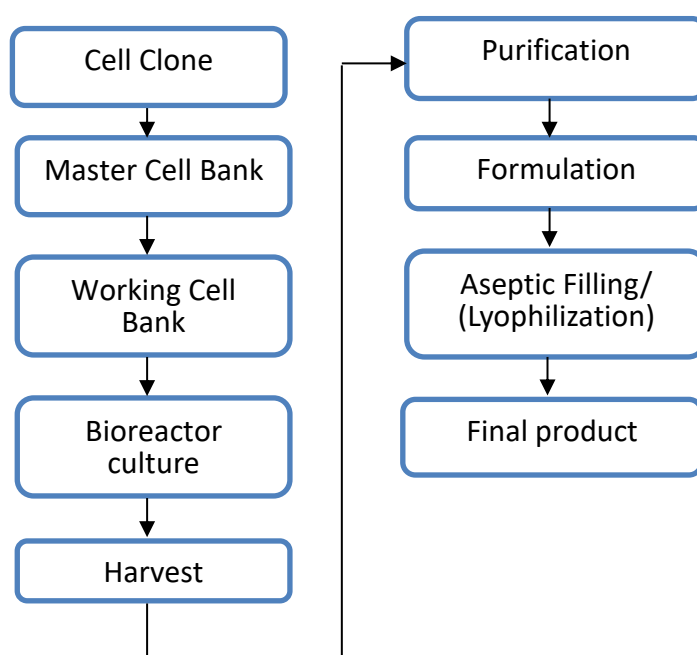
Mycenax possesses the most critical CMC and cGMP manufacturing technologies core to biopharmaceutical development and continues to build platforms for emerging biologics. Utilizing an innovative development capability (D) with an appropriate production scale (M) under the large D, medium M business model, Mycenax offers a comprehensive biologics development technology platform with experience in successful biologics development and market launches. This includes establishing cell banks, CMC analytical methods, upstream cell culture, downstream product recovery and purification, and final product filling and lyophilization. These capabilities and resources provide the necessary drug development and manufacturing services for biotech/pharmaceutical companies.

B. Unfavorable Factors and Countermeasures

- **Competition with International Biologics CDMO Companies**

Countermeasure: Mycenax positions its CDMO brand with a "large D, medium M" approach, emphasizing innovative development capabilities (D) and an appropriate production scale (M). By leveraging core technologies accumulated over the years and meeting flexible, customized drug needs of customers, Mycenax targets niche markets for complex protein drugs and emerging biologics to attract business and differentiate itself from large international CDMO companies. Based in Taiwan and collaborating with major global material suppliers, Mycenax provides customers with sufficient software and hardware resources, delivering high-quality, reliable first-class CDMO services. Mycenax aims to establish a strong presence in the Asia-Pacific region while maintaining a global outlook.

4.2.2 Production Processes of Main Products



(1) Supply Status of Major Raw Materials

Mycenax is a contract development and manufacturing organization (CDMO) specializing in the development and GMP manufacturing of biopharmaceuticals. The main raw materials include cell clone, medium, and buffer. All suppliers must comply with international pharmaceutical regulations. Mycenax maintains good relationships with major suppliers, ensuring a stable supply of materials.

(2) List of Major Suppliers and Customers

A. Suppliers Accounting for at Least 10% of Annual Consolidated Net Procurement

Unit: NTD thousand ; %

Item	2023				2024			
	Name	Amount	As % of 2023 Total Net Procurement	Relation to Mycenax	Name	Amount	As % of 2024 Total Net Procurement	Relationship with the Issuer
1	Cytiva	64,553	27.57	None	Cytiva	51,768	22.92	None
2	Merck	34,514	14.74	None	Merck	41,704	18.46	None
3	Thermo Fisher	32,289	13.79	None	Thermo Fisher	35,444	15.69	None
	Others	102,805	43.90	-	Others	96,949	42.93	-
	Net Purchases	234,161	100.00	-	Net Purchases	225,865	100.00	-

Explanation of Changes:

Mycenax's current purchases mainly consist of raw materials and research consumables required for providing Contract Development and Manufacturing Organization (CDMO) services for biopharmaceuticals. The procurement of raw materials is determined based on the requirements of research and development as well as commissioned manufacturing service projects. There have been no significant differences in purchasing activities over the past two fiscal years.

B. Customers Accounting for at Least 10% of Annual Consolidated Net Revenue

Unit: NTD thousand ; %

Item	2023				2024			
	Name	Amount	As % of 2023 Total Net Revenue	Relations to Mycenax	Name	Amount	As % of 2024 Total Net Revenue	Relations to Mycenax
1	Company Y	190,194	29.14	None	JCR	132,252	19.34	Yes
2	JCR	129,234	19.80	Yes	Company Y	96,340	14.09	None
3	-	-	-	-	Company D	89,098	13.03	None
4	-	-	-	-	Company AW	80,869	11.82	None
5	-	-	-	-	Company G	70,461	10.30	None
	Others	333,192	51.06	-	Others	214,904	31.42	-
	Net Sales	652,620	100.00	-	Net Sales	683,924	100.00	-

Explanation of Changes:

Before fiscal year 2024, the two major customers remained JCR and Company Y, with three other customers each contributing over 10% of total revenue.

Mycenax primarily provides Contract Development and Manufacturing Organization (CDMO) services for biopharmaceuticals. Operating revenue is recognized upon the fulfillment of performance obligations. Due to the varying progress of commissioned projects by each client every year, the revenue contributions from individual customers differ annually.

4.3 Information on Employee

Year		Units: people, years (of age), years (of service), %		
		2023	2024	As of 2025/5/2
Number of Employees	Managers	5	4	4
	Staffs	289	295	301
	Total Employees	304	299	305
Average Age		32.95	32.95	36.33
Average Years of Service		2.50	2.50	4.24
Educational Distribution Ratio (%)	Ph.D.	4.61	4.35	4.59
	Master	56.24	55.19	52.13
	College	38.82	39.46	42.30
	Senior High School	0.33	1.00	0.98

4.4 Information on Environmental Expenditure

In the most recent fiscal year and up to the date of publication of this annual report, the Company incurred a loss related to environmental pollution. On December 20, 2024, the Company received Penalty Letter No. 113007587 from the Miaoli County Government. The Company was found in violation of Paragraphs 1 and 2, Article 24 of the Air Pollution Control Act and was fined accordingly, with an additional requirement to attend an environmental training course. The Company has paid the fine and will complete the corrective actions outlined in the penalty letter as soon as possible.

4.5 Labor-Management Relations

4.5.1 List the company's various employee welfare measures, continuing education, training, and retirement systems, and their implementation status, as well as labor-management agreements and measures to protect various employee rights:

(1)Employee Welfare

- In order to care for its employees, Mycenax provides a positive and supportive work environment and has established an Employee Welfare Committee. Various benefits and welfare activities are offered, including birthday bonuses, wedding and childbirth gifts, holiday bonuses, funeral allowances, domestic and overseas travel subsidies, hospitalization consolation payments, company gatherings, year-end banquets with prize drawings, and regular free health check-ups.
- The Company provides fully paid sick leave and a special birthday leave, both of which exceed the requirements of the Labor Standards Act.
- In addition to statutory leave, labor insurance, and national health insurance, the Company also offers group insurance coverage for all employees.
- In April 2018, the Company established an Employee Stock Ownership Trust (ESOT), which is open to all employees. A fixed amount is deducted from each employee's monthly salary and matched equally by the Company. These contributions are deposited into a dedicated trust account to enhance employee benefits and enable employees to share in the Company's operational success.

(2)Employee Continuing Education and Training

New employee training, including professional Courses and general Training

(3) Retirement System and Implementation

Employees of Mycenax who meet any of the following conditions may apply for voluntary retirement:

- Having worked for 15 years and reached the age of 55.
- Having worked for 25 years or more.
- Having worked for 10 years and reached the age of 60.

In accordance with the "Labor Pension Act," since July 1, 2005, the company has been contributing 6% of employees' monthly salaries to individual pension accounts at the Bureau of Labor Insurance. For employees who choose the old pension system under the "Labor Standards Act," their pensions are calculated based on years of service and the average salary of the six months prior to the approved retirement date. The company contributes 2% of the total monthly salary to the employee retirement fund, which is deposited in a special account at the Bank of Taiwan under the name of the Labor Retirement Reserve Supervisory Committee.

Bank of Taiwan under the name of the Labor Retirement Reserve Supervisory Committee.

(4) Diversity of Employee

The company's employee gender ratio is 42:58, with an average age of about 36 years. Many employees are at the age of marriage and childbearing. Annually, about 1-2% of male or female employees take parental leave. Each office at all factory locations has a dedicated nursing room for female employees during the breastfeeding period, creating a friendly environment and ensuring employees feel cared for while working.

(5) Community Risk and Opportunity

- Mycenax operates across Taipei, Hsinchu, and Miaoli. To foster innovation, nurture future talent, and support local education, the company collaborates with academic institutions by offering internship programs, corporate visits, and campus lectures. These initiatives provide students with practical experience, help them understand business operations, and demonstrate how academic knowledge can be applied in real-world settings—enhancing their future employability. Through this shared effort in promoting social development and resource sharing, Mycenax engaged a total of 170 students in industry-academia collaboration programs in 2024.
- Mycenax actively participates in business events and speaking engagements, which not only attract potential customers and partners but also demonstrate the company's commitment to social responsibility and enhance public recognition. In 2024, the company delivered lectures on topics such as the development of the biotechnology industry and sustainable development strategies in the digital era.
- To create job opportunities at each operational site, promote socio-economic development, and reduce carbon emissions caused by employee relocation, Mycenax strives to minimize its carbon footprint and advance sustainability. As of December 2024, 65% of the company's workforce was hired from its operating locations in Taipei, Hsinchu, and Miaoli.

(6)Employee Communication

Mycenax places great importance on labor management relations, striving to create a mutually beneficial and prosperous environment and establishing smooth communication channels. Employees can communicate their issues, suggestions, or rights to the company's management through any form. Labor-management relations are stable and harmonious, with no major labor disputes.

(7)Protection of Employee Rights

Mycenax The company has established work rules in accordance with the law to regulate various labor conditions and protect employee rights. Quarterly labor-management meetings are held to discuss labor-related matters. A Review Committee is also in place to ensure fair and impartial handling of issues related to employee promotions, rewards, and disciplinary actions. Relevant regulations, including the Act of Gender Equality in Employment, are fully implemented across all company management policies. In 2025, a new corporate governance indicator 4.31 — the Employee Satisfaction Survey — was introduced to further strengthen employee engagement and workplace transparency.

4.5.2 Disclosure of the losses due to labor disputes for the most recent fiscal year and up to the date of this annual report and reveal the estimated amounts of current and future potential occurrences and the corresponding measures.

Mycenax and our subsidiary have maintained harmonious labor relations since their establishment, and thus have not suffered any significant losses due to labor disputes.

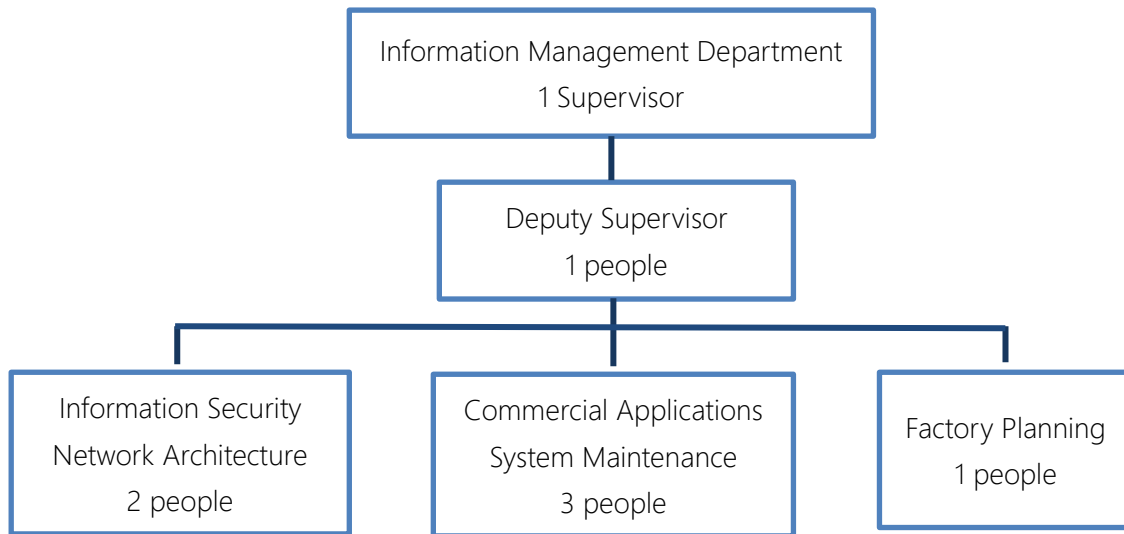
4.6 Information Security Management

4.6.1 Information Security Risk Management Framework, Information Security Policy, Specific Management Plans, and Resources Invested in Information Security Management.

(1)Corporate Information Security Governance Organization

Mycenax has an Information Management Department, which is responsible for coordinating the formulation and implementation of information security and protection policies, risk management, and compliance audits. The head of the Information Management Department reports annually to the Board of Directors on the effectiveness of information security management, as well as relevant issues and future directions.

(2)Information Security Risk Management Framework



4.6.2 Information Security Policy

(1)Corporate Information Security Management Strategy and Framework

To effectively implement information security management covering all plant locations, the company holds regular quarterly meetings. Based on the Plan-Do-Check-Action (PDCA) management cycle, we review the applicability of information security policies and protection measures and report the execution results to the board of directors annually.

- Planning Phase: Focuses on information security risk management, establishing a comprehensive Information Security Management System (ISMS). This system reduces corporate information security threats from system, technical, and procedural aspects, providing top-notch confidential information protection services tailored to the company's needs.
- Execution Phase: Constructs multi-layered information security defenses, continuously introduces innovative information security defense technologies, and integrates security control mechanisms into daily operations, including the maintenance of software and hardware. Systematic monitoring of information security is conducted to maintain the confidentiality, integrity, and availability of the company's critical assets.
- Checking Phase: Actively monitors the effectiveness of information security management and performs security indicator measurement and quantitative analysis based on audit results.
- Action Phase: Focuses on review and continuous improvement, implementing supervision and auditing to ensure the ongoing effectiveness of security regulations. When employees violate relevant regulations and procedures, personnel actions (including annual performance evaluations or necessary legal actions) are taken based on the severity of the violation. Additionally, regular reviews and implementations of improvement measures, including information security measures, education, training, and awareness, are conducted based on performance indicators and maturity

evaluation results to ensure the protection of the company's confidential information.

(2)The company reported the execution status of information and communication security management for the year 2024 at the Board of Directors meeting on November 12, 2024.

4.6.3 Specific Management Plans

Item	Specific Management Plans
Network Security	<ul style="list-style-type: none"> • Network Security: Implement advanced technologies to perform computer scans and system and software updates. • Enhance network firewalls and network control to prevent the spread of computer viruses across devices and locations.
Device Security	<ul style="list-style-type: none"> • Establish control mechanisms for computer equipment entering the company to prevent unauthorized or malware-containing devices from entering. • Implement endpoint antivirus measures based on the type of computer to strengthen malicious software behavior detection.
Application Security	<ul style="list-style-type: none"> • Develop an application security self-checklist, evaluation standards, and improvement goals for the development process. • Continuously strengthen application control security mechanisms and integrate them into the development process and platform.
Data Security	<ul style="list-style-type: none"> • Control folder access permissions through document confidentiality classification. • Regularly back up all important data and comply with the 3-2-1 backup rule. • Regularly communicate the company's latest information security regulations and precautions.

4.6.4 Resources Invested in Information Security Management

Resources invested in information security management and execution results for the year 2024.

A. Strengthening the Information Security Framework

- Built a visualized network equipment management platform to monitor the status of network devices in real-time.
- Deployed endpoint protection (XDR) and M365 cloud security, successfully detecting and blocking 51 malicious attacks.
- Expanded local and offsite backup storage to accommodate the increased data and equipment from the newly added GMP facilities, and regularly conduct backup and restore drills.

B. Employee Education and Training

- Produced information security training videos, which are mandatory for new employees. A total of 49 employees completed the training.
- IT staff responsible for cybersecurity attended three external training sessions in batches, with a total of 7 participant sessions.
- Selected cybersecurity incident case studies each quarter to raise awareness of the importance

of information security across the company.

4.6.5 For the most recent fiscal year and up to the date of this annual report's, disclose any losses, potential impacts, and corresponding measures due to major information security incidents. If reasonable estimation is not possible, explain the facts that make reasonable estimation impossible: None.

4.7 Intellectual Property Management Plan

(1) Based on the "Taiwan Intellectual Property Management System (TIPS) Manual," the company established an intellectual property management plan, which was approved by the board of directors on September 15, 2021. This plan aims to manage intellectual property according to the company's current operational direction and continuously improve the intellectual property and confidentiality management system.

(2) Current Management of Intellectual Property

Item	Management Content	2024 Implementation Report
Business Secret Protection	<p>Authorized department-level supervisors determine confidentiality levels based on factors such as importance, economic value, and risk of leakage.</p> <ul style="list-style-type: none"> • Personnel Control: Define personnel with access to the organization's confidential information and set different levels of access permissions. • Equipment Control: Control the personnel, purposes, methods, and circulation of information for equipment holding organizational secrets and important documents. • Confidential Document Control: Establish related processes for documents affecting intellectual property, such as setting permissions, access, data system backup, and restoration protocols. • Environmental Facilities Control: Control facilities for accessing confidential documents, define controlled areas, and plan control measures, including but not limited to, access zone control, entry and exit registration, and factory inspections. • Education and Training: Provide education and training on trade secrets and confidentiality management to all employees to enhance their awareness of confidentiality. • Employment Contracts: Employment contracts include confidentiality and non-compete clauses. Employees are obligated to maintain confidentiality during and after employment and must not disclose any company secrets or violate confidentiality obligations, non-compete clauses, or trade secrets of previous employers. 	<p>Customer-provided information and the company's proprietary business secrets are classified as "confidential." The storage methods are as follows:</p> <ul style="list-style-type: none"> • Electronic Documents: Stored in folders with access controls (OneDrive or company system folders) or only on the local machines of authorized personnel, and must not be viewed by unauthorized individuals. Access is strictly limited to personnel with a "need to know" basis. • Paper Documents: Labeled with terms such as "confidential," stored in locked filing cabinets or restricted access areas, with records of access and retrieval maintained.

Item	Management Content	2024 Implementation Report
Trademark Management	<ul style="list-style-type: none"> • System Management: Mycenax has established an intellectual property management database to manage the status of trademarks. • Regular Inventory: Conducts an annual inventory of the number and status of company trademark cases and reports for review to determine whether to continue maintenance or provide usage evidence. • Strategic Planning and Control: Provides layout suggestions based on Mycenax's current development direction. • Similar Trademark Monitoring: Perform regular quarterly searches and monitoring for similar trademarks. 	<ul style="list-style-type: none"> • Guatemala Trademark Registration: On July 3, 2024, the company obtained trademark registrations for MYCENAX in Classes 5 and 35, and TUNEX in Class 5. • TPG Biologics U.S. Trademark Non-Use Declaration: The official authority requested a declaration of use for the U.S. trademarks TPGBIOLOGICS in Classes 5 and 42 by August 20, 2025. After evaluation, the company decided not to submit the declaration. • Trademark Search in 2024: No similar trademarks were found in the company's primary business service areas.
Patents	<ul style="list-style-type: none"> • System Management: Mycenax has established an intellectual property management database to manage the status of trademarks. 	<ul style="list-style-type: none"> • Currently, there are no valid patents, and the company's intellectual property rights are protected through trade secrets.

4.8 Important Contracts

Contract Type	Counterparts	Period	Main Content	Restrictive Clauses
License Rights Transfer Agreement	TSH Biopharm Co., Ltd.	2018/1/4~	TSH transfers the license and its right of "TuNEX 25mg powder and solvent for solution for injection" to MYCENAX.	N/A
Syndicated Loan Agreement	Taiwan Cooperative Bank Ltd.and 6 other banks	2020/8/13 ~ 2028/8/12	Credit Limit for the Construction and Equipment Purchase of Zhunan No. 2 Factory, Short-Term Working Capital Limit	Funds Used for Plant Construction and Machinery Equipment Purchase
Lease Contract	Advanced ACEBIOTEK Co., Ltd.	2021/1/1 ~ 2025/9/30	Leasing Office and Laboratory Spaces	N/A
Manufacturing And Supply Agreement	AD Company and BB Company	2025/2/27~ 2028/2/26	Commercial Supply Agreement for Marketed drugs	N/A

5. Financial Overview

5.1 Financial Status

Unit: NTD thousand ; %

Item \ Year	2024	2023	Difference	
			Amount	%
Current Assets	736,381	1,098,010	(361,629)	(32.93)
Real Estate, Plant, and Equipment	1,601,002	1,779,575	(178,573)	(10.03)
Intangible Assets	36,258	42,902	(6,644)	(15.49)
Other Assets	994,735	849,914	144,821	17.04
Total Assets	3,368,376	3,770,401	(402,025)	(10.66)
Current Liabilities	661,496	753,423	(91,927)	(12.20)
Non-Current Liabilities	683,401	569,786	113,615	19.94
Total Liabilities	1,344,897	1,323,209	21,688	1.64
Capital (Note)	2,070,508	2,057,884	12,624	0.61
Capital Surplus	421,109	1,074,289	(653,180)	(60.80)
Retained Earnings	(466,907)	(682,641)	215,734	31.60
Other Equity	(1,231)	(2,340)	1,109	47.39
Total Equity	2,023,479	2,447,192	(423,713)	(17.31)

1. Major Reasons for Variations of 20% or More and Amounts Exceeding NTD10 Million:

(1) Decrease in Current Assets:

Primarily due to continued capital expenditures in 2024 for the filling line of GMP Plant 2 and ongoing operating losses in 2024, leading to cash outflows and a decrease in current assets.

(2) Decrease in Non-Current Liabilities:

Mainly due to the new long-term borrowings undertaken in 2024.

(3) Decrease in Capital Surplus:

Mainly due to the offsetting of losses from 2022.

(4) Decrease in Retained Earnings:

Primarily due to offsetting the accumulated loss from 2023 .

2. Future Response Plans for Major Impacts:

The above variations do not have a significant adverse impact to Mycenax.

Source: Financial Report Audited and Certified by Accountants

Note: Includes advance receipts for ordinary share and share capital awaiting retirement

5.2 Financial Performance

5.2.1 Major Reasons for Significant Changes in Operating Revenue, Operating Profit, and Pre-Tax Profit in the Last Two Years and Their Impact

Unit: NTD thousand ; %

Item \ Year	2024	2023	Difference	
			Amount	%
Operating Revenue	683,924	652,620	31,304	4.80
Operating Costs	925,281	1,027,811	(102,530)	(9.98)
Gross Profit	(241,357)	(375,191)	133,834	35.67
Operating Expenses	220,180	226,911	(6,731)	(2.97)
Operating Profit/Loss	(461,537)	(602,102)	140,565	23.35
Non-Operating Income and Expenses	(8,049)	(81,879)	73,830	90.17
Loss before Tax	(469,586)	(683,981)	214,395	31.35
Income Tax Benefit (Expense)	2,461	1,134	1,327	117.02
Net Loss	(467,125)	(682,847)	215,722	31.59
Total Comprehensive Loss	(466,640)	(682,672)	216,032	31.65

Major Reasons for Variations of 20% or More and Amounts Exceeding NTD10 Million:

1. Increase in Operating Costs and Decrease in Gross Profit:
Mainly due to improved capacity utilization in 2024, which reduced idle costs, and a higher proportion of revenue from high-margin services, resulting in an overall increase in operating gross profit.
2. Decrease in non-operating net expenses:
Primarily because of the fire incident in March 2023, which caused losses and led to higher non-operating net expenses in that year.
3. Decrease in Operating Profit/Loss, Pre-Tax Profit, Net Profit After Tax, and Total Comprehensive Loss:
Mainly attributable to the increase in gross profit from operations in 2024, which drove improvements in all related profit metrics.

5.2.2 Expected Sales Volume and Basis, Possible Impact on Future Financial and Business Performance, and Response Plans

Mycenax focuses on the CDMO business for biopharmaceuticals and will continue to develop new products and markets, aiming to turn profitable as soon as possible. Currently, the financial status of Mycenax and its subsidiaries is sound, and the losses do not have a significant adverse impact on financial and business operations.

5.3 Cash Flow

5.3.1 Analysis of Recent Annual Cash Flow Changes

Unit: NTD thousand ; %

Year	2024	2023	Increase (Decrease)	% of Increase (Decrease)
Operating Activities	(191,681)	(131,178)	(60,503)	(46.12)
Investing Activities	(174,931)	(443,148)	268,217	60.53
Financing Activities	116,575	(229,732)	346,307	150.74
<p>Reason for Change: (Changes of 50% or more from the previous period, and the change amount reaches more than 5% of the paid-in capital)</p> <ul style="list-style-type: none">• Increase in cash inflows from investing activities: The main reason is the difference in time deposits categorized under “financial assets measured at amortized cost” between the two years. In October 2022, following the completion of a private placement, the company had a high cash balance and therefore allocated a portion of bank deposits into time deposits, resulting in cash outflows. In contrast, in 2024, these time deposits were gradually withdrawn, leading to cash inflows.• Increase in cash inflows from financing activities: This was mainly due to the repayment of both short-term and long-term loans in 2023, while in 2024, the company increased its use of syndicated loan facilities. The increase in long-term borrowings was secured by equipment under installation for the filling line of the second GMP facility.				

(1) **Countermeasure for Liquidity Deficiency:** No cash shortfall situation.

(2) Cash Flow Liquidity Analysis for the Next Year

- Operating Activities: Cash flow from operating activities is to meet the needs of CDMO operations and R&D expenditures.
- Investing and Financing Activities: Based on operating needs.

5.4 Major Capital Expenditure on Financial and Business Operations

In 2024, Mycenax continued to invest in the construction of the filling line at the GMP No. 2 plant, while also optimizing the environment and equipment of the GMP No. 1 plant. These efforts had a positive impact on the company's financial and business performance. The amount paid for the acquisition of property, plant, and equipment in 2024 totaled NTD330,425 thousand.

5.5 Investment Policy, Main Reasons for Profit or Loss and Future Investment Plans

5.5.1 Investment Policy in Recent Year:

Mycenax's investment policy is to proceed long-term strategic investment and will adjust the investment strategy in line with Mycenax's operations and development.

5.5.2 Main Reasons for Investment Profit or Loss and Improvement Plan:

Mycenax's investee, KriSan Biotech Co., Ltd., is currently in an expansion phase, resulting in losses. Once operations stabilize, it is expected to contribute non-operating income to Mycenax.

5.5.3 Investment Plan for the Next Year:

If there are investment opportunities that can enhance Mycenax's operating performance in the coming year, management will carefully evaluate the investment plans, and the investments will be executed after approval by the Audit Committee and the Board of Directors.

5.6 Risk Management

5.6.1 Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Countermeasures

(1)Interest Rate Changes:

Mycenax's capital expenditures and working capital is financed through capital markets and bank loans. Therefore, an increase in interest rates will impact Mycenax. Mycenax closely monitors the interest rates trends in financial market and strictly controls the portfolio of floating and fixed interest rate deposits and loans. By maintaining good relationships with banks and referring to market average interest rates during loan negotiations, Mycenax strives to secure the most favorable loan rates to mitigate potential risks arising from interest rate fluctuations.

(2)Exchange Rate Changes:

Mycenax's primary operating currency is the U.S. dollar. Net foreign exchange gains amounted to NTD3,347 thousand in 2023 and NTD14,578 thousand in 2024, representing 0.5% and 2.1% of net operating revenue for the respective years. The impact of exchange rate fluctuations on Mycenax's operations is not considered significant. Mycenax closely monitors U.S. dollar trends and maintains a good relationship with banks to obtain timely foreign exchange information and more favorable exchange rates.

(3)Inflation:

Due to the nature of the industry, inflation does not have a significant impact on Mycenax's operations. Mycenax closely monitors inflation conditions and negotiates with different suppliers to reduce the impact of inflation on Mycenax.

5.6.2 Policies, Main Reasons for Profit or Loss, and Future Countermeasures for Engaging in High-Risk, High-Leverage Investments, Loans to Others, Endorsements and Guarantees, and Derivative Transactions

To control transaction risks, Mycenax has established procedures such as the "Procedures for Acquisition or Disposal of Assets," "Procedures for Lending Funds to Others," and "Procedures for Endorsements and Guarantees." In the most recent year and up to the date of the annual report, Mycenax has focused on our core business and has not engaged in high-risk, high-leverage investments, lending funds to others, endorsements and guarantees, or derivative financial product transactions.

5.6.3 Future R&D Plans

Combining past drug process development experiences and future medical development trend evaluations, Mycenax will focus on expanding and enhancing the manufacturing of new types of drugs in 2025. The priority will be on the following three platform development projects to provide diverse and rapid drug development services.

(1)Antibody-Drug Conjugate (ADC) Technology Platform Development Plan:

Mycenax will continue to focus on the development and establishment of site-specific conjugation techniques. In collaboration with KriSan Biotech, Mycenax will invest in linker design and seek to introduce new technology platforms externally to expand the depth of the conjugation platform, meeting future service demands for antibody-drug conjugates.

(2)Cell and Gene Therapy Product Development Plan:

In response to future trends in cell therapy products, Mycenax will continue to optimize processes, scale-up tests, and gene editing techniques for allogeneic cell and gene therapy products. Additionally, Mycenax will continue to expand its technological capabilities in processing different cell sources to enhance its international competitiveness and service capacity in the emerging field of cell therapy. Two major development directions for 2025:

• Application of Viral and Non-Viral Gene Editing Techniques in CAR-NK/CAR-γδT Products:

Mycenax aims to continuously optimize the efficiency and sustainability of viral vector CAR gene transduction while maintaining good cell expansion performance. Considering the convenience and low production cost advantages of non-viral vector systems, Mycenax's focus will be on developing non-viral vector gene transduction systems in primary cells, targeting emerging technologies such as transposon systems or CRISPR combined with electroporation for evaluation and testing. Additionally, the existing peripheral blood-derived CAR-NK technology platform will be extended to establish umbilical cord blood-derived CAR-NK process technology.

• Exosome Production Platform:

Continuously optimizing and improving the Exosome yield and purity, while developing a set of analytical methods for both the production process and the final product.

(3)Cell and Gene Therapy Product Development Plan:

Artificial intelligence (AI) is advancing at an unprecedented pace and is reshaping various industries, including protein drug process development and manufacturing, which is poised for significant transformation. To stay ahead of the curve, Mycenax has initiated forward-looking strategies by establishing strategic partnerships with specialized companies in the AI field. The goal is to leverage advanced AI technologies to accelerate cell line screening, as well as optimize both upstream and downstream process development.

5.6.4 Expected R&D Expenditures

Over the past decade, the pharmaceutical industry has experienced significant growth with innovative drug designs emerging. To meet customers' demands, Mycenax will continue to invest in R&D resources for various biopharmaceutical development technology platforms and mass production capabilities. This will help customers bring drugs to market more quickly and cost-effectively. Mycenax plans to allocate R&D expenses at a particular level in the future.

5.6.5 Impact of Important Domestic and International Policy and Legal Changes on the Company's Financial and Business Operations and Countermeasures

Mycenax adheres to relevant domestic and international laws and regulations in executing various business activities and continuously monitors important policy and legal changes domestically and internationally. In the most recent year and up to the date of the annual report, Mycenax has not experienced significant impacts on its financial and business operations due to important policy and legal changes.

5.6.6 Impact of Technological Changes (Including Information Security Risks) and Industry Changes on the Company's Financial and Business Operations and Countermeasures

The government has actively promoted the biotechnology industry in recent years, with the biotech pharmaceutical industry characterized by high technical thresholds, long R&D cycles, high professional technical requirements, and high added value. The industry has a relatively high entry barrier, making rapid changes unlikely. Mycenax possesses highly professional development and manufacturing capabilities, allowing Mycenax to closely monitor and appropriately respond to technological and industry changes as needed.

Mycenax has established comprehensive network and computer-related information security protection measures, and continuously reviews and evaluates our information security regulations and procedures to ensure appropriateness and effectiveness.

In the most recent year and up to the date of this annual report, Mycenax has not experienced significant impacts on our financial and business operations due to technological changes (including information security risks) and industry changes.

5.6.7 Impact of Changes in Corporate Image on Corporate Crisis Management and Countermeasures

Mycenax has always maintained a good corporate image, adhering to the principles of integrity and responsibility, realizing customer value, stable growth, and sustainable operation. It continuously strengthens internal management, performs well in the capital market, and complies with legal regulations, to attract more talented individuals to join Mycenax, enhancing the strength of the management team. As of the date of this annual report, there have been no incidents that negatively impacted Mycenax's corporate image.

5.6.8 Expected Benefits and Possible Risks of Mergers and Acquisitions and Countermeasures

As of the date of this annual report, Mycenax has not engaged in any merger or acquisition activities.

5.6.9 Expected Benefits and Possible Risks of Plant Expansion and Countermeasures

As of the date of publication of the annual report, Mycenax has no plans to expand its facilities.

5.6.10 Risks Associated with Concentrated Purchases or Sales and Countermeasures

(1)Purchases

Mycenax's main purchase items are sourced from both domestic and international suppliers. Due to the nature of the industry, relevant raw materials must comply with various strict regulations. To ensure stable production quality, Mycenax maintains long-term supply relationships with upstream suppliers. Mycenax actively seeks alternative suppliers for the same raw materials to reduce the risks associated with concentrated purchases.

(2)Sales

As a CDMO company for biopharmaceuticals, Mycenax's operating revenue varies based on the progress of projects from customers. Mycenax will continue to deepen its presence in the Asian market and expand into the European and American markets. By continuously acquiring new projects and customers, Mycenax aims to mitigate the risks associated with concentrated sales.

5.6.11 Impact and Risks of Major Share Transfers or Changes by Directors or Major Shareholders Holding Over 10%, and Countermeasures: Not applicable.

5.6.12 Impact and Risks of Changes in Management Control and Countermeasures:

In the most recent year and up to the date of this annual report, there have been no significant changes in Mycenax's management control.

5.6.13 Litigation or Non-Litigation Events

(1)For the company, any litigation, non-litigation, or administrative disputes that have been finally adjudicated or are currently pending in the past two years up to the date of this annual report, where the outcome may significantly affect shareholder rights or the price of securities, the facts of the dispute, the amount involved, the start date of litigation, the main parties involved, and the current status should be disclosed: Not applicable.

(2)For the company's directors, general manager, de facto responsible persons, major shareholders holding more than 10%, and subsidiary companies, any litigation, non-litigation, or administrative disputes that have been finally adjudicated or are currently pending in the past two years up to the date of this annual report, where the outcome may significantly affect shareholder rights or the price of securities:

In 2010, Center Laboratories, Inc. (CenterLab), a director of Mycenax, invested NTD20 million to commission TTY Biopharm Company Limited (hereinafter referred to as "TTY") to develop a generic Risperidone PLGA product. A development agreement was signed, stipulating that the

product rights would belong to CenterLab, while TTY would be entitled to share rights in the U.S. market. Following the signing of the agreement, CenterLab made payments based on TTY's R&D progress.

However, in May 2016, TTY publicly claimed that the Risperidone PLGA product was its own and repeatedly denied the validity of the development agreement. To protect the interests of CenterLab and its shareholders, CenterLab filed a lawsuit on July 1, 2016, petitioning the court to affirm the validity of the development agreement. As of the publication date of this annual report, the case is still under review by the Supreme Court.

This legal proceeding solely concerns the contractual relationship between CenterLab and TTY, and does not involve Mycenax's financial or business operations. The outcome is not expected to have a material impact on Mycenax's shareholders' rights or the price of its securities.

5.6.14 Other Significant Risks and Countermeasures: None.

5.7 Other Significant Items: None.

6. Special Disclosure

6.1 Information on Affiliated Companies

Please visit the Market Observation Post System (MOPS) at <https://mops.twse.com.tw>, and click on “Company” → “Electronic Document Download” → “Affiliated Enterprises Disclosure Section” to access the information. (Direct link: https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

6.2 Information on Private Placement Securities

Please visit the Market Observation Post System (MOPS) at <https://mops.twse.com.tw>, and click on “Themed Section” → “Investor Area” → “Private Placement Section” for more information. (Direct link: <https://mops.twse.com.tw/mops/#/web/t116sb01>)

6.3 Other Supplementary Explanations: None.

6.4 Other Significant Events Affecting Shareholders’Equity or Stock Price: None.

MYCENAX