

# United Orthopedic Corporation

## 2024 Annual Report

Date of Publication: April 30, 2025

**Annual report query website:**

[http : //mops.twse.com.tw](http://mops.twse.com.tw)

<https://tw.United Orthopedic JapanInc.com/investor/shareholder2/>

**1. Name of Spokesperson: Peng, Yu-Hsing**

Title: Vice President

Tel:(02)2929-4567 ext.1168

Email: maggie.peng@United Orthopedic JapanInc.com

Name of Spokesperson: LIN Deqiong

Title: President

Tel:(02)2929-4567 ext.1168

Email: calvin.lin@United Orthopedic JapanInc.com

**2. Addresses and Telephone Numbers of the Company Headquarters, Subsidiaries, and Plants:**

Company	: No. 57, Yuanqu 2nd Road, Hsinchu Science Park, Hsinchu City	TEL : 03-5773351 TEL : 02-29294567
Taipei Office	: 12F., No.80, Sec. 1, Chenggong Rd., Yonghe Dist., New Taipei City, Taiwan (R.O.C.)	
Hsinchu Plant	: No. 57, Yuanqu 2nd Road, Hsinchu Science Park, Hsinchu City	TEL : 03-5773351
Kaohsiung Plant	: No. 16, Luke 1st Rd., Luzhu Dist., Kaohsiung City 821011 , Taiwan (R.O.C.)	TEL : 07-6955850

**3. Stock Transfer Handling Agency:**

Fubon Financial Securities Co., Ltd. Stock Affairs Agency Department

Address: 2F No. 17, Xuchang Street, Zhongzheng District, Taipei City

Tel: (02)2361-1300

Website: <http://www.fubon.com>

**4. Name of the CPA Attesting the Financial Statements for the Most Recent Year**

Name of CPAs: Lin, Shih-Huan; Hsu, Jung-Huang

Name of Accounting Firm: Ernst & Young Global Limited

Address: 9F, No. 333, Sec.1, Keelung Road, Xinyi District, Taipei City

Website: [http : //www.ey.com](http://www.ey.com)

Tel: (02)2757-8888

**5. Overseas Trade Places for Listed Negotiable Securities and the Inquire Method of Overseas Securities Information**

Not Applicable

**6. The Company's Website:** <http://www.United Orthopedic JapanInc.com> (English)  
<http://tw.United Orthopedic JapanInc.com> (Chinese)

## **Table of Contents**

<b>I. Letter to Shareholders .....</b>	<b>1</b>
<b>II. Corporate Governance Report.....</b>	<b>4</b>
1. Information on Directors, President, Vice-President, Assistant General Managers, and Heads of Departments and Branches.....	4
2. Compensation Paid to Directors, President and Vice Presidents in the Most Recent Year .....	12
3. Operations of Corporate Governance .....	24
4. CPA Information Regarding Audit Fee .....	60
5. Information on replacement of CPA.....	60
6. The Company's Chairman, General Manager, or Any Managerial Officer in Charge of Finance or Accounting Matters Having Held a Position at Its CPAs' Accounting Firm or at an Affiliate in the Most Recent Year. ....	62
7. Transfer of equity interests and/or pledge of or change in equity interests by directors, supervisors, senior management and/or shareholders holding more than 10% of the Company's shares in the most recent year up to the publication date of the Annual Report. ....	錯誤! 尚未定義書籤。
8. Information on the top ten shareholders who are identified as related parties, spouse or relative within the second degree of kinship .....	64
9. Information on the total number of shares and equity interests held in a single investee enterprise by the Company, its directors, supervisors, senior management, and/or any companies directly or indirectly controlled by the Company, and the aggregate shareholding percentage calculated on a combined basis.....	67
<b>III. Funding Status.....</b>	<b>68</b>
1. Capital and shares .....	68
2. Issuance of Corporate Bonds.....	75
3. Issuance of preference shares .....	77
4. Issuance of overseas depositary receipts .....	80
5. Issuance of employee stock option certificates and restricted employee shares .....	80
6. Issuance of new shares in connection with mergers and acquisitions or acquisition of other companies' shares .....	80
7. Implementation of capital application plans .....	80
<b>IV. Operational Overview .....</b>	<b>82</b>
1. Business Activities.....	82
2. Market and Sales Overview .....	90

3. Information of employees for the two most recent years and up to the publication date of the Annual Report.....	98
4. Environmental Protection Expenditure.....	98
5. Labor Relations.....	98
6. Information and Communication Security Management .....	100
7. Material Contracts .....	101
<b>V. Review and Analysis of Financial Status and Financial Performance and Risk Assessment Matters .....</b>	<b>103</b>
1. Financial status .....	103
2. Financial performance .....	107
3. Cash Flows.....	111
4. The impact of major capital expenditures in the most recent year on the Company's finance .....	112
5. Policy on re-investment in other companies, main reasons for profit or losses resulting therefrom, improvement plans and investment plans for the upcoming fiscal year.....	112
6. Risk assessments shall evaluate the following items for the most recent year and up to the publication date of the Annual Report .....	116
7. Other important matters.....	120
<b>VI. Special Items.....</b>	<b>121</b>
1. Relevant information on affiliates .....	121
2. Regarding the private placement of securities in the most recent year and up to the printing date of the annual report, the following should be disclosed .....	126
3. Other necessary supplementary information .....	126
<b>VII. Any events prescribed in subparagraph 2, paragraph 3, Article 36 of the Securities and Exchange Act with material impact on shareholders' equity or the price of the Company's securities that has occurred for the most recent year and up to the publication date of the Annual Report: .....</b>	<b>126</b>
<b>VIII. The information stipulated in Article 10, Paragraph 1, Subparagraph 3, Item 8, the first part of Subparagraph 7, Article 17, and Article 21, Subparagraphs 1 and 2, if already announced and reported on the information reporting website designated by the Commission, may be recorded in the annual report as an index for information inquiry, and the relevant announced and reported information shall be deemed as content recorded in the annual report.....</b>	<b>126</b>

# I. Letter to Shareholders

Dear Shareholders,

Thank you for attending the 2025 Annual Shareholder's Meeting of the United Orthopedic Corporation. I would like to welcome everyone on behalf of the Company.

## 1.2024 Operating Results

### (1)Implementation results of business plan :

In 2024, the Company's net operating revenue was NT\$2,830,109 thousand, an increase of 11.4% compared to NT\$2,540,604 thousand in 2023. The consolidated net operating revenue in 2024 was NT\$4,653,130 thousand, an increase of 18.4% compared to NT\$3,929,887 thousand in 2023. In terms of profitability, the net profit after tax in 2024 was NT\$460,381 thousand, an increase of 18.6% compared to the net profit after tax of NT\$388,309 thousand in 2023.

### (2)Budget execution

The Company's undisclosed budget amount and overall operating conditions were roughly the same with the original operating plan for 2024 in accordance with the current laws.

### (3)Consolidated income and expenses and profitability analysis

#### 1 Consolidated income and expenses

Unit: NTD thousand

Item	2024	2023
Net profit for the period	460,381	388,309
Cash Inflow from Operating Activities	717,289	433,729
Cash outflow from investing activities	(563,600)	(469,713)
Cash inflow from financing activities	(14,339)	109,408
Effects of exchange rate changes on the balance of cash held in foreign currencies	22,312	(22,461)
Increase (Decrease) in Cash and Cash Equivalents	161,662	50,963
Opening balance of cash and cash equivalents	449,020	398,057
Ending balance of cash and cash equivalents	610,682	449,020

#### 2 Consolidated profitability analysis

In 2024, the Group's annual revenue was NT\$4,653,130 thousand, an increase of NT\$723,243 from the previous year's revenue of NT\$3,929,887 thousand. After-tax net profit was NT\$460,381 thousand, an increase of NT\$72,072 thousand from the previous year's after-tax net profit of NT\$388,309 thousand. Earnings per share were NT\$4.74, an increase of NT\$0.24 from the previous year's earnings per share of NT\$4.50, mainly due to the growth in revenue, gross profit, realized gross profit on sales, and operating profit.

#### (4) R&D status

In 2024, the Group's research and development expenses, including the expenditure on research and development costs under development, amounted to NT\$281,576 thousand, an increase of NT\$66,659 thousand from 2023, accounting for 6.1% of the revenue in 2024. Various new product development plans are also underway.

## 2. Business Plan Summary for Fiscal Year 2025

### (1) Operating objectives

- A. Revenue in 2024 grew by 18% compared to 2023. Starting from revenue in 2021, there has been a high growth rate of 20% every year. Revenue in 2024 is already twice that of 2021 (460 million compared to 234 million in 2021). This means revenue doubled in 4 years, indicating that the company has entered a period of sustained high growth. It is expected that in 2025, growth will continue following this trend as each business unit expands in the global market.
- B. The Company's newly developed high-end product series, such as Radifocus Modular Femoral Stem, Shoulder Joint System, United Motion Acetabular System, and Revision Knee Joint Augmentation Implant, are all frontier innovative products. Currently, research and development for these products has been finalized, and FDA applications in the United States are being submitted successively. Due to increasingly stringent FDA certification requirements, the approval timeline will be slightly delayed. Sales are expected to begin in the 4th quarter of 2025. The launch of these new products will contribute to future revenue growth in the US market.
- C. After 32 years of effort, the company has established its own brand reputation and distribution channels in the global market. Currently, sales channels have been established in 50 countries worldwide. Continuing to deeply engage and operate in various markets is an essential strategy for the company's growth. Based on the company's foundation of excellent and diverse product groups, we will continue to build customer recognition of United brand quality and effectiveness, thereby increasing market share. Maintaining high growth momentum is our persevering goal.

### (2) Estimated Sales Volume and Supporting Information

Unit: pcs

Main products	Projected sales targets for 2025
	Quantity
Artificial joints	402,105
Spinal products	70,594

Note: Other product incomes are not listed because no data on the quantities are available.

The sales targets for 2025 are based on the basic presumption of the Company's future business development, product orders and market supply and demand conditions, and are formulated in accordance with the Company's production capacity.

### (3) Significant Sales and Production Policies

With the company's high annual growth rate of 20% in recent years, the demand for products and surgical instruments must also be increased accordingly. The current production capacity and its expandability are expected to meet the company's needs until 2027. At this stage, planning for future production has begun with evaluations and arrangements being made, preparing in advance for the strong market demand in the future.

## **3. Future Corporate Development Strategy**

Our primary product line is artificial joint implants, which are high-end medical devices implanted in the human body to replace patients' joint functions, with an expected service life of 20 to 30 years. Physicians, being responsible for their patients, have very high requirements for product quality, functionality, and applicability. For artificial joint implants designed and developed in Taiwan to secure a position in the global market and compete with world-class brands is truly challenging. After 30 years of effort, the company has not only achieved product quality and functionality on par with top manufacturers but has also built its own distribution channels by establishing direct sales subsidiaries in high-income markets worldwide. By engaging with physicians and customers at the frontline to earn their trust, and by developing self-controlled marketing channels, the company has achieved vertical integration from design to manufacturing. Sales and services are now delivered through directly-operated companies across Europe, the Americas, Asia, and Australia. With this foundation, the company's future development direction remains in its own hands, laying the groundwork for long-term, sustainable development.

## **4. Impact of the competitive environment, regulatory environment, and overall business environment**

With advances in medical science, regulatory requirements for market access have become increasingly stringent worldwide. In response, the company has kept pace with the times, meeting all relevant compliance standards. These high entry barriers in the artificial joint industry favor established players and make it difficult for new or smaller manufacturers to enter the market. Due to its thirty years of experience and skill in compliance and regulations, United Orthopedic is able to appropriately react to and handle changes in the regulatory landscape.

II. Corporate Governance Report

1. Information on Directors, President, Vice-President, Assistant General Managers, and Heads of Departments and Branches

(1) Directors

1. Director Information

April 19, 2025																				
Title	Nationality or Place of Registration	Name	Gender Age	Date Elected	Term	Date First Elected	Shares Held on Election		Shares currently held		Shares currently held by Spouse and Children		Shares Held in the Name of Other Persons		Main education and work experience	Positions currently held in the Company and other companies	Any executive officer, director, or supervisor who is a spouse or relative within the second degree of kinship			Notes
							Number of Common Stocks	Shareholding Ratio	Number of Common Stocks	Shareholding Ratio	Number of Common Stocks	Shareholding Ratio	Number of Common Stocks	Shareholding Ratio			Title	Name	Relationship	
							Number of Preference Shares		Number of Preference Shares		Number of Preference Shares		Number of Preference Shares							
Chairman	R.O.C	Lin, Yan-Sheng	Male 71-80 years old	2023.06.16	3 years	1993.03.05	2,752,441	3.33%	2,661,441	2.72%	287,000	0.30%	0	0.00%	Bachelor in Public Relations, Shih Hsin University Manager of 3M, USA President, Chuan-Yi Investment Inc. Director, Chuan-Yi Investment Inc. Supervisor, Taiwan Home Care Co.,Ltd Chairman, UOCAmericaHoldingCorporation	Chairperson of the Strategy Committee, United Orthopedic Corporation Chairman, UOCUSAINC. Director, Shinva United Orthopedic Corporation President, A-Spine Asia Co., Ltd. Director, United Orthopedic JapanIncJapanInc. Chairman, UOCEuropeHoldingSA Director, United Orthopedic JapanInc(Australia)PtyLtd	Directors	Chun-Sheng Lin	Brother	-
							42,000	0.79%	0	0.00%	0	0.00%	0	0.00%			Directors	Lin Deqiong	Father and son	
Directors	R.O.C	Chun-Sheng Lin	Male 71-80 years old	2023.06.16	3 years	2008.06.13	1,905,743	2.30%	1,995,743	2.07%	0	0.00%	0	0.00%	Industrial Management, Aletheia University Director, Chuan-Yi Investment Inc. Vice-President, United Orthopedic Corporation Vice President, Sinopharm United Medical Device Co., Ltd. Director, United Orthopedic JapanIncJapanInc.	None.	Chairman	Lin, Yan-Sheng	Brother	Note 1
							90,000	1.68%	0	0.00%	0	0.00%	0	0.00%						
Directors	R.O.C	Hau, Hai-Yen	Male 61-70 years old	2023.06.16	3 years	1997.05.15	698,646	0.84%	763,646	0.79%	0	0.00%	0	0.00%	Doctor of Philosophy in Electrical Engineering, Purdue University Associate Professor of Electrical Engineering, National Taiwan University Vice President, Financial Business Group of the Institute for Information Industry Chairman, Rong Sheng Xin Cheng Co., Ltd.	Director, Rong Sheng Xin Cheng Co., Ltd. Independent director, Walton Advanced Engineering, Inc.	None.	None.	None.	-
							65,000	1.22%	0	0.00%	0	0.00%	0	0.00%						
Directors	United Kingdom	Ng Chor Wah Patrick	Male 61-70 years old	2023.06.16	3 years	2005.06.16	1,470,139	1.78%	1,670,425	1.73%	0	0.00%	0	0.00%	The Hong Kong Polytechnic University ROLM(IBM)HKLIMITEDManagingDirector MEDTRONICSOFAMORDANEKCHINACountryManager STRYKERPACIFICLTDVicepresident Director, Only care Medical Company Ltd.	Director, OnlycareMedicalCompanyLtd Director, Shinva United Orthopedic Corporation	None.	None.	None.	-
							130,286	2.44%	0	0.00%	0	0.00%	0	0.00%						
Directors	R.O.C	Lin Deqiong	Male 41-50 years old	2023.06.16	3 years	2010.06.16	1,052,461	1.27%	1,473,461	1.53%	0	0.00%	0	0.00%	Bachelor in Engineering, National Taiwan University Senior Assistant General Manager of Overseas Business Department, Micro-Star International Co., Ltd. MSIComputerSARLManagingDirector MSIIberiaManagingDirector	General Manager, United Orthopedic Corporation President, UOCUSAInc. Director, United Orthopedic JapanInc(Australia)PtyLtd	Chairman	Lin, Yan-Sheng	Father and son	-
							88,000	1.65%	0	0.00%	0	0.00%	0	0.00%						
Independent Director	R.O.C		Male	2023.06.16	3 years	2010.06.16	80,482	0.10%	192,987	0.20%	0	0.00%	0	0.00%	Medical Studies, National Defense Medical Center	Consultant doctor, Taipei Veterans General Hospital	None.	None.	None.	-



		Liu, Chien-Lin	71-80 years old				107,505	2.01%	0	0.00%	0	0.00%	0	0.00%	Director of Orthopedics Department and Deputy Dean of Medical Care, Taipei Veterans General Hospital Professor and Director of Orthopedics, National Yang-Ming University Dean, Lotung Poh-Ai Hospital Chairman, Taiwan Spine Society Chairman, Taiwan Orthopaedic Association	Consultant doctor, Cheng Hsin General Hospital Professor, College of Medicine, National Yang-Ming Chiao Tung University Professor, National Defense Medical Center Chairman, Chinese Orthopaedic Promotion Society Member of Spine and Spinal Cord Professional Committee, Chinese Association of Rehabilitation Medicine Member of Orthopaedic Section of Cross-straits Medicine Exchange Association				
Independent Director	R.O.C	Lee, Kuen-Chang	Male 51-60 years old	2023.06.16	3 years	2010.06.16	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Doctor in Management (Accounting and Financial Management Division), National Central University Master in Accounting, Soochow University Committee Member of Taiwan Corporate Governance Association CEO, Premier Think Tank Co., Ltd. CEO, Fintech Development Center of Business School, Soochow University	Professor of Accounting, Soochow University Professor, Graduate Institute of Law, Soochow University Independent Director, Eastern Media International Corporation Independent Director, Tatung Fine Chemicals Co. Independent Director, Onano Industrial Corp.	None.	None.	None.	-
							0	0.00%	0	0.00%	0	0.00%	0	0.00%						
Independent Director	R.O.C	Wu, Meng-Da	Male 51-60 years old	2023.06.16	3 years	2010.06.16	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master, Graduate Institute of Accounting, National Taiwan University Accounting, National Chengchi University. Director, Taipei City CPA Association Director of PwC Taiwan Team Leader, Deloitte & Touche Member of Audit Standard Committee, Accounting Research and Development Foundation Independent Director, Gourmet Master Co., Ltd.	Partnership CPA, Crowe (TW) CPAs Independent Director, FunYours Technology Co., Ltd. Independent Director, Gourmet-KY Member of Valuation and Forensic Accounting Committee, National Federation of CPA Associations of the R.O.C.	None.	None.	None.	-
							0	0.00%	0	0.00%	0	0.00%	0	0.00%						
Title	Nationality or Place of Registration	Name	Gender and Age	Date Elected	Term	Date First Elected	Shares Held on Election		Shares currently held		Shares currently held by Spouse and Children		Shares Held in the Name of Other Persons		Main education and work experience	Positions currently held in the Company and other companies	Any executive officer, director, or supervisor who is a spouse or relative within the second degree of kinship			Notes
							Number of Common Stocks	Shareholding Ratio	Number of Common Stocks	Shareholding Ratio	Number of Common Stocks	Shareholding Ratio	Number of Common Stocks	Shareholding Ratio			Title	Name	Relationship	
							Number of Preference Shares		Number of Preference Shares		Number of Preference Shares		Number of Preference Shares							
Independent Director	R.O.C	Chen, Li-Ju	Female 51-60 years old	2023.06.16	3 years	2023.06.16	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master of Business Administration from the College of Commerce, National Chengchi University. Accounting, National Chengchi University. Audit Team Leader, Chung Hsin Certified Public Accountants Firm. Audit Team Leader, Micro-Star International Co., Ltd. Finance manager, Mycenax Biotech Inc. Chairman, Pinnan Cable TV Co., Ltd. Supervisor, Eastern Multimedia Group. Project Finance and Accounting Consultant, Carlyle Asia Investment Ltd. Operations Manager, Comtrend Corp. Administration and Finance General Manager, Melchers Trading GmbH Taiwan Branch (Germany.)	Principle, CHEN LI JU Certified Public Accountants Office. Management Consultant, Advanced Chen International Co., Ltd.	None.	None.	None.	-
							0	0.00%	0	0.00%	0	0.00%	0	0.00%						

Note 1: Resignation letter was submitted on March 5, 2025, effective from June 16, 2025.

2. Major shareholders of institutional shareholders: Not applicable.

3. Disclosure of Professional Qualifications of Directors and Independence of Independent Directors:

Condition Name	Professional Qualifications and Experiences (Note 1)	Independence (Note 2)	Currently serving as an independent director of other public companies.
Lin, Yan-Sheng	Chairman Lin, Yan-Shen has been involved in orthopedic device distribution for many years. With his extensive experience in orthopedic medical device marketing and operations, he founded our company and established our own brand in 1993. Over the past 30 years, our company's products have received numerous international awards and gained the trust and support of physicians and patients in 52 countries worldwide. Chairman Lin possesses professional qualifications and experience in leadership decision-making, business management, operational judgment, and commercial and business affairs. Not under any of the circumstances stated in Article 30 of the Company Act.	Not applicable.	None.
Chun-Sheng Lin	Director Lin previously served as Vice Chairman of United Orthopedic Corporation and Director of United Orthopedic Japan Inc. Possesses marketing and commercial experience. Not under any of the circumstances stated in Article 30 of the Company Act.		None.
Hau, Hai-Yen	Director Hao currently serves as Director of Rong Sheng Xin Cheng Co., Ltd. and Independent Director of Walton Advanced Engineering, Inc. Possesses professional experience in commerce, marketing, and business operations. Not under any of the circumstances stated in Article 30 of the Company Act.		1

Ng Chor Wah Patrick	Director Wu currently serves as Director of Shandong Xinhua United Orthopedic Corporation. Possesses professional experience in commerce, marketing, and business operations. Not under any of the circumstances stated in Article 30 of the Company Act.		None.
Lin Deqiong	Director Lin currently serves as the President of the Company and UOC USA Inc. Possesses professional experience in commerce, marketing, and business operations. Not under any of the circumstances stated in Article 30 of the Company Act.		None.
Independent Director Liu, Chien-Lin	Independent Director Liu currently serves as a Consultant Physician at Taipei Veterans General Hospital. Possesses extensive professional experience in the treatment of scoliosis, spinal fractures and trauma, as well as various types of spinal surgeries, which contributes to the development of the Company's research and development technologies. Not under any of the circumstances stated in Article 30 of the Company Act.	1. Complies with relevant regulations of Article 14-2 of the Securities and Exchange Act promulgated by the Financial Supervisory Commission and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies (Note 1). 2. Except for Independent Director Liu, Chien-Lin who holds 192,987 shares of the Company's common stock, the remaining independent directors (whether in their own name or using others' names), their spouses, and minor children do not hold any shares of the Company's common stock. 3. No compensation has been received for providing audit, business, legal, financial, accounting, or other services to the Company or its affiliated enterprises in the past two years.	None.
Independent Director Lee, Kuen-Chang	Independent Director Lee currently serves as a Professor in the Department of Accounting at Soochow University. Possesses extensive professional experience in corporate governance, financial analysis, industry development, and technology applications. Not under any of the circumstances stated in Article 30 of the Company Act.		3
Independent Director Wu, Meng-Da	Independent Director Wu currently serves as a Partner at Crowe (Taiwan) CPAs. Possesses extensive professional experience in financial accounting and corporate governance. Not under any of the circumstances stated in Article 30 of the Company Act.		2
Independent Director CHEN, LI-JU	Independent Director Chen currently serves as the Director of Chen Li-Ju CPA Firm. Possesses extensive professional experience in financial accounting, business management, and corporate governance. Not under any of the circumstances stated in Article 30 of the Company Act.		None.

(Note 1)

1. Not a government entity, juridical person, or representative thereof as defined in Article 27 of the Company Act.
2. Concurrently serves as an independent director in other Taiwanese public companies, not exceeding three companies.
3. Has not experienced any of the following circumstances within two years prior to election or during the term of office:
  - (1) An employee of the company or its affiliated enterprises.
  - (2) A director or supervisor of the company or its affiliated enterprises.
  - (3) A natural person shareholder who holds shares, in the name of himself/herself or others, in an aggregate amount of 1% or more of the total number of issued shares of the company, or who ranks among the top ten shareholders in terms of shareholding.
  - (4)(1) A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any manager listed in (1) or any of the persons listed in (2) and (3).
  - (5) A director, supervisor, or employee of a legal entity shareholder that directly holds 5% or more of the total issued shares of the company, is among the top five shareholders in terms of shareholding, or appoints a representative to serve as a director of the company in accordance with Article 27 of the Company Act.
  - (6) A director, supervisor, or employee of another company where a majority of the company's director seats or voting shares are controlled by the same person.
  - (7) A director (council member), supervisor (supervisory council member), or employee of another company or institution where the chairperson, president, or person holding an equivalent position is the same person as, or the spouse of, the chairperson, president, or person holding an equivalent position of the company.
  - (8) A director (council member), supervisor (supervisory council member), manager, or shareholder holding 5% or more of the shares of a specific company or institution with which the company has financial or business dealings.
  - (9) A professional who provides the company or any of its affiliates with commercial, legal, financial, accounting, or related services and has received compensation in an aggregate amount exceeding NT\$500,000 in the most recent two years, or an owner, partner, director (council member), supervisor (supervisory council member), manager, or their spouse of a sole proprietorship, partnership, company, or institution that provides such services.

#### 4. Board Diversity and Independence:

The company's Board of Directors has established the Director Election Procedures, which stipulates that the selection of directors should consider the overall composition of the Board of Directors, as well as the knowledge, skills, and qualities possessed by the directors, and the overall capabilities that should be possessed. The qualifications and independence of independent director candidates must also comply with the provisions of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

Currently, the nine members of the Board of Directors have diverse backgrounds, including different industries, academic and accounting professional backgrounds. This includes one female director, accounting for approximately 11% of all director seats, and four independent directors, accounting for approximately 44% of all director seats. Moreover, more than half of the directors do not have spousal or second-degree family relationships with each other.

The diversity policy for the company's Board members and its implementation are as follows:

Diversity Items  Name	Basic composition									Core item							
	Nationality	Gender	Employee status	Age				Length of service as independent directors		Business determination capability	Accounting and financial analysis capability	Operation management capability	Crisis handling capability	Industry knowledge	International market vision	Leader- ship	Decision- making capability
				41-50 years old	51-60 years old	61-70 years old	71-80 years old	Less than 3 years	3 to 6 years								
Lin, Yan-Sheng	R.O.C	Male	√	-	-	-	√	-	-	√	√	√	√	√	√	√	√
Chun-Sheng Lin	R.O.C	Male	-	-	-	-	√	-	-	√	-	-	-	√	√	-	-
Hau, Hai-Yen	R.O.C	Male	-	-	-	√	-	-	-	√	√	√	√	√	√	√	√
Ng Chor Wah Patrick	UK	Male	-	-	-	√	-	-	-	√	√	√	√	√	√	√	√
Lin Deqiong	R.O.C	Male	√	√	-	-	-	-	-	√	-	√	√	√	√	√	√
Independent Director Liu, Chien-Lin	R.O.C	Male	-	-	-	-	√	-	√	√	√	√	√	√	√	√	√
Independent Director Lee, Kuen-Chang	R.O.C	Male	-	-	√	-	-	-	√	√	√	√	√	√	√	√	√
Independent Director Wu, Meng-Da	R.O.C	Male	-	-	√	-	-	-	√	-	√	-	√	-	-	-	-
Independent Director CHEN, LI-JU	R.O.C	Female	-	-	√	-	-	√	-	√	√	√	-	√	-	-	√

## (2) Information on President, Vice President, Assistant General Managers, and Heads of Departments and Branches

April 19, 2025

Title (note 1)	Nationality	Name	Gender	Date Elected	shares held		Shares held under spouse or minor children's names		Shares Held in the Name of Other Persons		Significant Experiences and Education (Note 2)	Positions currently held in other companies	Managers who have spousal or second-degree kinship within the Company			Remark (Note 3)
					Number of Common Stocks	Shareholding Ratio	Number of Common Stocks	Shareholding Ratio	Number of Common Stocks	Shareholding Ratio			Title	Name	Relationship	
Chairperson of the Strategy Committee	R.O.C	Lin, Yan- Sheng	Male	2008.06.30	2,661,441	2.72%	287,000	0.30%	0	0.00%	Bachelor in Public Relations, Shih Hsin University Manager of 3M, USA President, Chuan-Yi Investment Inc. Director, Chuan-Yi Investment Inc. Supervisor, Taiwan Home Care Co.,Ltd Chairman, UOCAmericaHoldingCorporation	Chairman, United Orthopedic Corporation Chairman, UOCUSAINC. Director, Shinva United Orthopedic Corporation President, A-Spine Asia Co., Ltd. Director, United Orthopedic JapanIncJapanInc. Chairman, UOCEuropeHoldingSA Director, United Orthopedic JapanInc(Australia)PtyLtd	President	Lin Deqiong	Father and son	-
President	R.O.C	Lin Deqiong	Male	2024.07.01	1,473,461	1.53%	0	0.00%	0	0.00%	Bachelor in Engineering, National Taiwan University Senior Assistant General Manager of Overseas Business Department, Micro-Star International Co., Ltd. MSIComputerSARLManagingDirector MSIIberiaManagingDirector	President, UOCUSAINC. Director, United Orthopedic JapanInc(Australia)PtyLtd	Chairman	Lin, Yan- Sheng	Father and son	-
Vice President	R.O.C	Liao, Chien- Chong	Male	2016.07.01	10,214	0.01%	0	0.00%	0	0.00%	Graduate School of Engineering, School of Technology and Engineering of National Yang Ming University Project Manager, United Orthopedic Corporation Assistant Professor, National Taiwan University Director, United Orthopedic JapanIncJapanInc.	Director, President, A-Spine Asia Co., Ltd. Director, Shinva United Orthopedic Corporation	None.	None.	None.	-
Vice President	R.O.C	Peng, Yu- Hsing	Female	2016.10.01	109,653	0.11%	0	0.00%	0	0.00%	Statistics, Tamkang University Financial Manager, Chuan-Yi Investment Inc. President, Taiwan Home Care Co.,Ltd	Director, United Orthopedic JapanIncJapanInc.	None.	None.	None.	-
Director, Research and Developing Center	R.O.C	Ho, Fang- Yuan	Female	2016.07.01	40,586	0.04%	0	0.00%	0	0.00%	Graduate Institute of Materials Science & Engineering, National Taiwan University Assistant Researcher, Mackay Memorial Hospital	None.	None.	None.	None.	-
Director, Operating Center	R.O.C	Chou, Ching- Long	Male	2016.07.01	20,000	0.02%	0	0.00%	0	0.00%	Mechanical Engineering Ph.D., National Cheng Kung University Metal Industries Research & Development Center—Vice Director	None.	None.	None.	None.	-

											of Department of Medical Equipment and Optoelectronic Equipment Secretary-general, Taiwan Forging Association Secretary-General, Taiwan Titanium Metal Association					
Director of Business Center	R.O.C	Huang, Wen-Hsuan	Female	2021.02.01	0	0.00%	0	0.00%	0	0.00%	Master in Biotechnology Advanced Management (In-service) of College of Management, Taipei Medical University Director of Domestic Business Department, United Orthopedic Corporation Manager of Spine Products Division, Synthes Medical Taiwan Ltd. Home / Directory / Johnson & Johnson Medical Taiwan Ltd. Johnson & Johnson Medical Taiwan Ltd. Manager of Spine Products Division, Johnson & Johnson Medical Taiwan Ltd. National Sales and Marketing Manager of Neurovascular Intervention Division, Medtronic (Taiwan) Ltd.	None.	None.	None.	None.	--
Director, Department of Finance and Accounting	R.O.C	Teng, Yuan-Chang	Male	2016.10.03	16,360	0.02%	0	0.00%	0	0.00%	Business Administration, Tamkang University Department of Administration, University of Illinois Finance Department, Visera Technologies Co., Ltd. Pihsiang Machinery MFG. Co., Ltd. Supervisor, A-SPINE Asia Co., Ltd. Director, United Orthopedic JapanIncJapanInc.	None.	None.	None.	None.	-
Director, Information Management Department	R.O.C	Cheng, Chih Chieh	Male	2024.03.01	0	0.00%	0	0.00%	0	0.00%	Department of Public Administration, National Chung Hsing University Information Manager, Lee Chang Yung(LCY) Chemical Industrial Co., Ltd. Sales Manager, SAP Taiwan Co., Ltd. Senior Engineer, IBM Taiwan Corp.	None.	None.	None.	None.	-

Note 1: Information on President, Vice Presidents, Assistant General Managers, heads of departments and branches shall be included. Persons who hold positions equivalent to President, Vice Presidents, or Assistant General Managers shall also be disclosed, regardless of job title.

Note 2: Experience related to the current position. If the person has worked in the auditing accounting firm or affiliated companies during the aforementioned period, their job title and responsibilities should be specified.

Note 3: When the President or equivalent position (highest manager) and the Chairman are the same person, spouses, or first-degree relatives, the reasons, rationality, necessity, and corresponding measures (such as increasing the number of independent directors, and having more than half of the directors not serving as employees or managers) should be disclosed.

2. Compensation Paid to Directors, President and Vice Presidents in the Most Recent Year

- (1) The company may choose to disclose in aggregate by compensation range with names, or individually disclose names and compensation: Our company adopts the method of individually disclosing names and compensation.
- (2) If the company has any of the following situations, it should disclose the compensation of individual directors and supervisors: Our company has the situation described in item 4 below, so we adopt individual disclosure.

1. Compensation of Directors (including Independent Directors) (Individual disclosure of names and compensation)

Unit: NTD thousand; 2024																						
Title	Name	Remuneration paid to directors								The sum of A, B, C, and D as a percentage of net income after tax (Note 10)		Remuneration Paid to Concurrent Employees								Ratio of Total Amount of A, B, C, D, E, F, and G to Net Income (Note 10)		Compensation from investees other than United's subsidiaries or Parent Company (Note 11)
		Remuneration (A) (Note 2)		Retirement Pension (B)		Remuneration of Directors(C) (Note 3)		Business execution fees (D) (Note 4)				Salary, bonuses, and special disbursements (E) (Note 5)		Retirement Pension (F)		Employee compensation (G) (Note 6)						
		The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company		All companies in the financial statements (Note 7)		The Company	All companies in the financial statements	
																Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chairman	Lin, Yan-Sheng	0	0	0	0	3,948	3,948	0	0	3,948	3,948	7,586	7,586	0	0	3,176	0	3,176	0	14,710	14,710	None.
										0.86%	0.86%									3.22%	3.22%	
Directors	Chun-Sheng Lin	0	0	0	0	1,974	1,974	0	0	1,974	1,974	0	0	0	0	0	0	0	0	1,974	1,974	None.
										0.43%	0.43%									0.43%	0.43%	
Directors	Hau, Hai-Yen	0	0	0	0	1,974	1,974	0	0	1,974	1,974	0	0	0	0	0	0	0	0	1,974	1,974	None.
										0.43%	0.43%									0.43%	0.43%	
Directors	Ng Chor Wah Patrick	0	0	0	0	3,948	3,948	0	0	3,948	3,948	0	0	0	0	0	0	0	0	3,948	3,948	None.
										0.86%	0.86%									0.86%	0.86%	
Directors	Lin Deqiong	0	0	0	0	3,948	3,948	0	0	3,948	3,948	5,233	14,276	0	0	2,944	0	2,944	0	12,125	21,168	None.
										0.86%	0.86%									2.66%	4.64%	
Independent Director	Lee, Kuen-Chang	0	0	0	0	1,560	1,560	0	0	1,560	1,560	0	0	0	0	0	0	0	0	1,560	1,560	None.
										0.34%	0.34%									0.34%	0.34%	
Independent Director	Wu, Meng-Da	0	0	0	0	600	600	0	0	600	600	0	0	0	0	0	0	0	0	600	600	None.
										0.13%	0.13%									0.13%	0.13%	
Independent Director	Liu, Chien-Lin	0	0	0	0	600	600	0	0	600	600	0	0	0	0	0	0	0	0	600	600	None.
										0.13%	0.13%									0.13%	0.13%	
Independent Director	Chen, Li-Ju	0	0	0	0	600	600	0	0	600	600	0	0	0	0	0	0	0	0	600	600	None.
										0.13%	0.13%									0.13%	0.13%	
1. Please describe the compensation policy, system, standards, and structure for Independent Directors, and explain the relationship between compensation amounts and their responsibilities, risks, time commitment, and other factors: For remuneration to Directors and Independent Directors of the Company, the Board of Directors is authorized to decide on the amount based on the extent of involvement of each Director in the Company's business and the value contributed thereby, and by referring to the normal payment standards of the peers domestically and abroad.																						
2. Other than disclosures in the table above, remuneration paid to directors for providing services (such as consulting services as a non-employee for the parent company/all companies in the financial statements/reinvestments) in the most recent year: None.																						



### Executive Compensations by Level

1. Table of Remuneration Ranges for Directors	Name			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The company (Note 8)	All companies in the financial statements (Note 9) H	The company (Note 8)	All companies in the financial statements (Note 9) I
Less than NT\$1,000,000	Wu, Meng-Da Liu, Chien-Lin; CHEN, LI-JU	Wu, Meng-Da Liu, Chien-Lin; CHEN, LI-JU	Wu, Meng-Da Liu, Chien-Lin; CHEN, LI-JU	Wu, Meng-Da Liu, Chien-Lin; CHEN, LI-JU
NT\$1,000,000 (included) – NT\$2,000,000 (not included)	Chun-Sheng Lin; Hau, Hai-Yen Lee, Kuen-Chang	Chun-Sheng Lin; Hau, Hai-Yen Lee, Kuen-Chang	Chun-Sheng Lin; Hau, Hai-Yen Lee, Kuen-Chang	Chun-Sheng Lin; Hau, Hai-Yen Lee, Kuen-Chang
NT\$ 2,000,000 (included)~NT\$ 3,500,000 (not included)	None.	None.	None.	None.
NT\$3,500,000 (included) – NT\$5,000,000 (not included)	Lin, Yan-Shen; Ng Chor Wah Patrick; LIN Deqiong	Lin, Yan-Shen; Ng Chor Wah Patrick; LIN Deqiong	Ng Chor Wah Patrick	Ng Chor Wah Patrick
NT\$ 5,000,000 (included)~NT\$ 10,000,000 (not included)	None.	None.	None.	None.
NT\$ 10,000,000 (included)~NT\$ 15,000,000 (not included)	None.	None.	Lin, Yan-Shen; LIN Deqiong	Lin, Yan-Sheng
NT\$ 15,000,000 (included)~NT\$ 30,000,000 (not included)	None.	None.	None.	Lin Deqiong
NT\$ 30,000,000 (included)~NT\$ 50,000,000 (not included)	None.	None.	None.	None.
NT\$ 50,000,000 (included)~NT\$ 100,000,000 (not included)	None.	None.	None.	None.
More than NT\$100,000,000	None.	None.	None.	None.
Total	9 person	9 person	9 person	9 person

Note 1: The names of directors shall be listed separately (names of institutional shareholders and representatives shall be listed separately); directors and independent directors shall be listed separately, and the payment amounts shall be disclosed collectively. If directors concurrently serve as the president or vice presidents, please complete this table and table (3-1) or the below table (3-2-1) and (3-2-2).

Note 2: Refers to remuneration of directors for the most recent year (includes director salary, additional compensation, severance pay, various bonuses, incentive pay).

Note 3: Refers to remuneration provided to directors as approved by the board of directors for the most recent year.

Note 4: Refers to relevant business expenses incurred by directors (including travel expenses, special disbursements, various allowances, accommodation, company car). If housing, vehicle or other means of transportation, or personal

expenses are provided, the nature and cost of the assets provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. Where a driver is provided, record the remuneration paid to such driver. However, such remuneration should not be included.

- Note 5: Refers to salary, bonuses, and allowances received by directors who are also employed by the Company (including as the president, vice president, other managerial officer or regular employee) over the past year and includes salary, additional compensation, severance pay, various bonuses, incentive pay, travel expenses, special disbursements, various allowances, living quarters, and company car. If housing, vehicle or other means of transportation, or personal expenses are provided, the nature and cost of the assets provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. Where a driver is provided, record the remuneration paid to such driver. However, such remuneration should not be included. Remunerations disclosed in accordance with IFRS 2 (Share-based Payment), including employee stock options, employee restricted new stock and shares subscribed from cash capital increase, shall also be calculated as part of the compensations.
- Note 6: It refers to directors who also work as employees (including concurrent general managers, deputy general managers, and other managers and employees) and received employee remuneration (including stocks and cash) in the most recent year. The amount of employee remuneration that was authorized for distribution by the board of directors in the most recent year should be made public by the business. If it cannot be estimated, the proposed amount for distribution this year should be determined using the actual distribution ratio from the previous year, and Table 1-3 should also be completed.
- Note 7: It should disclose the total amount of remuneration paid by all companies (including the company itself) in the consolidated financial statements to the company's directors.
- Note 8: The remuneration provided by the Company to each director shall be disclosed as a range and the names of directors are disclosed by range of remuneration received.
- Note 9: The consolidated financial statements should disclose the total remuneration paid to each director of the Company (including the Company itself) by all companies, with the names of the directors disclosed within their respective remuneration ranges.
- Note 10: Net income refers to net income (after tax) of the parent company's financial statements or individual financial statements for the most recent year.
- Note 11: This column should clearly list the amount of compensation that company directors receive from invested businesses other than subsidiaries or the parent company (if none, please fill in "none").
- b. If a director of the Company receives remuneration from an invested company (other than subsidiaries) or the parent company, the said remuneration shall be included in Column I in Table of Remuneration Ranges and the name of the column shall be changed to "Parent Company and All Invested Companies" accordingly.
  - c. Remuneration refers to pay, bonuses (including bonuses to employees, directors, or supervisors) or expenses paid in the execution of business to the Company's directors who serve as director, supervisor, or managerial officer of an invested company (other than subsidiaries).

\* The remuneration disclosed in this table is different from the concepts stipulated in the Income Tax Act. The purpose of this table is for information disclosure, not taxation

2. Remuneration of Supervisor: The Company has set up an audit committee from 2020. Thus, this table is not applicable.

### 3. Remuneration of the President and Vice President

Unit: NTD thousand; 2024

Title	Name	Remuneration (A) (Note 2)		Retirement Pension(B)		Bonuses and special expenses (C) (Note 3)		Employee Compensation (D)(Note 4)				Total of A, B, C and D and the percentage of net income after tax (%) (Note 8)		Companies in which the Company Has Invested (Note 9)
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company		All companies in the financial statements (Note 5)		The Company	All companies in the financial statements	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chairperson of the Strategy Committee	Lin, Yan-Sheng	5,661	5,661	0	0	1,926	1,926	3,176	0	3,176	0	10,763 2.36%	10,763 2.36%	None.
President	Lin Deqiong	3,905	12,948	0	0	1,329	1,329	2,944	0	2,944	0	8,178 1.79%	17,221 3.77%	None.
Vice President	Liao, Chien-Chong	3,905	3,905	0	0	1,329	1,329	2,944	0	2,944	0	8,178 1.79%	8,178 1.79%	None.
Vice President	Peng, Yu-Hsing	3,375	3,375	0	0	1,147	1,147	2,944	0	2,944	0	7,466 1.64%	7,466 1.64%	None.

\*Regardless of titles, remunerations of employees with position equivalent to General Manager and Deputy General Manager (such as president, CEO, director) shall be disclosed.

### Executive Compensations by Level

Range of Remuneration Paid to President and Vice Presidents	Names of the president and vice presidents	
	The Company (Note 6)	Companies in the Consolidated Financial Statements (Note 7) E
Less than NT\$1,000,000.	None.	None.
NT\$1,000,000(inclusive) ~ NT\$2,000,000	None.	None.
NT\$2,000,000(inclusive) ~ NT\$3,500,000	None.	None.
NT\$3,500,000 (inclusive)~NT\$5,000,000	None.	None.
NT\$5,000,000 (inclusive)~NT\$10,000,000	LIN Deqiong; Liao, Chien-Chong; Peng, Yu-Hsing	Liao, Chien-Chong; Peng, Yu-Hsing
NT\$10,000,000 (inclusive)~NT\$15,000,000	Lin, Yan-Sheng	Lin, Yan-Sheng
NT\$15,000,000 (inclusive)~NT\$30,000,000	None.	Lin Deqiong
NT\$30,000,000 (inclusive)~NT\$50,000,000	None.	None.
NT\$50,000,000 (inclusive)~NT\$100,000,000	None.	None.
More than NT\$100,000,000	None.	None.
Total	4 person	4 person

Note 1: Names of the President and Vice Presidents shall be disclosed separately and grouped into different remuneration levels. If a director also serves as the president or vice president, please fill in this table and the above table (1-1) or (1-2-1) and (1-2-2).

Note 2: Refers to salary, additional compensation, severance payment to the president and vice presidents for the most recent year.

Note 3: Refers to various bonuses, incentive payment, travel expenses, special disbursements, various allowances, accommodation, company car provided to the President and Vice Presidents for the most recent year. If housing, vehicle or other means of transportation, or personal expenses are provided, the nature and cost of the assets provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. Where a driver is provided, record the remuneration paid to such driver. However, such remuneration should not be included. Remunerations disclosed in accordance with IFRS 2 (Share-based Payment), including employee stock options, employee restricted new stock and shares subscribed from cash capital increase, shall also be calculated as part of the compensations.

- Note 4: Refers to the amount of compensation (including stock or cash) to the general manager and deputy general managers approved for distribution by the board of directors for the most recent year. If such figure cannot be estimated, the proposed amount of compensation for distribution this year shall be based on the actual proportion distributed last year, and Table 1-3 should be completed accordingly.
- Note 5: The total remuneration provided by all the companies (including the Company) to the President and Vice Presidents of the Company must be disclosed in the consolidated financial statement.
- Note 6: The remuneration distributed to each President and Vice President is disclosed as a range and their names are disclosed by range of remuneration received.
- Note 7: The total remuneration provided by all the companies (including the Company) to each President and Vice-President of the Company must be disclosed as a range and their names are disclosed by range of remuneration received.
- Note 8: Net income refers to net income (after tax) of the parent company's financial statements or individual financial statements for the most recent year.
- Note 9: This column should clearly list the amount of compensation received by the company's president and vice president(s) from subsidiaries other than the invested companies or the parent company (if none, please fill in "None").
- b. If the president and vice presidents of the Company receive remuneration from invested companies other than subsidiaries or parent company, the remuneration received by the president and vice presidents of the Company from invested companies other than subsidiaries or parent company shall be included in Column E in the Remuneration Range Table, and the column heading shall be changed to "All Invested Companies".
  - c. Remuneration refers to pay, bonuses (including bonuses to employees, directors, or supervisors) or expenses paid in the execution of business to the Company's president and vice presidents who serve as director, supervisor or managerial officer of an invested company (other than subsidiaries).

\* The remuneration disclosed in this table is different from the concepts stipulated in the Income Tax Act. The purpose of this table is for information disclosure, not taxation

4. Names of the managerial officer distributing employee remuneration and status of allocation

2024

	Title	Name	Stock Amount	Cash Amount	Total	The ratio (%) of total amount to the NIAT
Managers	Chairperson of the Strategy Committee	Lin, Yan-Sheng	0	20,646	20,646	4.5%
	President	Lin Deqiong				
	Vice President	Liao, Chien-Chong				
	Vice President	Peng, Yu-Hsing				
	Director, Operating Center	Chou, Ching-Long				
	Director, Research and Developing Center	Ho, Fang-Yuan				
	Director, Department of Finance and Accounting	Teng, Yuan-Chang				
	Director of Business Center	Huang, Wen-Hsuan				
	Director, Information Management Department	Cheng, Chih Chieh				

Note 1: Individual names and titles shall be disclosed, but profits allocated may be disclosed as a total sum.

Note 2: Employee remunerations (including stock and cash) given to the managerial officers approved by the board of directors for the most recent year shall be disclosed. However, if an estimated figure cannot be derived, this year's budgeted compensations shall be calculated based on last year's actual compensations. Net income after tax (NIAT) refers to after-tax net income of the past fiscal year. For those adopting IFRS, NIAT refers to after-tax net income of each individual company or individual financial reports in the past fiscal year.

Note 3: The term "managerial officers" refers to the positions listed below, as provided in the Financial Supervisory Commission Memorandum No. 0920001301 of March 27, 2003:

- (1) President and its equivalent
- (2) Vice President and its equivalent
- (3) Assistant General Manager and its equivalent
- (4) Chief of Finance
- (5) Chief of Accounting
- (6) Other personnel with the authority to manage company affairs and signing authority.

Note 4: If the directors, president, and vice presidents of the Company receive employee remunerations (including stock and cash), please fill in Schedule 1-2 and this table as well.

(3) If the Company exhibits one of the following matters, remuneration to individual Director and Supervisor shall be disclosed:

- 1 For the parent company only financial statements or individual financial reports for the most recent three years that exhibit net losses after tax, remunerations to individual directors and supervisors shall be disclosed. However, this does not apply to the parent company only financial statements or individual financial reports for the most recent year that exhibit net income after tax sufficient to make up for the losses: No such circumstances.
- 2 For directors who do not hold sufficient shares for three consecutive months in the most recent year, remunerations to individual Directors shall be disclosed; for Supervisors who do not hold sufficient shares for three consecutive months in the most recent year, remunerations to individual Supervisors shall be disclosed: No such circumstances.
- 3 For Directors and Supervisors who have pledged more than 50% of their shares in any of the three months of the past year, and the remuneration of the Directors and Supervisors who have pledged more than 50% in any particular month their details be disclosed: No such circumstances.
- 4 If the total amount of remuneration received by all of the Directors and Supervisors in their capacity as Directors or Supervisors of the companies in the consolidated financial statements exceeds 2% of net income after tax, and the remuneration received by any individual Director or Supervisor exceeds NT\$15 million, the Company shall disclose the remuneration paid to that individual Director or Supervisor: No such circumstances.
- 5 The Company is ranked in the lowest tier in the corporate governance evaluation for the most recent year, or for the most recent year and up to the date of publication of the Annual Report, the Company's securities have been placed under an altered trading method, suspended from trading, delisted from the TWSE or TPEX, or the Corporate Governance Evaluation Committee has resolved that the Company shall be excluded from evaluation: The company is ranked in the lowest tier for the corporate governance assessment and therefore the remuneration of the top five highest paid executives is disclosed in the following table (3).
- 6 The average annual salary of the full-time non-supervisory employees in the Company is less than NT\$ 500,000: No such circumstances.
- 7 For a publicly listed company whose after-tax net profit has increased by more than 10% in the most recent year, but the average annual salary of full-time employees who are not in managerial positions has not increased compared to the previous year.
- 8 For a publicly listed company whose after-tax profit or loss has declined by more than 10% and more than NT\$5 million in the most recent year, and the average remuneration for each director (excluding remuneration as an employee) has increased by more than 10% and more than NT\$100,000.

(4) If the circumstance in the sub-item (1) or (5) of the preceding item applies to the Company, the Company shall disclose the individual remuneration paid to each of its top five management personnel:

Unit: NTD thousand; 2024

Unit: NT\$ thousand, 2024

Title	Name	Remuneration (A) (Note 2)		Retirement Pension (B)		Bonuses and special expenses (C) (Note 3)		Employee Compensation (D)(Note 4)				Ratio of Total Amount of A,B, C and D to Net Income (%) (Note 6)		Compensation from investees other than United's subsidiaries or Parent Company (Note 7)
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company		All companies in the financial statements (Note 5)		The Company	All companies in the financial statements	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chairperson of the Strategy Committee	Lin, Yan-Sheng	5,661	5,661	0	0	1,926	1,926	3,176	0	3,176	0	10,763 2.36%	10,763 2.36%	None.
President	Lin Deqiong	3,905	12,948	0	0	1,329	1,329	2,944	0	2,944	0	8,178 1.79%	17,221 3.77%	None.
Vice President	Liao, Chien-Chong	3,905	3,905	0	0	1,329	1,329	2,944	0	2,944	0	8,178 1.79%	8,178 1.79%	None.
Vice President	Peng, Yu-Hsing	3,375	3,375	0	0	1,147	1,147	2,944	0	2,944	0	7,466 1.64%	7,466 1.64%	None.
Director, Operating Center	Chou, Ching-Long	3,158	3,158	0	0	1,073	1,073	2,362	0	2,362	0	6,593 1.44%	6,593 1.44%	None.

Note 1: The so-called "five highest-paid executives" refer to the Company's managers, and the criteria for determining these managers shall be handled in accordance with the scope of application of "managers" as stipulated in the Order No. 0920001301 issued by the former Securities and Futures Commission of the Ministry of Finance on March 27, 2003. As for the principles for identifying the "top five highest-paid" individuals, it is based on the total amount of salaries, retirement pensions, bonuses, special allowances, and employee compensation received by the Company's managers from all companies within the consolidated financial statements (i.e., the sum of A+B+C+D), which are then ranked with the top five highest-paid individuals being identified. If the director is also the former head of office, he/she should complete this table and table (1-1) above.

Note 2: The salaries, salary increments, and severance pay of the top five highest paid executives in the most recent year are included.



- Note 3: The amount of bonuses, incentives, car and travel expenses, special expenses, various allowances, dormitories, vehicles and other remuneration provided in-kind for the top five highest paid executives in the most recent year are included. If housing, vehicle or other means of transportation, or personal expenses are provided, the nature and cost of the assets provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. Where a driver is provided, record the remuneration paid to such driver. However, such remuneration should not be included. Remunerations disclosed in accordance with IFRS 2 (Share-based Payment), including employee stock options, employee restricted new stock and shares subscribed from cash capital increase, shall also be calculated as part of the compensations.
- Note 4: The amount of employee remuneration (including stock and cash) approved by the board of directors for the top five highest paid executives in the most recent year is included, and if it is not possible to estimate, the proposed distribution for the current year in proportion to last year's actual distribution, should also be included in Schedule 1-3
- Note 5: The aggregate amount of each of the remuneration paid to the top five highest paid executives of the Company by all companies in the consolidated report (including the Company) should be disclosed.
- Note 6: Net income refers to net income (after tax) of the parent company's financial statements or individual financial statements for the most recent year.
- Note 7:
- a. This column should state the remuneration received by the top 5 highest-paid managers from invested businesses other than subsidiaries or the parent company (if none, please fill in "none").
  - b. Remuneration refers to pay, bonuses (including bonuses to employees, directors, or supervisors) or expenses paid in the execution of business to the top 5 highest-paid who serve as director, supervisor, or managerial officer of an invested company (other than subsidiaries).
- \* The remuneration disclosed in this table is different from the concepts stipulated in the Income Tax Act. The purpose of this table is for information disclosure, not taxation

(5) Compare and analyze the total remuneration as a percentage of net income stated in the parent company only financial statements or individual financial reports, paid by the Company and by all consolidated entities for the most recent two years to the Company's directors, supervisors, president and vice presidents, and describe the policies, standards, and packages for payment of remuneration, procedures for determining remuneration and its linkage to business performance and future risk exposure.

1. The analysis of the total remuneration paid by the Company and all consolidated entities for the most recent two years to the Company's directors, supervisors, general manager and deputy general managers as a percentage of net income stated in the parent company only financial statements or individual financial reports:

Title		Ratio of Total Remuneration to Directors, Supervisors, President, and Vice Presidents Paid by the Company for 2023 to Net Income Stated in the Parent Company Only Financial Statements or Individual Financial Reports.	Ratio of Total Remuneration to Directors, Supervisors, President, and Vice Presidents Paid by the Company for 2023 to Net Income Stated in the Parent Company Only Financial Statements or Individual Financial Reports.	Ratio of Total Remuneration to Directors, Supervisors, President, and Vice Presidents Paid by the Company for 2024 to Net Income Stated in the Parent Company Only Financial Statements or Individual Financial Reports.	Ratio of Total Remuneration to Directors, Supervisors, President, and Vice Presidents Paid by the Company for 2024 to Net Income Stated in the Parent Company Only Financial Statements or Individual Financial Reports.
Directors	First 4 items	5.0%	5.0%	4.2%	4.2%
	First 7 items	9.2%	13.2%	8.3%	10.3%
Supervisors		0%	0%	0%	0%
President and Vice- Presidents		8.4%	12.4%	7.6%	9.6%

2. Policies, standards and packages for payment of remuneration, the procedures for determining remuneration, and its linkage to business performance and future risk exposure:

(1) For remuneration of directors, in accordance with article 20 of the Articles of Incorporation, in case the Company makes a profit in the current year (profit refers to income before tax and before distribution of remuneration to employees and Directors), no more than 3% as remuneration to Directors. In case where the directors hold a separate position in the Company, the remuneration will be paid in accordance with the remuneration policy of the Company.

- (2) The remuneration for the President and Vice President is paid in accordance with the remuneration level in the industry, the functionality of their position and their contribution. made to the Company's operating objectives.
- (3) The procedure for determining the remuneration in the Company is based on the standards in the industry; in addition, performance bonus is distributed in accordance with the operational performance and personal contribution.
- (4) Relation to future risks: The Company has obtained liability insurance for the Directors, Supervisors and managerial officers. The financial operation of the Company are conducted under the conservative principle. There are no high risks and high leveraged investments in the two recent years, and there are no issuance of loans. Therefore, there are no risks arising from the situation.

### 3. Operations of Corporate Governance

#### (1) Operations of the Board of Directors

1. The Board met seven six times in 2024. The attendance of directors and supervisors is as follows:

Title	Name	Numbers of actual attendance	Attendance by proxy	The actual attendance rate (%)	Notes
Chairman	Lin, Yan-Sheng	6	0	100%	2023.06.16 re-elected
Directors	Chun-Sheng Lin	6	0	100%	2023.06.16 re-elected
Directors	Hau, Hai-Yen	6	0	100%	2023.06.16 re-elected
Directors	Ng Chor Wah Patrick	4	0	66.67%	2023.06.16 re-elected
Directors	Lin Deqiong	6	0	100%	2023.06.16 re-elected
Independent Director	Liu, Chien-Lin	6	0	100%	2023.06.16 re-elected
Independent Director	Lee, Kuen-Chang	6	0	100%	2023.06.16 re-elected
Independent Director	Wu, Meng-Da	6	0	100%	2023.06.16 re-elected
Independent Director	Chen, Li-Ju	6	0	100%	2023.06.16 newly elected

#### 2. Handling of Independent Director's Opinions:

##### (1) Matters listed in Article 14-3 of the Securities and Exchange Act:

The Company has set up an audit committee, thus the matters listed in Article 14-3 of the Securities and Exchange Act does not apply. For the description of matters listed in Article 14-5 of the Securities and Exchange Act, please refer to the Operation of the Audit Committee.

##### (2) Other resolutions that are objected and reserved by the Independent Directors and are documented or stated: None.

3. The implementation of recusal by directors from voting on resolutions where they have a conflict of interest is as follows:

Meeting Date	Proposal content	Recused director	Reasons for recusal	Voting
2024.03.13	The 2023 remuneration distribution plan for employees and directors	Lin, Yan-Shen; Chun-Sheng Lin; Ng Chor Wah Patrick; Hau, Hai-Yen; LIN Deqiong	Avoidance of conflicts of interest	Not participated
2024.03.13	Proposal on adjusting remuneration of managerial officer	Lin, Yan-Shen; LIN Deqiong	Avoidance of conflicts of interest	Not participated
2024.03.13	The KPI achievement and bonus calculation for Group's regional sales managers in 2023.	Lin Deqiong	Avoidance of conflicts of interest	Not participated
2024.08.09	The 2023 distribution plan for employee and director compensation.	Lin, Yan-Shen; Chun-Sheng Lin; Ng Chor Wah Patrick; Hau, Hai-Yen; LIN Deqiong	Avoidance of conflicts of interest	Not participated

4. Board of director's functional improvement goals for the current and recent years and implementation status:

- (1) The Company established an Audit Committee in 2020, and the committee members' term is the same as that of the Board of Directors. After the re-election of directors at the Annual General Meeting on June 16, 2023, the Board of Directors elected four independent directors, Liu, Chien-Lin, Lee, Kuen-Chang, Wu, Meng-Da, and CHEN, LI-JU would serve as members of the Audit Committee. All committee members elected Ms. CHEN, LI-JU to serve as the convener and chairperson of the committee meetings.
- (2) The Company established a Remuneration Committee in 2020, and the committee members' term is the same as that of the Board of Directors. After the re-election of directors at the Annual General Meeting on June 16, 2023, the Board of Directors approved on June 26, 2023, that the three independent directors, Liu, Chien-Lin, Lee, Kuen-Chang, and Wu, Meng-Da, would serve as members of the Remuneration Committee. All committee members elected Mr. Wu, Meng-Da to serve as the convener and chairperson of the committee meetings.
- (3) The Company's Board of Directors approved the establishment of a Sustainability Development Committee on June 26, 2023, and the committee members' term is the same as that of the Board of Directors. Independent directors Lee, Kuen-Chang and Liu, Chien-Lin, as well as director LIN Deqiong were invited to serve as members of the Sustainability Development Committee, with Mr. Lee, Kuen-Chang serving as the convener and chairperson of the committee meetings.
- (4) The Company approved the establishment of the "Corporate Governance Code" at the Board

of Directors meeting on November 8, 2023.

- (5) The Company approved the establishment of the Strategic Development Committee at the Board of Directors meeting on June 18, 2024, with Chairman Lin, Yan-Shen serving as the chairperson of the committee.

5. Evaluation Implementation of Board of Directors:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Once a year	January 1, to December 31, 2024	1. The Board of Directors 2. Individual Directors 3. Functional Committees	Self-assessment through internal questionnaires	<ol style="list-style-type: none"> <li>The measurement items for the performance evaluation of the board of directors include the following five aspects: <ol style="list-style-type: none"> <li>Engagement in company operations</li> <li>Improvement the board's decision quality</li> <li>Board composition and structure</li> <li>Election and continual education of directors</li> <li>Internal control</li> </ol> </li> <li>The measurement items for the performance evaluation of individual directors include the following six aspects: <ol style="list-style-type: none"> <li>Mastery of the Company's goals and tasks</li> <li>Awareness of directors' responsibilities</li> <li>Engagement in company operations</li> <li>Internal relationship management and communication</li> <li>Director's expertise and continual education</li> <li>Internal control</li> </ol> </li> <li>The measurement items for the performance evaluation of the functional committees include the following five aspects: <ol style="list-style-type: none"> <li>Engagement in company operations</li> <li>Understanding of Functional Committee Responsibilities</li> <li>Improvement the Functional Committees' Decision Quality</li> <li>Composition and Member Selection of Functional Committees</li> <li>Internal control</li> </ol> </li> </ol>

## (2) Operations of the Audit Committee:

1. The Audit Committee convened six meetings in the 2024, and the attendance is detailed below:

Title	Name	Numbers of actual attendance	Attendance by proxy	The actual attendance rate (%)	Notes
Independent Director	Liu, Chien-Lin	5	0	100%	Assumed office on June 16, 2023
Independent Director	Lee, Kuen-Chang	5	0	100%	Assumed office on June 16, 2023
Independent Director	Wu, Meng-Da	5	0	100%	Assumed office on June 16, 2023
Independent Director	Chen, Li-Ju	5	0	100%	Assumed office on June 16, 2023

2. Handling of Independent Director's Opinions:

- (1) Matters listed in Article 14-5 of the Securities and Exchange Act:

Please refer to page 31 for important proposals of the Audit Committee in 2024. All independent directors unanimously approved the matters listed in Article 14-5 of the Securities and Exchange Act.

- (2) Other matters that were not passed by the audit committee but approved by more than two-thirds of the entire board: None. When directors abstain from voting for being interested in certain resolutions, names of the directors, content of the resolutions, reasons for abstentions and voting results shall be stated: None.

3. Implementation of recusal by independent directors for proposals with conflicts of interest: None.

4. Independent directors' communication with the accountants:

- (1) The Company's internal audit supervisor regularly submits audit reports to each independent director for review, and attends Audit Committee and Board meetings to present reports. The Company's independent directors maintain good communication with the internal audit supervisor.
- (2) The Company's appointed accountants communicate and discuss with the Audit Committee both before and after conducting the annual audit, including the accountants' independence and related responsibilities in auditing the group's consolidated financial statements, audit planning matters, and audit results. The Audit Committee completes its review report after considering the financial statements audited by the accountants and their audit opinion. The Company's independent directors maintain good communication with the internal audit supervisor.

(3) Operations of Corporate Governance and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

Assessed items	Current Operations			Variances from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
1. Has the Company established the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and disclose those principles?	<b>V</b>		The Company's Corporate Governance Code was approved by the Board of Directors on November 8, 2023, and was announced on the Market Observation Post System.	None.
2. Shareholding structure & shareholders' rights (1) Has the Company established internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement them according to the procedure? (2) Has the Company possessed a list of its major shareholders as well as the ultimate owners of those shares? (3) Has the Company established and implement risk control and firewall mechanism with its affiliates? (4) Has the Company established internal rules to prevent its employees to trade marketable securities on undisclosed information in the market?	<b>V</b>   <b>V</b>  <b>V</b>  <b>V</b>		(1) The Company has appointed a spokesperson and deputy spokesperson, who work together with the Company's stock affairs agency and stock affairs personnel to handle related issues.  (2) The Company constantly monitors the shareholdings of directors, managers, and the top ten shareholders.  (3) The Company has established internal controls by formulating the Regulations Governing Financial and Business Transactions with Related Parties, Affiliated Enterprises, and Specific Companies.  (4) The Company has established Insider Trading Prevention Measures that regulate all employees, managers, and directors, as well as anyone who knows the Company's information based on professional or control relationships, prohibiting any behavior that may involve	None.



Assessed items	Current Operations			Variances from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
			insider trading, and regularly conducts internal education, training, and promotion.	
<p>3. Composition and Responsibilities of the Board of Directors</p> <p>(1) Has the Board of Directors formulated a diversification policy, substantial management objectives and implemented accordingly based on board composition?</p> <p>(2) In addition to the establishment of the remuneration committee and audit committee as required by law, has the Company voluntarily established committees with other functions?</p> <p>(3) Has the Company formulated rules and methods for the performance assessment of the Board of Directors and evaluate the Board performance every year? Is the outcome of performance assessment submitted to the Board of Directors and used</p>	<p><b>V</b></p> <p><b>V</b></p> <p><b>V</b></p>		<p>(1) The Company has established Director Election Procedures. Election of directors are conducted in accordance with the nomination system as well as the knowledge, skills and literacy. More than half of the current board members do not have a marital relationship, or a relative within the second degree of kinship, and has appointed three independent directors to form the audit committee. The composition of board members has met the goal of diversity.</p> <p>(2) The Company has legally established a Remuneration Committee and an Audit Committee, and has additionally set up a Sustainability Development Committee and a Strategic Development Committee. In the future, the Company will evaluate the establishment of other functional committees based on legal requirements or operational needs.</p> <p>(3) The Company conducts regular annual performance evaluations of the overall Board of Directors, individual board members, the Audit Committee, the Remuneration Committee, and the Sustainability Development Committee. The evaluation process is conducted through self-assessment questionnaires.</p>	None.

Assessed items	Current Operations			Variances from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
<p>as reference for the remuneration and re-election nomination of individual Director?</p> <p>(4) Has the Company regularly evaluate the independence of CPAs?</p>	<b>V</b>		<p>(4) In accordance with Article 29 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Company regularly assesses the independence and suitability of the certified public accountant (CPA). Additionally, the Company also refers to the Audit Quality Indicators (AQIs) and submits the assessment to the Audit Committee and the Board of Directors for discussion and approval. The assessment criteria are based on the independence assessment items stipulated in the Accountant Act and Statements on Professional Ethics No. 10, including reviewing the Company's shareholder registry, confirming that the auditors are not interested parties of the Company, and obtaining independence statements from the certified public accountants.</p>	
<p>4. Has the Company have in place an appropriate number of qualified corporate governance officers, and a designated chief corporate governance manager to be responsible for corporate governance related matters (including but not limited to providing directors with the information required to conduct business, assisting directors in legal compliance, handling matters related to board</p>	<b>V</b>		<p>The Company has appointed a corporate governance officer responsible for handling corporate governance-related matters, including legally managing meetings of the Board of Directors, Audit Committee, Remuneration Committee, Sustainability Development Committee, and shareholders' meetings; assisting directors with their appointment and continuing education; providing directors with information necessary for business execution; and helping directors comply with laws and regulations.</p>	None.

Assessed items	Current Operations			Variances from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
meetings and shareholders' meetings in accordance with the law, and producing minutes of the board and shareholders' meetings)?				
5. Has the company established a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), and adequately responded to the issues which are of concern to the stakeholders in terms of corporate social responsibilities?	<b>V</b>		The Company spokesperson acts as the liaison for stakeholders, and a stakeholder section is set up on the Company website. For issues and suggestions raised by shareholders, employees, customers, and suppliers, timely responses are provided. Various communication channels are established to actively communicate and reduce conflicts and misunderstandings.	None.
6. Has the Company appointed a professional shareholder services agent to handle shareholders' meeting matters?	<b>V</b>		The Company's stock affairs has appointed the Stock Affairs Agency Department of Fubon Financial Securities Co., Ltd. to manage shareholders' meeting matters.	None.
7. Information Disclosure (1) Has the Company established a website to disclose financial, operational, and corporate governance information?	<b>V</b>		(1) The Company's website regularly discloses relevant information on the Company's major business operations, financial status, corporate governance, and other related matters. In addition, the Company makes regular and irregular announcements on the Market Observation Post System as required by regulations.	
(2) Has the Company adopted other methods of information disclosure (e.g. setting up an English website, designating a	<b>V</b>		(2) The Company has designated specific personnel responsible for collecting and disclosing relevant information on the Market Observation Post System and the Company's website in accordance with	

Assessed items	Current Operations			Variances from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
<p>specialist responsible for gathering and disclosing Company information, setting up a spokesperson system, uploading recordings of investor conferences onto the Company website)?</p> <p>(3) Has the Company publicly announced and registered the annual financial statements within two months after the end of the fiscal year, and publicly announced and registered the first, second and third quarter financial statements and the monthly operating results before the prescribed time limit?</p>		V	<p>regulations. The investor conferences held by the Company can be accessed on the Company's website, where presentation materials and video recordings are available.</p> <p>(3) The Company announces and files its annual financial reports within three months after the end of each accounting year in accordance with the law. Due to the numerous overseas operational locations, which affect the audit/review processes of the consolidated financial statements and the timeline for accountants to issue audit/review reports, the Company is unable to announce and file reports ahead of the regulatory deadlines.</p>	The numerous overseas operational locations affect the audit/review processes of the consolidated financial statements.
<p>8. Has the Corporation disclosed other information to facilitate a better understanding of its corporate governance (including, but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, status of directors' training, risk management policies and risk measurement standards as well as the implementation of customer policies and the Company's purchase of liability insurance for its directors)?</p>	V		<p>(1) Implementation of employee rights and employee care: The Company considers human capital as an important asset and strives to provide employees with a safe, comfortable working environment with reasonable compensation through various welfare measures.</p> <p>(2) Investor relations: The Company's main goal is to protect shareholder rights. In addition to announcing important company information on the Market Observation Post System as required by regulations, such information can also be accessed in the investor section of the Company's website.</p>	None.

Assessed items	Current Operations			Variances from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
			<p>(3) Supplier relations: The Company has established "Procurement Management Regulations" and purchases from suppliers in accordance with relevant regulations, establishing a stable and developing supply chain.</p> <p>(4) Implementation of stakeholders' rights: The Company has established a stakeholder section on its website, providing communication channels to protect the legitimate rights and interests of stakeholders.</p> <p>(5) Training Status of Directors: Please refer to (3)-1 2024 Training Status of Directors.</p> <p>(6) The risk management policy and implementation of risk measurement: The Company has implemented in accordance with the Risk Management Policies and Procedures, which approved by the Board of Directors. The Board of Directors meets at least once every quarter to oversee company operations and risk management.</p> <p>(7) The Company have purchased liability insurances for the Directors.</p>	

9. Please explain improvements that have been made in response to the results of the Corporate Governance Evaluation issued by the Taiwan Stock Exchange Corporate Governance Center, and provide the priority enhancement items and measures. (Leave blank if your company was not evaluated.)

To strengthen corporate governance and promote the "ESG Corporate Sustainability Project", the Company passed a resolution at the Board of Directors meeting on June 26, 2023, to establish a Sustainability Development Committee and form the United Biomedical ESG Promotion Team responsible for promoting relevant work. At the current stage, the greenhouse gas inventory has been completed and the greenhouse gas inventory report for 2023 was obtained in August 2024. In the future, we will continue to promote sustainable development and enhance information transparency.

(4) 2024 the Training Status of Directors

Title	Name	Date	Organizer	Course Name	Training hours	Whether it is in line with the "Guidelines for Training Courses of Directors and Supervisors of Listed Companies"
Chairman	Lin, Yan-Sheng	2024.12.03	Accounting Research and Development Foundation	The latest revisions to the Guidelines for Establishing Internal Control Systems and the practical compliance with internal audit and internal control regulations related to financial report preparation	6	Yes
Directors	Chun-Sheng Lin	2024.09.11	Securities and Futures Institute	Shareholders' meeting, management rights, and equity strategy	3	Yes
				Sustainable development strategies and planning for listed companies	3	Yes
Directors	Hau, Hai-Yen	2024.01.26	Committee Member of Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trends in 2024	3	Yes
		2024.11.22	Securities and Futures Institute	2024 Insiders' Equity Trading Legal Compliance Information Session	3	Yes
Directors	Ng Chor Wah Patrick	2024.09.03	Hong Kong Institute of Certified Public Accountants	China taxation conference 2024	3	Yes
		2024.09.06		Digitalization Series: How can GPT Reconstruct Your Business	1.5	Yes
		2024.09.20		Preparing Accountants	2	Yes
Directors	Lin Deqiong	2024.03.12	Committee Member of Taiwan Corporate Governance Association	International Trends and Experience Sharing on Corporate Integrity Management and Senior Executive Accountability System	3	Yes
		2024.04.12		Shareholders' meeting, management rights, and equity strategy	3	Yes
		2024.11.26	Taiwan Academy of Banking and Finance	Enterprise Information Security Posture under Digital Resilience	3	Yes

Title	Name	Date	Organizer	Course Name	Training hours	Whether it is in line with the "Guidelines for Training Courses of Directors and Supervisors of Listed Companies"
Independent Director	Liu, Chien-Lin	2024.10.30	Committee Member of Taiwan Corporate Governance Association	Latest Trends in Corporate Governance Evaluation Indicators That Directors and Supervisors Must Know - Intellectual Property Management	3	Yes
		2024.12.10	Taiwan Academy of Banking and Finance	Sustainability Trend Analysis and Its Risks and Opportunities for Business Operations	3	Yes
Independent Director	Lee, Kuen-Chang	2024.07.03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit Forum	6	Yes
		2024.09.06	Securities and Futures Institute	Insider Trading Prevention Promotion Session in 2024	3	Yes
		2024.11.08	Committee Member of Taiwan Corporate Governance Association	Current Status of ESG Reporting and ESG in Corporate Governance Evaluation	3	Yes
Independent Director	Wu, Meng-Da	2024.03.08	Taiwan CPA Association, ROC	Greenhouse Gas Inventory Practices	6	Yes
Independent Director	Chen, Li-Ju	2024.09.05	Taiwan CPA Association, ROC	How to Establish an Effective Anti-Money Laundering and Counter-Terrorism Financing System	3	Yes
		2024.10.08		Money Laundering Patterns That CPAs Should Be Aware of in Their Practice, Analysis of Tax Crime Cases	3	Yes

(5) The composition and implementation status of the Company's Remuneration Committee or Nomination Committee, if applicable:

1. Information on the Company's Remuneration Committee members:

April 19, 2025

Identity (Note 1) Name \ Condition		Professional Qualifications and Experiences (Note 2)	Independence (Note 3)	Number of other public companies where he/she is a member of the remuneration committee
Convener Independent Director	Lee, Kuen-Chang	Please refer to page 6-7 of (1) Information about Directors.	Please refer to page 6-7 of (1) Information about Directors.	3
Independent Director	Wu, Meng-Da	Please refer to page 6-7 of (1) Information about Directors.	Please refer to page 6-7 of (1) Information about Directors.	3
Independent Director	Liu, Chien-Lin	Please refer to page 6-7 of (1) Information about Directors.	Please refer to page 6-7 of (1) Information about Directors.	0

Note 1: Please specify the term of services, professional qualification and experience and independence of remuneration committee members in the table. In case of independent directors, please refer to Page OO of Table 1- Information about directors and supervisors (I). For roles, please specify independent directors or others (please note in case of conveners).

Note 2: Professional Qualifications and Experiences: Please specify the professional qualifications and experience of Remuneration Committee members.

Note 3: Independence: Specify the remuneration committee members meet the conditions of independence, including but not limited to the fact that he, his spouse or his relatives within the second degree are not directors, supervisors or employees of the Corporation or its affiliates; the shares and proportion held by the members, their spouse or relatives within the second degree (or in other names); whether they are a director, supervisor or employee of a company having a particular relationship with the Corporation (subject to Article 6(1)5-8 of Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the remuneration obtained from providing business, legal, financial, accounting and other services to the Corporation or its affiliates in the recent 2 years.

Note 4: For the disclosure methods, please refer to the best practices on the corporate governance center website, Taiwan Stock Exchange Corporation.



## 2. Operation of the Company's Remuneration Committee:

- (1). The Company's remuneration committee has a total of 3 members.
- (2). Term of the term of the current Committee members: June 16, 2023, to June 15, 2026.
- (3). Attendance: From January 1 to March 31, 2025, the Remuneration Committee of the Company held one meeting, and all committee members attended in person. In 2024, the Remuneration Committee held two meetings (A) with an average attendance rate of 100%. The attendance of committee members is as follows:

Title	Name	Numbers of actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)(Note)	Notes
Convener	Lee, Kuen-Chang	2	0	100%	None.
Members	Wu, Meng-Da	2	0	100%	None.
Members	Liu, Chien-Lin	2	0	100%	None.

Note:(1) For members of the Remuneration Committee who have resigned before the end of the year, the date of resignation should be noted in the remarks column. The actual attendance rate (%) should be calculated based on the number of Remuneration Committee meetings held during their tenure and their actual attendance.

- (2) When an election is held for the Remuneration Committee before the end of the year, members of both the new and old committee shall be listed in separate columns and noted as new, old or reelected members, along with the date of election in the remark column. Attendance rate (%) shall be calculated based on the number of remuneration committee meetings convened and the actual presence during his/her term of service.

## 3. Responsibilities of the Company's Remuneration Committee:

This committee shall faithfully fulfill the following duties with the care of a good administrator, and submit its recommendations to the Board of Directors for discussion:

- (1). Regularly review these regulations and propose revision recommendations.
- (2). Establish and regularly review the performance evaluation standards, annual and long-term performance objectives for the Company's directors and managers, as well as the policies, systems, standards, and structure of remuneration.
- (3). Regularly evaluate the achievement of performance objectives by the Company's directors and managers, and based on the evaluation results obtained according to the performance evaluation standards, determine the content and amount of their individual remuneration.

#### 4. Meeting Information of the Remuneration Committee:

The information regarding the meetings, reviews, and evaluations of the Company's remuneration by the Remuneration Committee in the past year is as follows:

Remuneration Committee	Meeting details and subsequent handling	Resolution results	The Company's handling of Remuneration Committee's opinions
2024.03.13	<ol style="list-style-type: none"> <li>1. Ratification of the appointment of the Chief Information Officer of United Orthopedic Corporation and the appointment of the President of the subsidiary A-SPINE Asia Co., Ltd.</li> <li>2. Discussion of the 2024 comprehensive performance bonus structure and ratification of the holiday bonuses and comprehensive performance bonuses for managers in the Taiwan for 2023.</li> <li>3. Discussion of the allocation ratio for directors' remuneration for 2023.</li> <li>4. Discussion of the adjustment on managerial officers' remuneration for 2023.</li> <li>5. Review and approve the 2023 performance achievement and bonus calculation for business executives and overseas managers.</li> <li>6. Discussion of the 2024 performance objectives and incentive measures for managers.</li> <li>7. Discussion of the work plan for the second half of 2024 and the first half of 2025.</li> </ol>	All committee members unanimously approved.	Submitted to the Board of Directors and unanimously approved by all directors present.
2024.08.09	<ol style="list-style-type: none"> <li>1. Discussion of the distribution method for director and managerial officer compensation (employee bonuses) for 2023.</li> <li>2. Discussion of compensation for the President and the Chairperson of the Strategy Committee.</li> </ol>	All committee members unanimously approved.	Submitted to the Board of Directors and unanimously approved by all directors present.

#### Other required disclosures:

1. If the Board of Directors choose not to adopt or revise suggestions proposed by the Remuneration Committee, the date of the Directors' meeting, session, contents discussed, results of meeting resolutions, and the Company's response to the opinions provided by the Remuneration Committee shall be specified (e.g., where the salary and remuneration approved by the Board of Directors is better than that suggested by the Remuneration Committee, the differences and the reason for the said differences shall be specified):

All the recommendations of the remuneration committee in 2024 have been passed by the board of directors.

2. Regarding the resolutions to be voted on by the Remuneration Committee, if there are objections or reservations among the members, and there are records or written statements, the date, number, content of the proposal, all members' opinions, and response to dissenting opinions shall be specified:

There were no opposition or reservation on the resolutions passed by the remuneration committee in 2024.

5. Members and operation of the nomination committee: The Company has not set up the nomination committee.

(6) Implementation of sustainable development promotion and discrepancies and reasons for discrepancies with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies; companies meeting certain conditions shall disclose climate-related information:

1. Sustainable Development Implementation Status and Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof:

Implementation Item	Implementation:			Deviations from the Corporate Governance Best Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
1. Has the Company established exclusively (or concurrently) dedicated units to implement sustainable development, and the Board of Directors appointed the senior management with responsibility for sustainable development, and to report the status of the supervision to the Board of Directors?	V		In compliance the ESG policies and vision, the Company has established the Sustainable Development Committee in 2023 to serve as a cross-departmental communication platform for vertical integration and horizontal coordination. It identifies sustainability issues that are relevant to the Company's operations and of concern to stakeholders, formulates corresponding strategies and work guidelines, allocates budgets related to sustainable development for various organizations, plans and implements annual programs, and tracks implementation effectiveness to ensure that sustainable development strategies are fully implemented in the Company's daily operations.	None.
2. Has the Company, based on the materiality principle, conduct risk assessments on environmental, social and corporate governance issues related to the Company's operations and formulate relevant risk management policies or strategies? (Note 2)	V		The Company has stipulated regulations regarding the risk assessments on environmental, social, and governance (ESG) issues in the work guidelines and SOP regulations, respectively. The Company intends to study and formulate a risk management policy for the entire Company after submission to the audit committee.	None.
3. Environmental issues (1) Has the Company established proper environmental management systems based on its industrial characteristics?	V		This company adheres to the relevant public safety building regulations, fire regulations, occupational health and safety regulations, waste disposal laws, energy conservation and carbon reduction management regulations established by the Science Industrial Park Administration for environmental maintenance and natural environment protection. We conduct	None.

Implementation Item	Implementation:			Deviations from the Corporate Governance Best Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
			inspections and reporting in accordance with regulations, and have established an environmental management system based on ISO 14001 and continuously passed third-party certification, with the aim of reducing waste and effectively utilizing resources. Additionally, we conduct greenhouse gas inventories according to ISO 14064-1 standards and publicly disclose them in our sustainability report.	
(2) Has the Company endeavored to make efficient use of resources and use renewable materials which have low impact on the environment?	V		The Company has engaged waste disposal company for recycling and reuse of the Company's waste. It has devised plans for waste water and rain water recycling devices in the new plants, designs of which are compliant with the energy saving requirements of the Bureau. To echo the green energy policy, solar panels on the top floor of the plant factory was installed. To reduce energy consumption for the Company and products, the corporation chooses equipment with high energy efficiency and energy-saving designs, hence optimizing energy usage efficiency.	None.
(3) Has the Company assessed the potential risks and opportunities in climate change with regard to the present and future of its business, and adopt appropriate measures to address issues?	V		As the top organization in charge of climate change management, the corporation maintains a Sustainable Development Committee. The group assesses the Company's climate change strategy and goals on an annual basis, manages climate change risks and opportunities, evaluates implementation progress, and discusses future plans. It simultaneously creates and executes action plans, reports to the board of directors, and consistently implements energy conservation and carbon reduction measures.	None.
(4) Has the Company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on greenhouse gas reduction, water reduction or waste	V		The Company emphasizes the sustainable development, regularly prepare and issue a sustainability report, takes inventory of and monitors its energy consumption and greenhouse gas emissions, of which major energy consumption comes from purchased power and natural gas. Currently, we are	None.

Implementation Item	Implementation:			Deviations from the Corporate Governance Best Sustainable Development Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
management?			pushing greenhouse gas inventory and verification in accordance with ISO 14064-1. To comply with our corporate social responsibilities to the environment, we will continue to develop policies that reduce greenhouse gas emissions, water consumption, and other waste management, as well as set energy-saving goals and implement strategies.	
4. Social Issues				
(1) Has the Company formulated appropriate management policies and procedures according to relevant laws and the International Bill of Human Rights?	V		The Company recognizes and voluntarily complies with internationally recognized human rights standards such as the United Nations Universal Declaration of Human Rights, United Nations Global Compact, United Nations Guiding Principles on Business and Human Rights, and International Labour Organization of the United Nations. We respect the safeguards outlined in human rights conventions. The personnel guidelines of the Company exceeds the Labor Standards Act. Material changes of employee rights and interests will be negotiated through labor-management meetings. The current labor-management relationship is in harmony.	None.
(2) Has the Company established and implemented reasonable employee welfare measures (including compensation, vacation, and other benefits) that appropriately reflect the operating performance or results through employee remuneration?	V		The Company's year-end bonus system is based on after-tax earnings per share, taking into account seniority and annual performance evaluations, and allocated to all employees as an incentive for all employees to work together towards the Company's goals. Employee compensation is calculated based on 12% of the Company's annual profit in accordance with the Company's Articles of Incorporation. The Company has stipulated performance evaluation methods in combination with various remuneration policies to share the operating results of the Company with the employees.	None.

Implementation Item	Implementation:			Deviations from the Corporate Governance Best Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
(3) Has the Company provided employees with a safe and healthy work environment and regularly implemented health and safety education programs for its employees?	<b>V</b>		To create a healthy and pleasant workplace, our company adheres to the Occupational Safety and Health Act and related organization regulations when developing policies, and we respect the occupational safety and health needs of key stakeholders. Disaster prevention and avoidance are essential concepts for our firm. We employ relevant management tools, mature technology, and available resources to integrate occupational safety and health issues within the plant area, offer effective remedies, and constantly develop and promote occupational safety culture. To achieve a zero-accident environment, we also improve operator protection management and invest in occupational disease prevention. Furthermore, our organization has implemented quantitative measurements, broadened occupational safety and health operations to include products and related services, improved overall occupational safety and health performance, and effectively managed risks. Our organization provides periodic health assessments for its personnel as needed. Each plant has a safety department reporting directly to the general manager, and the Labor Safety and Health Committee meets on a regular basis to examine the employees' working conditions. We have currently implemented the international ISO 45001 Occupational Safety and Health Management System, which includes annual fire drills as well as safety education and training to develop employees' emergency response and self-safety management capabilities, resulting in a safe and healthy working environment.	None.
(4) Has the Company established an effective career skill development training program for employees?	<b>V</b>		The Company plans comprehensive competency training for managers and employees at all levels, including new employee training, professional advanced training, and management training. This helps employees continuously learn and grow	None.

Implementation Item	Implementation:			Deviations from the Corporate Governance Best Sustainable Development Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			through diverse learning methods. We also introduce the belief of corporate ethics to develop relevant training courses and cultivate employees' key competencies. Supervisors and employees collaborate to discuss and establish individual annual competency development plans during the annual performance review. By providing frequent evaluations and input, we help staff members create the most effective personal development plans. In addition, each department of the Company has devised annual education and training plan for its staff with monthly tracking on the implementation status in order to meet the competency and skills required of the position.	
(5) With regard to customer health and safety, customer privacy, marketing and labeling of the products and services, does the Company follow relevant laws and international standards, and formulate relevant policies and complaint procedures for consumer rights protection?	V		The Company's products are artificial joints for implantation to human bodies. The products are required to go through stringent regulatory certification procedures before launching for sale. Related operating procedures have SOP and kept records. The products are clearly marked with consumer complaint channels and the Company keeps a good communication relationship with customers. The stakeholder section is set on the Company's website for providing opinions and feedback. The Company sets up the appeal procedure internally and respond to consumers and clients.	None.
(6) Has the Company implemented supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	V		The suppliers of the Company should go through standard certification procedures prior to becoming eligible suppliers. For the materials that are implanted to human bodies, relevant data of product inspection should be provided by batches with follow-up tracking. The contracts with the suppliers are not long-term in nature. All materials are to pass through quality assurance inspection before keeping as inventories. Materials that fail the inspection will be returned. The Company will regularly perform assessment and field audit on suppliers and terminate the	None.

Implementation Item	Implementation:			Deviations from the Corporate Governance Best Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
			relationship if the suppliers are found to be unscrupulous.	
5. Did the Corporation, following internationally recognized guidelines, prepare and publish reports such as its Sustainability Report to disclose non-financial information of the Corporation? Has the aforementioned report obtained any assurance or opinion from a third-party verification body?	V		The Company has taken reference from internationally-recognized reports standards or guidelines since 2016, and the "Core" option set out in GRI Standards promulgated by the Global Reporting Initiative (GRI), for information disclosure and compilation of corporate social responsibility report(changed to the Sustainable Development Report from 2021), which has been assured by Candor Taiwan CPAs.	None.
6. If the Company has established its own CSR principles based on the Sustainability Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe the implementation and any discrepancies from the Principles: The Company has not established the sustainable development best practice principles. However, as the Company is a medical instrument company working to enhance physical health. In order to carry out corporate social responsibility, other than implementing information transparency, the Company strives to achieve labor-management harmony internally and promote the advancement of orthopedics externally. The Company holds a high bar on the quality of the products to meet customers' expectation of the Company's products. Furthermore, the Company continually promote social welfare activities. Therefore, the Company has in essence operated in line with the spirit of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies. The Company will continuously push ahead with sustainable development and formulate sustainable development principles and regulations.				
7. Other important information to facilitate a better understanding of the Company's sustainable development practices: (1) Environmental protection: The plant has set up production waste recovery devices, including dust collection equipment, gas collection equipment, sewage, waste water, and waste oil treatment equipment, to reduce the impact on employees and social environment. The Company has introduced ISO14001 Environmental Management System in hopes of reducing waste and utilize resources effectively. (2) Social contributions: Provision of high quality artificial joints with more reasonable price, breaking of the long time monopoly of large international manufacturers in orthopedic market, reduction of medical expense for patients, improvement of the mobility inconvenience of the elders, and addition of investment in Taiwan year by year, keeping the root of technology in the region and creation of more job opportunities and business opportunities. (3) Customer rights: In addition to strict control over the quality of products during the production process, all of the Company's products have been insured with product liability insurance. (4) Human rights: In addition to the relevant laws and regulations, the Company has purchased insurance for all employees and also set up labor-management meetings to protect employees' rights and interests, while taking into account the price levels and the Company's profitability status in adjustment employees' salary to share the Company's operating results. (5) Safety and health: The Company has set up an industrial safety department to regularly detect and improve the work environment, and regularly arranged safety education and training for employees and regularly inspected the employee health; the standard operating procedures are drafted for product manufacturing and				



Implementation Item	Implementation:			Deviations from the Corporate Governance Best Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
quality inspection to ensure product safety. The international ISO45001 occupational safety and health management systems have been introduced to provide employees with a healthy and safe work environment.				

Note 1: If "Yes" under the Current Operations is ticked off, please specify the key policies, strategies, and measures adopted and their implementation results; if "No" is ticked off, please specify the discrepancy and reasons for the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and give the reason and specify related policies, strategies, and measures to be adopted in the future.

Note 2: The principle of materiality refers to environmental, social, and governance issues that have significant impacts on the Company's investors and other stakeholders.

Note 3: For the disclosure methods, please refer to the best practices on the corporate governance center website, Taiwan Stock Exchange Corporation.

## 2. Climate-related information for listed companies

### (1) Implementation of Climate-related information:

Item	Implementation:
<ol style="list-style-type: none"> <li>Describe the oversight and governance of the board of directors and management regarding climate-related risks and opportunities.</li> <li>Describe how the identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, medium-term, long-term).</li> <li>Describe the financial impact of extreme climate events and transition actions.</li> <li>Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.</li> <li>If scenario analysis is used to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analysis factors, and key financial impacts used.</li> </ol>	As the top organization in charge of climate change management, the corporation maintains a Sustainable Development Committee. The group assesses the Company's climate change strategy and goals on an annual basis, manages climate change risks and opportunities, evaluates

<p>6. If a transition strategy is in place to manage risks associated with climate change, please describe it along with the indicators and goals that will be employed to recognize and control both physical and transition hazards.</p> <p>7. If an internal carbon price is used as a planning tool, explain the basis for setting the price.</p> <p>8. Provide details about the covered activities, scopes of greenhouse gas emissions, planning period, and annual progress if climate-related targets have been set. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve the targets, describe their source and quantity.</p> <p>9. Greenhouse gas inventory and assurance status, reduction goals, strategies, and concrete action plans (to be filled in 1-1 and 1-2).</p>	<p>implementation progress, and discusses future plans. It simultaneously creates and executes action plans, reports to the board of directors, and consistently implements energy conservation and carbon reduction measures.</p> <p>The Company follows the TCFD (Task Force on Climate-related Financial Disclosures) recommendations published by the Financial Stability Board to assess the risks and opportunities of climate change to the Company. Through cross-departmental discussions, we have simultaneously identified feasible opportunities and formulated countermeasures. In terms of climate change mitigation, we are developing projects such as green operations, energy management, carbon information disclosure, and green buildings.</p>
--	---

(2) Company's greenhouse gas inventory and assurance status in the last two years

① Greenhouse Gas Inventory Information :

Explain the greenhouse gas emissions (tons of CO2e), intensity (tons of CO2e/million), and data coverage scope for the last two years.
The total greenhouse gas emissions in 2023 and 2024 were 5550.6684tCO2e tCO2e (verified) and 5,760.2612 tCO2e (not yet verified), with intensities of 2.184783 and 2.035350 (tonnes of CO2e/million), respectively.

- Note 1: Direct emissions (Scope 1, directly from emission sources owned or controlled by the Company), indirect energy emissions (Scope 2, indirect greenhouse gas emissions from the generation of purchased electricity, steam, heating, or cooling), and other indirect emissions (Scope 3, emissions resulting from the Company's activities, but not from sources owned or controlled by the Company).
- Note 2: The scope of direct greenhouse gas emissions and energy indirect emissions data should be addressed following the schedule prescribed in Article 10, Paragraph 2 of these Regulations. Information on other indirect emissions may be disclosed voluntarily.
- Note 3: Greenhouse Gas Inventory Standards: The Greenhouse Gas Protocol (GHG Protocol) or the ISO 14064-1 published by the International Organization for Standardization (ISO).
- Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or operating revenue, but at least the data calculated based on operating revenue (NT\$ million) should be stated.

② Greenhouse Gas Assurance Information :

Explain the greenhouse gas emissions (tons of CO2e), intensity (tons of CO2e/million), and data coverage scope for the last two years.
The greenhouse gas emissions for 2023 and 2024 were 5,550.6684 tCO2e (verified) and 5,760.2612 tCO2e (not yet verified) respectively. Complete verification information will be disclosed in the sustainability report.

- Note 1: Should be addressed following the schedule prescribed in Article 10, Paragraph 2 of these Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing the annual report, it should state "Complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it should state "Complete assurance information will be disclosed on the Market Observation Post System," and disclose the complete assurance information in the annual report of the following year.

Note 2: The assurance institution should comply with the relevant regulations on sustainability report assurance institutions established by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

Note 3: For disclosure content, refer to the best practice examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

### ③Greenhouse Gas Reduction Targets, Strategies and Specific Action Plans:

Describe the baseline year and data for greenhouse gas reduction, reduction targets, strategies and specific action plans, and the progress towards achieving the reduction targets.

The Company has set 2023 as the baseline year for greenhouse gas inventory, but has not yet established a baseline year for greenhouse gas reduction, reduction targets, strategies, action plans, or reduction goals. In the future, based on the results of the ISO14064-1 greenhouse gas emissions inventory, the Company will examine the impacts faced by its operations, and accordingly plan carbon reduction targets, plans, and response measures to effectively reduce greenhouse gas emissions.

Note 1: The inventory should be conducted in accordance with the schedule stipulated in Article 10, Paragraph 2 of the Regulations.

Note 2: The baseline year should be the year in which the consolidated financial report boundary is inventoried. For example, according to the regulations stipulated in Article 10, Paragraph 2, companies with capital of NT\$10 billion or more should complete the inventory of the 2024 Consolidated Financial Report in 2025. Therefore, the baseline year is 2024. If a company has completed the inventory of the Consolidated Financial Report earlier, it may use the earlier year as the baseline year. The data for the baseline year may be calculated as a single year or an average of several years.

Note 3: For disclosure content, refer to the best practice examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

(6) Operations of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies":

Assessed items	Current Operations (Note)			Variances from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
1. Formulating policies and plans for ethical corporate management				None.
(1) Has the Company formulated an ethical management policy approved by the board of directors, and expressly stated in the regulations and external documents the policies and practices of ethical management, as well as the board of directors and senior management's commitment to actively implement the management policy?	V		(1) The Company's Ethical Corporate Management Operating Procedures and Code of Conduct clearly stipulates that directors, managers, employees, and others must comply with laws and regulations when performing their duties. The formulation and amendments are all approved by resolution of the Board of Directors and then reported to the annual shareholders' meeting.	
(2) Has the Company established an assessment mechanism for the risk of unethical behaviors, regularly analyzed and evaluated business activities with a higher risk of being unethical within the business scope, and formulated a plan accordingly to prevent unethical behaviors, which covers at least the preventive measures provided in Article 7, Paragraph 2 of "the Ethical Corporate Management	V		(2) The Company has established programs to prevent dishonest conduct in its Ethical Corporate Management Operating Procedures and Code of Conduct based on business activities that have been evaluated to have higher risks of dishonest behavior within the scope of operations.	

Assessed items	Current Operations (Note)			Variances from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
<p>Best Practice Principles for TWSE/GTSM Listed Companies"?</p> <p>(3) Has the Company specified the operating procedures, behavioral guidelines, disciplinary penalties, and grievance system in its plan for unethical conduct prevention, and has implemented said program while regularly reviewing and revising it?</p>	V		(3) The Company's Integrity Management Procedures and Code of Conduct clearly define the procedures for preventing dishonest behaviors, the code of conduct, disciplinary actions for violations, and the complaint system, all of which are effectively implemented.	
<p>2. Implementation of Ethical Corporate Management</p> <p>(1) Has the Company evaluated business partners' ethical records and include ethics-related clauses in business contracts?</p> <p>(2) Has the Company set up a unit responsible for ethical corporate management on a full-time basis under the board of directors which reports the ethical corporate</p>	V		<p>(1) The contracts between the Company and its business partners contain clear terms of ethical behaviors, requiring the business partner to comply with principle of relevant legal behavior, violation of which will result in termination of the contract by the Company.</p> <p>(2) The Company shall designate the Corporate Governance Group as the dedicated unit responsible for amending,</p>	None.

Assessed items	Current Operations (Note)			Variances from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
management policy and plans against unethical conduct regularly (at least once a year) to the board of directors while overseeing such implementation?	V		implementing, interpreting, providing consultation services, and recording the contents reported for Integrity Management Procedures and Code of Conduct, as well as overseeing the implementation. The Dedicated Unit shall report on anti-dishonest program to the Sustainable Development Committee for review on a regular basis and then report to the Board of Directors.	
(3) Has the Company established policies to prevent conflicts of interest and provided appropriate communication channels and implemented it?	V		(3) The Company has established appropriate regulations in relevant management regulations and has set up opinions reporting channels to prevent transactions containing conflicts of interest.	
(4) Has the Company established effective accounting and internal control systems to implement ethical corporate management? Has the Company's internal audit unit followed the results of unethical conduct risk assessments and devised audit	V		(4) The Company has established internal control systems and relevant management regulations for all transaction cycles. Internal audit personnel formulate annual audit plans for inspection, and	

Assessed items	Current Operations (Note)			Variances from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
<p>plans to audit the systems accordingly to prevent unethical conduct, or hired outside accountants to perform the audits?</p> <p>(5) Has the Company regularly held internal and external educational trainings on ethical corporate behavior?</p>	<b>V</b>		<p>report the audit results to the Board of Directors.</p> <p>(5) The Company promotes the core values of ethical management and arranges internal and external training on a regular basis to incubate employees' the required skills set out in the internal regulations to fulfill the belief of ethical corporate management.</p>	
<p>3. Operations of the Company's reporting mechanism</p> <p>(1) Has the Company established a concrete reporting and reward system, set up convenient reporting channels and appointed suitable personnel to handle these cases?</p> <p>(2) Has the Company established the standard operating procedures for investigating received reports, the follow-up measures to be taken after completion of the investigation, and the relevant confidentiality mechanism?</p>	<b>V</b>	<b>V</b>	<p>(1) The Company has set up a physical suggestion box and an email inbox for employees, and depending on the nature of the complaint, the President's Office or Human Resources Department is assigned to handle it.</p> <p>(2) The Company's Suggestion Box Management Procedures establish the investigation process for handling reported matters and the related confidentiality mechanisms.</p>	None.



Assessed items	Current Operations (Note)			Variances from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
(3) Has the Company taken measures to protect individuals from possible mistreatment arising from their reporting of violations?	<b>V</b>		(3) The Company's Suggestion Box Management Procedures establish confidentiality measures to protect whistleblowers from any improper treatment resulting from their reports.	
4. Strengthening information disclosure  Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	<b>V</b>		The Company has disclosed Corporate Governance Best-Practice Principles on the Market Observation Post System and presented our core values of ethical management in the business profile.	None.
5. If the Company has established a principle of ethical corporate management based on "The Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the implementation and the Best-Practice Principles:  The Company has established the Integrity Management Procedures and Code of Conduct in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies. The current operations have no discrepancies with the established operating procedures and code of conduct.				
6. Any other important information that facilitates the understanding of the Company's implementation of ethical corporate management: (e.g., any review or amendment to the Company's Ethical Corporate Management Best Practice Principles): None.				

Note: Regardless of whether the operation item is checked "yes" or "no", the Company shall state an appropriate explanation.

- (7) Other important information that can strengthen the understanding of the Company's corporate governance practices:

Please refer to the Company's corporate governance guidelines and related regulations on the Company's website or the Market Observation Post System.

## (8) Disclosures Required for the Implementation of the Internal Control System

### 1. Statement of Internal Controls

United Orthopedic Corporation

Statement of Internal Control System

Date: March 7, 2025

The Company states the following with regard to its internal control system during 2024 based on the self-evaluation results:

1. The Company is fully aware that establishing, operating and maintaining an internal control system are the responsibilities of the board of directors and managerial officers of the Company. The Company has established such a system. The goal of the system is aimed at the operational efficiency and effectiveness (including profits, performance and assets safeguarding) and to provide reasonable assurance on producing reliable and transparent financial reports, compliance with relevant regulations and compliance with relevant acts.
2. The internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three goals mentioned above. Furthermore, the effectiveness of the internal control system may change along with changes in environment or circumstances. Nevertheless, the Company's internal control system has self-monitoring mechanisms, and the Company takes immediate remedial measures in response to any identified deficiencies.
3. The Company makes judgments on the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (Regulations). The criteria adopted by the Regulations are divided into five components in accordance with the procedures for management and control: 1. Environmental control, 2. risk assessment, 4. information and communication, and 5. supervision. Each constituent element includes a number of categories. Please refer to provisions in the Protocols for above-mentioned items.
4. The Company has conducted an effective evaluation on its internal control system by adopting the above mentioned internal control system judgement criteria.
5. Based on the preceding evaluation result, the Company believes that its internal control system (with subsidiaries supervision and management) on December 31, 2024 includes the awareness of operation effectiveness and target achievement efficiency, reliability and transparency of financial reports, compliance with relevant regulations and compliance with relevant acts. The design and execution of the internal control system are effective which can reasonably assure the accomplishment of the aforementioned objectives.
6. This statement will become an integral part of the Company's annual report and the prospectus, which will be made public. If the aforementioned content contains illegal

matters such as any fraudulent or hidden information, the Company will be in question of breaching Articles 23, 32, 171, and 174 in the Securities and Exchange Act and face legal consequences.

7. This statement has been approved by the board of directors on March 7, 2025, where none of the nine attending directors expressed dissenting opinions, and unanimously affirmed the content of this statement.

United Orthopedic Corporation

Chairman: Lin, Yan-Sheng

President: LIN Deqiong

2. The companies that entrusted project-based accountants to review the internal control system, the accountant's audit report shall be disclosed: None.

(9) Major resolutions of shareholders' meeting and board meetings for the most recent year up to the publication date of the annual report

1. Shareholders' meeting

Date	Significant Resolutions at the Shareholders' Meeting
2024.06.18	<ol style="list-style-type: none"> <li>1. Approval of the 2023 Annual Business Report and Financial Statements.</li> <li>2. Approval of the 2023 Annual Surplus Distribution Proposal Implementation: Passed by the Board of Directors on June 18, 2024, the ex-dividend date is set for July 26, 2024, and the payment date is August 16, 2024. The actual special dividend distribution is \$473,111, with a dividend of \$2.34 per share. The common stock cash dividend distribution is \$385,394,481, with a cash dividend of \$4.00407196 per share.</li> <li>3. Approval of amendments to the Rules and Procedure for Shareholders' Meetings.</li> </ol>

2. Board of Directors

Date	Significant Resolutions at the Shareholders' Meeting
2024.03.13	<ol style="list-style-type: none"> <li>1. Approval of the 2023 Financial Statements and Business Report.</li> <li>2. Approval of the list of non-confirming services expected to be provided by in 2024 by Ernst &amp; Young and its affiliates and submission for discussion and approval.</li> <li>3. Approval of the Company's regular assessment on independence of CPAs.</li> <li>4. Approval of the 2023 Statement of Internal Control System.</li> <li>5. Approval of the 2023 remuneration distribution to employees and directors.</li> <li>6. Approval of the proposal on adjusting the remuneration of managerial officer.</li> </ol>

	<p>7. Approval of the KPI achievement and bonus calculation for Group's regional sales managers in 2023.</p> <p>8. Approval of the 2023 distribution of surplus.</p> <p>9. Approval of the plan to distribute cash dividends from capital reserves.</p> <p>10. Approval of the acceptance of shareholders' right to submit proposals at the 2024 annual shareholders' meeting.</p> <p>11. Approval of the convening of the 2024 annual shareholders' meeting.</p> <p>12. Approval of the proposal for the loaning of funds among invested companies of the Group.</p> <p>13. Approval of the change in the list of Information Security Officers.</p> <p>14. Approval of the record date for the conversion of convertible bonds into common shares from September 2023 to February 2024.</p>
2024.05.08	<p>1. Approval of the proposal for appointing the CPAs for 2024.</p> <p>2. Approval of the Company's consolidated financial statement for the first quarter of 2024.</p> <p>3. Approval of the Company's application for credit lines and derivative financial product trading lines from financial institutions.</p> <p>4. Approved the case based on the "2024 Equity Incentive Implementation Plan" issued by the reinvestment company Shandong Xinhua United Orthopedic Corporation, whereby the original shareholders commit to "waive the rights to subscribe to shares from the capital increase resulting from this case.</p>
2024.06.18	<p>1. Approval of the ex-dividend date of July 26, 2024, for the cash dividends of preferred shares and the 2023 Distribution of Surplus Earnings to Common Shareholders of the Company.</p> <p>2. Approved the organizational changes and personnel appointments of the Company.</p> <p>3. Approval of the appointment of the Corporate Governance Officer.</p>
2024.08.09	<p>1. Approval of the Company's consolidated financial statements for the first half of 2024.</p> <p>2. Approval of the 2023 distribution plan for employee and director compensation.</p> <p>3. Approval of the capital increase of AUD\$500,000 for the subsidiary United Orthopedic (Australia) Pty Ltd.</p> <p>4. Approved the capital reduction to offset losses and capital increase case for the reinvested company Chang Gu Biotech.</p> <p>5. Approval of the Company's application for credit lines and derivative financial product trading lines from financial institutions.</p> <p>6. Approved the organizational regulations for the Sustainability Committee.</p>

2024.11.05	<ol style="list-style-type: none"> <li>1. Approval of the Company's consolidated financial statement for the third quarter of 2024.</li> <li>2. Approved the Company's proposal to recall Class A convertible preferred shares issued in 2019.</li> <li>3. Approval of the record date for the conversion of convertible bonds into common stocks from July to October 2024.</li> </ol>
2024.12.20	<ol style="list-style-type: none"> <li>1. Approval of the 2025 audit plan.</li> <li>2. Approval of the proposal for the loaning of funds among invested companies of the Group.</li> <li>3. Approval of the proposal of the Company's guarantee and endorsement to the group's subsidiaries.</li> <li>4. Approval of the list of non-assurance services to be provided by Ernst &amp; Young and its affiliated companies.</li> <li>5. Approval of the 2024 engagement of the auditor for the sustainability report.</li> <li>6. Approved the addition of Risk Management Policy and Procedure Measures.</li> <li>7. Approved the management operating regulations for sustainability information.</li> <li>8. Approved the amendment of certain provisions of the Company's Rules of Procedure for Board of Directors Meetings and the Audit Committee Charter.</li> </ol>
2025.03.07	<ol style="list-style-type: none"> <li>1. Approval of the 2024 Financial Statements and Business Report.</li> <li>2. Approval of the Company's regular assessment on independence of CPAs.</li> <li>3. Approval of the 2024 Statement of Internal Control System.</li> <li>4. Approval of the 2024 remuneration distribution to employees, and directors.</li> <li>5. Approval of the proposal on adjusting the remuneration of managerial officer.</li> <li>6. Approval of the KPI achievement and bonus calculation for Group's regional sales managers in 2024.</li> <li>7. Approved the ratification of the audit supervisor.</li> <li>8. Approved the by-election of the Company's directors.</li> <li>9. Approval of the nomination of directors to the Company's Board of Directors.</li> <li>10. Approval of the proposal to release non-competition restriction on the newly appointed directors of the Company at the shareholders' meeting.</li> <li>11. Approval of the acceptance of shareholders' right to submit proposals at the 2025 annual shareholders' meeting.</li> <li>12. Approved the Company's acquisition of the business and assets of Chaos Co., Ltd.</li> <li>13. Approval of the Company's 5th proposed issuance of domestic unsecured convertible bonds.</li> </ol>

	<p>14. Approved the establishment of the scope of entry-level employees of the Company.</p> <p>15. Approval of amendments to the Articles of Incorporation.</p> <p>16. Approved the amendment of Procedures for Acquisition or Disposal of Assets, Procedures for Lending Funds to Others, and Endorsement and Guarantee Operational Procedures.</p> <p>17. Approval of the 2024 distribution of surplus.</p> <p>18. Approval of the record date for the conversion of convertible bonds into common stocks from October to December 2024.</p> <p>19. Approval of the Company's application for credit lines and derivative financial product trading lines from financial institutions.</p> <p>20. Approval of the convening of the 2025 annual shareholders' meeting.</p>
--	---

### 3. Audit Committee

Date	Significant Resolutions at the Shareholders' Meeting
2024.03.13	<p>1. Approval of the 2023 Financial Statements and Business Report.</p> <p>2. Approval of the list of non-confirming services expected to be provided by in 2024 by Ernst &amp; Young and its affiliates and submission for discussion and approval.</p> <p>3. Approval of the Company's regular assessment on independence of CPAs.</p> <p>4. Approval of the 2023 Statement of Internal Control System.</p> <p>5. Approval of the 2023 distribution of surplus.</p> <p>6. Approval of the plan to distribute cash dividends from capital reserves.</p> <p>7. Approval of the proposal for the loaning of funds among invested companies of the Group.</p> <p>8. Approval of the change in the list of Information Security Officers.</p>
2024.05.08	<p>1. Approval of the proposal for appointing the CPAs for 2024.</p> <p>2. Approval of the Company's consolidated financial statement for the first quarter of 2024.</p> <p>3. Approved the case based on the 2024 Equity Incentive Implementation Plan issued by the reinvestment company Shandong Xinhua United Orthopedic Corporation, whereby the original shareholders commit to "waive the rights to subscribe to shares from the capital increase resulting from this case.</p>
2024.08.09	<p>1. Approval of the Company's consolidated financial statements for the first half of 2024.</p> <p>2. Approval of the capital increase of AUD\$500,000 for the subsidiary United Orthopedic (Australia) Pty Ltd.</p>

2024.11.05	<ol style="list-style-type: none"> <li>1. Approval of the Company's consolidated financial statement for the third quarter of 2024.</li> <li>2. Approval of the list of non-assurance services to be provided by Ernst &amp; Young and its affiliated companies.</li> </ol>
2024.12.20	<ol style="list-style-type: none"> <li>1. Approval of the 2025 audit plan.</li> <li>2. Approval of the proposal for the loaning of funds among invested companies of the Group.</li> <li>3. Approval of the proposal of the Company's guarantee and endorsement to the group's subsidiaries.</li> <li>4. Approval of the list of non-assurance services to be provided by Ernst &amp; Young and its affiliated companies.</li> <li>5. Approval of the 2024 engagement of the auditor for the sustainability report.</li> <li>6. Approved the addition of Risk Management Policy and Procedure Measures.</li> <li>7. Approved the management operating regulations for sustainability information.</li> <li>8. Approved the amendment of certain provisions of the Company's Rules of Procedure for Board of Directors Meetings and the Audit Committee Charter.</li> </ol>
2025.03.07	<ol style="list-style-type: none"> <li>1. Approval of the 2024 Financial Statements and Business Report.</li> <li>2. Approval of the Company's regular assessment on independence of CPAs.</li> <li>3. Approval of the 2024 Statement of Internal Control System.</li> <li>4. Approval of the 2024 remuneration distribution to employees and directors.</li> <li>5. Approval of the proposal on adjusting the remuneration of managerial officer</li> <li>6. Approval of the KPI achievement and bonus calculation for Group's regional sales managers in 2024.</li> <li>7. Approved the ratification of the audit supervisor.</li> <li>8. Approved the Company's acquisition of the business and assets of Chaos Co., Ltd.</li> <li>9. Approved the amendment of Procedures for Acquisition or Disposal of Assets, Procedures for Lending Funds to Others, and Endorsement and Guarantee Operational Procedures.</li> <li>10. Approval of the 2024 distribution of surplus.</li> <li>11. Approval of the record date for the conversion of convertible bonds into common stocks from October to December 2024.</li> <li>12. Approval of the Company's 5th proposed issuance of domestic unsecured convertible bonds.</li> <li>13. Approval of the convening of the 2025 annual shareholders' meeting</li> </ol>

(10) Major Contents of Any Dissenting Opinions on Record or Stated in a Written Statement Made by Directors or Supervisors regarding Material Resolutions Passed in the Board of Directors' Meetings for the Most Recent Year up to the Publication Date of the Annual Report: None.

#### 4. CPA Information Regarding Audit Fee

(1) The Company shall disclose the audit fee paid to the auditors and their firm and the affiliates, as well as non-audit-fees and non-audit services. The following matters shall be disclosed:

##### CPA Information Regarding Audit Fee

Amount Unit: NT\$ thousand

Accounting firm	Name of the accountant s	Time of Audit	Audit Fees	Non-Audit Fees	Total		Notes
Ernst & Young	Lin, Shih-Huan	2024.01.01-2024.12.31	4,220	1,590	5,810		Tax verification Transfer Pricing Consulting for Sustainability Report Projects
	Hsu, Jung-Huang	2024.01.01-2024.12.31					Assurance of the Sustainability Report

Please specify non-audit fee services: (e.g. tax certification, assurance or other financial advisory services)

Note: If the Company has changed CPA or accounting firm during the current fiscal year, the period covered by CPA's audit and the reasons for change shall be stated in the Remarks column. The audit and non-audit fees paid to the former and successor CPA or accounting firm shall also be disclosed in sequence. The non-audit fee services shall be marked and explained.

1. When the company has changed the accounting firm, and in that particular year, the audit fees paid are less than those of the fiscal year before that, the decreased amount and reason thereof shall be disclosed: No such circumstances.

2. When the audit fees decreases by 10% or more than that of the last fiscal year, the Company must disclose the decreased amount, ratio, and reason: No such circumstances.

(2) The audit fees mentioned above means professional fees paid by the Company to the CPA for audits, reviews and secondary reviews of financial reports and reviews of financial forecasts.

#### 5. Information on replacement of CPA:

(1) Information on the Former CPA



Date of Replacement	August 10, 2023		
Reason for replacement and explanation	Due to the modification of the internal audit accountant by Ernst & Young, the Board of Directors has determined to assign Ernst & Young's CPAs Lin, Shih-Huan and Hsu, Jung-Huang to be responsible for the certification of financial statements commencing from the third quarter of 2023.		
Statement on whether the authorizing party or the accountant terminate or reject the authorization	Circumstances of the parties concerned	CPAs	The authorizing party
	Voluntarily terminated the authorization	✓	
	Rejected the (continuing) authorization		
The reasons cited in the signed and issued audit reports which were not "no reservations" in the last two years	Both 2023 and 2024 received unqualified opinions.		
Different opinions from the issuer	Yes		Accounting principles or practices
			Disclosure of financial report
			Scope or procedure of auditing
			Others
	None.	✓	
	Description: Not Applicable		
Other items disclosed (for which disclosure is required under Article 10, Clause 6, items 1-4 through 1-7 of the Regulations)	None.		

(2) Regarding the successor CPA

Name of accounting firm	Ernst & Young
Name of the accountants	Lin, Shih-Huan and Hsu, Jung-Huang
Date of appointment	August 10, 2023
The accounting treatment of particular transactions before appointment or accounting principle and the consulting matters and their results for the possible opinions signed and issued in the financial report	None.
The successor accountant's written opinion of on the former accountant's different opinions	None.

- (3) The former accountant shall, in accordance with the provisions of Subparagraph 1 of Paragraph 6 of Article 10 of these Regulations and the three preceding items, send a letter to the former accountant, and inform the former accountant that if there is any objection, a reply letter shall be sent within ten days: None.

**6. The Company's Chairman, General Manager, or Any Managerial Officer in Charge of Finance or Accounting Matters Having Held a Position at Its CPAs' Accounting Firm or at an Affiliate in the Most Recent Year: None.**

**7. Transfer of equity interests and/or pledge of or change in equity interests by directors, supervisors, senior management and/or shareholders holding more than 10% of the Company's shares in the most recent year up to the publication date of the Annual Report. Where the counterparty of a share transfer or share pledge is a related party, disclosure of the counterparty's name, relationship to the company, directors, supervisors, senior management, and shareholders holding more than 10% of the shares, as well as the number of shares transferred or pledged, is required.**

(1) Changes in shareholding of directors, supervisors, managerial officers and major shareholders

Date: April 19, 2025 (book closure date); Unit: share

Title	Name	2024				As of April 19, 2025				Notes
		Common Stocks		Preference Shares		Common Stocks		Preference Shares		
		Addition (reduction) of shares held	Addition (reduction) of shares pledged	Addition (reduction) of shares held	Addition (reduction) of shares pledged	Addition (reduction) of shares held	Addition (reduction) of shares pledged	Addition (reduction) of shares held	Addition (reduction) of shares pledged	
Chairman	Lin, Yan-Sheng	(100,000)	(660,000)	0	0	0	0	0	0	
Directors	Chun-Sheng Lin	0	0	0	0	0	0	0	0	
Directors	Hau, Hai-Yen	0	0	0	0	0	0	0	0	
Directors	Lee, Chi-Fung	0	0	0	0	0	0	0	0	
Directors	Ng Chor Wah Patrick	0	0	0	0	0	0	0	0	
Directors	Lin Deqiong	260,000	0	0	0	0	0	0	0	
Independent Director	Liu, Chien-Lin	112,505	0	(107,505)	0	0	0	0	0	
Independent Director	Lee, Kuen-Chang	0	0	0	0	0	0	0	0	
Independent Director	Wu, Meng-Da	0	0	0	0	0	0	0	0	
Vice President	Liao, Chien-Chong	0	0	0	0	0	0	0	0	
Vice President	Peng, Yu-Hsing	0	0	0	0	0	0	0	0	
Vice President	Lin Deqiong	0	0	0	0	0	0	0	0	

Director, Research and Developing Center	Ho, Fang- Yuan	(18,000)	0	0	0	0	0	0	0	
Director, Operating Center	Chou, Ching- Long	(6,000)	0	0	0	0	0	0	0	
Director of Business Center	Huang, Wen- Hsuan	0	0	0	0	0	0	0	0	
Director, Department of Finance and Accounting	Teng, Yuan- Chang	0	0	0	0	0	0	0	0	
Director, Information Management Department	Cheng, Chih Chieh	0	0	0	0	0	0	0	0	

Note 1: Shareholders who hold more than 10% of the Company's shares shall be considered as major shareholders and are listed separately.

(2) Transfer of shares: transfer of shares to related parties by directors, supervisors, managerial officer or shareholder with a stake of more than ten percent in the most recent year up to the publication date of the annual report: No such circumstances.

(3) Pledge of shares: pledge of or change in shares by directors, supervisors, managerial officers or shareholders with a stake of more than ten percent in the most recent fiscal year up to the publication date of the annual report: No such circumstances.

## 8. Information on the top ten shareholders who are identified as related parties, spouse or relative within the second degree of kinship:

Name (Note 1)	Shares Held in Person	Shares held under spouse or minor children's names	Shares held in others' names	Top 10 Shareholders of the Company who Are Identified as a Related Party, Spouse, or Relative within the	Notes
---------------	-----------------------	--	------------------------------	--	-------

							Second Degree of Kinship under No. 6 of the Statements of Auditing Standards (Note 3)		
	Shares	Share-holding Ratio	Shares	Share-holding Ratio	Shares	Share-holding Ratio	Designation (or Name)	Relationship	
Representative of Yi Fa Co., Ltd.: Lin Yu-Yan	9,231,000	9.57%	Not Applicable	Not Applicable	0	0%	Ko Yao Inc. I Te Inc. Yi Sheng Co., Ltd.	The representative person is the same as the Company	
Representative of Keyao Co., Ltd.: Lin, Yu-Yen	4,774,000	4.95%	Not Applicable	Not Applicable	0	0%	YI FA CO., LTD. I Te Inc. Yi Sheng Co., Ltd.	The representative person is the same as the Company	
Representative of Yi De Co., Ltd.: Lin Yu-Yan	3,917,000	4.06%	Not Applicable	Not Applicable	0	0%	YI FA CO., LTD. Ko Yao Inc. YI FA CO., LTD.	The representative person is the same as the Company	
HSBC Custody Account for Goldman Sachs International Investment	3,479,279	3.61%	Not Applicable	Not Applicable	0	0%	None.	None.	
Representative of Yi Sheng Co., Ltd.: Lin Yu-Yan	3,113,000	3.23%	Not Applicable	Not Applicable	0	0%	YI FA CO., LTD. Ko Yao Inc. I Te Inc.	The representative person is the same as the Company	

Lin, Yan-Sheng	2,621,441	2.72%	287,000	0.30%	0	0%	Chun-Sheng Lin	Brother	
Cheng, Wei-Hung	2,445,000	2.54%	0	0%	0	0%	None.	None.	
Chun-Sheng Lin	1,995,743	2.07%	0	0%	0	0%	Lin, Yan-Sheng	Brother	
Taiwan Knitting Co., Ltd.	1,700,000	1.76%	Not Applicable	Not Applicable	0	0%	None.	None.	
Investor account of Wu Chuhua commissioned to manage by E. Sun Bank	1,670,425	1.73%	Not Applicable	Not Applicable	0	0%	None.	None.	

Note 1: Please list the top 10 shareholders; the name of corporate shareholders and their respective representatives shall be listed respectively.

Note 2: The calculation of shareholding ratio shall indicate the percentage of shares held in the person's own name or in the name of spouse, minor children, or others.

Note 3: The relationships between the aforementioned shareholders, including corporate and natural persons, shall be disclosed based on the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Note 4: This table discloses the top ten shareholders in terms of the shareholding ratio of ordinary shares.

**9. Information on the total number of shares and equity interests held in a single investee enterprise by the Company, its directors, supervisors, senior management, and/or any companies directly or indirectly controlled by the Company, and the aggregate shareholding percentage calculated on a combined basis.**

December 31, 2024

Unit: share

Re-investments in other companies (Note 1)	The Company's investments		Investments of Directors, Supervisors, Managers, and directly or indirectly controlled businesses		Combined investments	
	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)
UOCUSA,INC.	15,361,016 (Note 2)	100	0	0	15,361,016	100
UOCEuropeHoldingSA	13,500 (Note 3)	96	0	0	13,500	96
United Orthopedic Corporation (Suisse)SA	0	0	1,550 (Note 3)	100	1,550	100
United Orthopedic Corporation (France)	0	0	8,782 (Note 4)	100	8,782	100
United Orthopedic Corporation (Belgium)	0	0	900 (Note 4)	100	900	100
United Orthopedic JapanInc.	125,022 (Note 5)	96	0	0	125,022	96
A-SPINE Asia Co., Ltd.	10,089,696 (Note 6)	75	0	0	10,089,696	75
United Orthopedics Limited	0	0	540 (Note 7)	100	540	100
UOCORTHOPEDIC (AUSTRALIA)PTYLTD	1,300,001 (Note 8)	100	0	0	1,300,001	100
Shinva United Orthopedic Corporation	147,000, 00 (Note 9)	43	0	0	147,000,00 0	43
U2ORTHOORTOPEDİKÜRÜ NLERTİCARETİANONİMŞİRK ETİ		0	50 (Note 10)	100	50	100

Note 1: The investments were made by the Company under the equity method.

Note 2: The face value per share is USD0.68

Note 3: The face value per share is CHF1,000

Note 4: The face value per share is EUR1,000

Note 5: The face value per share is JPY2,045

Note 6: The face value per share is TWD10

Note 7: The face value per share is GBP1,000

Note 8: The face value per share is AUD1

Note 9: The face value per share is CNY1

Note 10: The face value per share is TRY1,000

### III. Funding Status

#### 1. Capital and shares

##### (1) Source of Capital

Month and Year	Issued Price	Authorized Capital		Paid-in Capital		Notes		
		Shares	Amount	Shares	Amount	Issued Shares	Capital Increased by Assets Other than Cash	Others
1993.02	10	11,000,000	110,000,000	2,750,000	27,500,000	Initial capital 25,000,000	Technology stock 2,500,000	None.
1994.08	10	11,225,000	112,250,000	11,225,000	112,250,000	Cash capital increase 77,250,000	Technology stock 7,500,000	(83) Official Letter No. 12643
1997.03	10	11,225,000	112,250,000	5,612,500	56,125,000	Capital reduction to offset deficits (56,125,000)	None.	(86) Official Letter No. 05947
1997.03	15	11,612,500	116,125,000	11,612,500	116,125,000	Cash capital increase 53,630,000	Using bonds as stocks 6,370,000	(86) Official Letter No. 05947
1998.02	10	18,612,500	186,125,000	18,612,500	186,125,000	Cash capital increase 59,980,000	Using bonds as stocks 10,020,000	None.
1998.12	20	30,000,000	300,000,000	22,612,500	226,125,000	Cash capital increase 40,000,000	None.	(87) Official Letter No. 029827
2004.09	13	30,000,000	300,000,000	25,462,500	254,625,000	Cash capital increase 28,500,000	None.	Financial-Supervisory-Securities-I No.0930136711.
2006.08	11.50	40,000,000	400,000,000	33,962,500	339,625,000	Cash capital increase 85,000,000	None.	Financial-Supervisory-Securities-I No.0950111098.
2007.10	45	60,000,000	600,000,000	38,562,500	385,625,000	Cash capital increase 46,000,000	None.	Financial-Supervisory-Securities-I No.0960042265.
2008.12	9.60	60,000,000	600,000,000	42,362,500	423,625,000	Private placement capital raise 38,000,000	None.	None.



2009.06	20.60	60,000,000	600,000,000	46,362,500	463,625,000	Private placement capital raise 40,000,000	None.	None.
2012.04 2012.08	-	60,000,000	600,000,000	46,362,500	463,625,000	Supplemental public issuance of privately-placed ordinary shares 38,000,000/40,000,000	None.	FSC Official Letter No. 1010012282/FSC Official Letter No. 1010037604.
2013.01	30	60,000,000	600,000,000	53,362,500	533,625,000	Cash capital increase 70,000,000	None.	FSC Official Letter No. 1010057730.
2014.12	40.25	60,000,000	600,000,000	55,976,119	559,761,190	Unsecured convertible bonds. 26,136,190	None.	FSC Official Letter No. 10100577301.
2015.07	40.25	60,000,000	600,000,000	56,202,200	562,022,000	Unsecured convertible bonds. 2,260,810	None.	FSC Official Letter No. 10100577301.
2015.07	-	60,000,000	600,000,000	56,774,200	567,742,000	New restricted employee shares.5,720,000	None.	FSC Official Letter No. 1040025385.
2015.11	39.3	100,000,000	1,000,000,000	58,412,868	584,128,680	Unsecured convertible bonds. 16,386,680	None.	FSC Official Letter No. 10100577301.
2015.11	46	100,000,000	1,000,000,000	71,212,868	712,128,680	Cash capital increase 128,000,000	None.	FSC Official Letter No. 1040035809.
2015.12	-	100,000,000	1,000,000,000	71,204,868	712,048,680	Cancellation of new restricted employee shares.(80,000)	None.	FSC Official Letter No. 1040025385.
2016.02	39.3	100,000,000	1,000,000,000	71,746,847	717,468,470	Unsecured convertible bonds. 5,419,790	None.	FSC Official Letter No. 10100577301.
2017.08	-	100,000,000	1,000,000,000	71,724,847	717,248,470	Cancellation of new restricted employee shares.(220,000)	None.	FSC Official Letter No. 1040025385.
2017.10	48	100,000,000	1,000,000,000	79,724,847	797,248,470	Cash capital increase 80,000,000	None.	FSC Official Letter No. 1060025497.
Month and Year	Issued Price	Authorized Capital		Paid-in Capital		Notes		
		Shares	Amount	Shares	Amount	Issued Shares	Capital Increased by Assets Other than Cash	Others
2017.11	-	100,000,000	1,000,000,000	79,712,847	797,128,470	Cancellation of new restricted employee shares.(120,000)	None.	FSC Official Letter No. 1040025385.
2018.04	-	100,000,000	1,000,000,000	79,700,847	797,008,470	Cancellation of new restricted employee shares.(120,000)	None.	FSC Official Letter No. 1040025385.
2018.07	-	100,000,000	1,000,000,000	80,450,847	804,508,470	Cancellation of new restricted employee shares.7,500,000	None.	FSC Official Letter No. 1070323957.

2019.05	-	100,000,000	1,000,000,000	80,432,847	804,328,470	Cancellation of new restricted employee shares.(180,000)	None.	FSC Official Letter No. 1070323957.
2019.08	-	150,000,000	1,500,000,000	80,426,847	804,268,470	Cancellation of new restricted employee shares.(60,000)	None.	FSC Official Letter No. 1070323957.
2019.11	52	150,000,000	1,500,000,000	90,426,847	904,268,470	Cash capital increase Class A preference shares 100,000,000	None.	FSC Official Letter No. 1080325924.
2019.11	-	150,000,000	1,500,000,000	90,420,847	904,208,470	Cancellation of new restricted employee shares.(60,000)	None.	FSC Official Letter No. 1070323957.
2020.07	-	150,000,000	1,500,000,000	88,407,847	884,078,470	Cancellation of Treasury Stock (20,130,000)	None.	None.
2020.11	-	150,000,000	1,500,000,000	88,389,847	883,898,470	Cancellation of new restricted employee shares.(180,000)	None.	FSC Official Letter No. 1070323957.
2021.04	-	150,000,000	1,500,000,000	88,118,144	881,181,440	Cancellation of new restricted employee shares.(2,717,030)	None.	FSC Official Letter No. 1070323957.
2021.08	-	150,000,000	1,500,000,000	88,111,600	881,116,000	Cancellation of new restricted employee shares.(65,440)	None.	FSC Official Letter No. 1070323957.
2023.01	-	150,000,000	1,500,000,000	88,111,600	881,116,000	Conversion of Class A preference shares into ordinary shares (200,000)	None.	FSC Official Letter No. 1080325924.
2023.04	-	150,000,000	1,500,000,000	88,111,600	881,116,000	Conversion of Class A preference shares into ordinary shares (21,515,160)	None.	FSC Official Letter No. 1080325924.
2023.07	-	150,000,000	1,500,000,000	88,111,600	881,116,000	Conversion of Class A preference shares into ordinary shares (57,184,030)	None.	FSC Official Letter No. 1080325924.
2023.10	-	150,000,000	1,500,000,000	88,111,600	881,116,000	Conversion of Class A preference shares into ordinary shares (14,796,740)	None.	FSC Official Letter No. 1080325924.
2024.01	-	150,000,000	1,500,000,000	88,111,600	881,116,000	Conversion of Class A preference shares into ordinary shares (2,567,330)	None.	FSC Official Letter No. 1080325924.
2024.04	-	150,000,000	1,500,000,000	88,111,600	881,116,000	Conversion of Class A preference shares into	None.	FSC Official Letter No. 1080325924.

						ordinary shares (1,440,350)		
2024.04	-	150,000,000	1,500,000,000	96,486,740	964,867,400	Unsecured convertible bonds. 83751400	None.	FSC Official Letter No. 1120340147.
113.07	-	150,000,000	1,500,000,000	96,486,740	964,867,400	Conversion of Class A preference shares into ordinary shares (274,550)	None.	FSC Official Letter No. 1080325924.
113.11	-	150,000,000	1,500,000,000	96,486,740	964,867,400	Conversion of Class A preference shares into ordinary shares (97,560)	None.	FSC Official Letter No. 1080325924.
114.01	-	150,000,000	1,500,000,000	96,436,704	964,367,040	Cancellation of Class A preference shares (500,360)	None.	FSC Official Letter No. 1080325924.
114.03	-	150,000,000	1,500,000,000	96,436,704	964,367,040	Conversion of Class A preference shares into ordinary shares (1,423,920)	None.	FSC Official Letter No. 1080325924.

Type of Share	Authorized Capital			Notes
	Outstanding Shares	Unissued Shares	Total	
Common Stocks	96,436,704	53,563,296	150,000,000	TPEX listed stocks

Overall information with regards to reporting system: Not applicable.

- (2) List of Major Shareholders:: List all shareholders with a stake of 5% or greater, and if those are fewer than 10 shareholders, also list all shareholders who rank in the top 10 in shareholding percentage, and specify the number of shares and stake held by each shareholder on the list.

Name of major shareholders	Shares Held	Shareholding ratio (%)
YI FA CO., LTD.	9,231,000	9.57%
Ko Yao Inc.	4,774,000	4.95%

I Te Inc.	3,917,000	4.06%
HSBC Custody Account for Goldman Sachs International Investment	3,479,279	3.61%
Yi Sheng Co., Ltd.	3,113,000	3.23%
Lin, Yan-Sheng	2,621,441	2.72%
Cheng, Wei-Hung	2,445,000	2.54%
Chun-Sheng Lin	1,995,743	2.07%
Taiwan Knitting Co., Ltd.	1,700,000	1.76%
Investor account of Wu Chuhua commissioned to manage by E. Sun Bank	1,670,425	1.73%

### (3) Dividend Policy and Implementation Status

#### (1) Dividend policy and implementation status:

In case the Company makes a profit in the current year (profit refers to income before tax and before distribution of remuneration to employees and Directors), 12% shall be allocated as the employee remuneration and no more than 3% as remuneration to Directors. However, when the Company has accumulated losses (including adjustment on non-distributed earnings), the loss should offset first from profits.

The Company may only distribute the aforementioned employees remuneration and remuneration to Directors in cash by a Board resolution and reported to the shareholders' meeting.

In case there are profits after tax at the closing account of the current year, the Company shall first make up the accumulated deficit (including adjustment on non-distributed earnings) and retain 10% as statutory surplus reserve in accordance with the law; however, when the statutory surplus reserve exceeds the registered capital of the Company, it is not subject to this limitation. After the statutory surplus reserve has been retained or rotated in accordance with the regulations or requests made by competent agencies, if there is accumulated undistributed earnings, the holders of preference share are given priority to be distributed the dividends of the current year. If there are still undistributed earnings left, 50% to 100% of the remaining earnings shall be distributed as shareholders' dividends, of which, 50% of the shareholders' dividends that are distributed in the current year shall be distributed as cash dividends.

When the Company sets aside the special surplus reserve in accordance with law, for the shortfall of the "net deduction of other interests accumulated in the previous period", before the distribution of the earnings, it should first set aside the same amount of special surplus reserve from the undistributed earnings of the previous period; if there is still a shortfall, the current period's after-tax net profit plus the

amount other than the current after-tax net profit shall be included in the current undistributed earnings and set aside.

(2) Dividend distribution for this shareholders' meeting: For the Company's 2024 earnings distribution plan, it is proposed to first allocate class A preference shares totaling NT\$119,456, with a dividend of NT\$2.387396 per preferred share. The remainder will be distributed as cash dividends to common shareholders totaling NT\$385,746,816 (NT\$4 per share). This plan was approved by the Board of Directors on March 7, 2025, and will be implemented following approval at the Shareholders' Meeting on June 17, 2025, in accordance with relevant regulations.

(3) Explanations for anticipated changes in the dividend policy:

(4) Impact on the Company's Operating Performance and Earnings per Share of the Distribution of Stock Dividends Proposed at the Shareholders' Meeting:

(5) Compensation to employees, Directors and Supervisors

1. Information on compensation of employees, Directors and Supervisors under the Articles of Association:

In case the Company makes a profit in the current year (profit refers to income before tax and before distribution of remuneration to employees and Directors), 12% shall be allocated as the employee remuneration and no more than 3% as remuneration to Directors. However, when the Company has accumulated losses (including adjustment on non-distributed earnings), the loss should offset first from profits.

The Company may only distribute the aforementioned employees remuneration and remuneration to Directors in cash by a Board resolution and reported to the shareholders' meeting.

2. The basis for estimating the amount of compensation of employees, Directors, and Supervisors, for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.

The basis for the estimated bonus to employees, Directors, and Supervisors: Estimations are made based on the profits of 2024 (profits refer to income before tax and before bonus distribution to the employees, Directors, and Supervisors) and in accordance with Article 20 of the Articles of Incorporation.

The basis for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period: It is recognized as profit or loss in 2024.

Discrepancy between the Distributed Compensation of Employees, Directors and Supervisors and the Recognized Compensation for 2024, Reasons Thereof, and Treatment.

Unit: NTD

	Recognized compensation	actual distributed amount	Variances	Reasons for variance and its handling method
Employees' salary	77,105,224	77,105,224	0	None.
Remuneration of Directors	19,276,306	19,276,306	0	
Total	96,381,530	96,381,530	0	

Note: Employees, Directors and Supervisors' compensation is distributed in cash.

3. Distribution of compensation approved by the Board of Directors

- (1) Cash or stock distribution of employee, director, and supervisor compensation: for the Company's 2024 earnings, as resolved by the Board of Directors, propose to distribute cash dividends of NT\$77,892 thousand to employees and director and supervisor compensation of NT\$19,276 thousand.
- (2) The amount of any employee remuneration distributed in stocks, and the size of that amount as a percentage of the sum of the net income after tax stated in the parent company only financial statements or individual financial reports for the current period and total employee remuneration: No employee remuneration was distributed in stocks for 2024.

4. Actual distribution of compensation of employees, Directors, and Supervisors for the previous year (including the number of shares, monetary amount, and stock price), and, if there is any discrepancy between the actual distribution and the recognized compensation of employees, Directors, and Supervisors, additionally the discrepancy, reason thereof, and treatment:

There was no discrepancy between the actual distribution and the recognized compensation of employees, directors, and supervisors for the previous year (2023).

Unit: NTD

Distribution	Distribution resolved by the shareholders' meeting and the Board of Directors	Actual distribution	Variances	Difference
Employees' salary	66,891,875	66,891,875	0	None.

Remuneration of Directors	16,722,969	16,722,969	0
Total	83,614,844	83,614,844	0

(6) Share Repurchases: Not applicable.

## 2. Issuance of Corporate Bonds (including overseas corporate bonds):

### (1) Issuance of Corporate Bonds

The Company filed for the issuance of the 4th domestic unsecured convertible corporate bonds, and received notification from the Financial Supervisory Commission on May 29, 2023: FSC Official Letter No. 1120340147, effective from May 9, 2023, the total issuance amount is NT\$500 million. Taipei Exchange, through Notification No. 11200049612 dated May 25, 2023, informed that the securities will commence trading at securities firms' business locations starting May 30, 2023.

Corporate Bond Type:	4th Domestic Unsecured Convertible Corporate Bonds
Date of Issuance	May 30, 2023
Denomination	NT\$100,000
Issuance and Trading Location:	R.O.C
Issued Price	Issued at 106.57% of the face value
Total	NT\$500,000
Interest rate	Coupon rate 0%
Term	Three-year maturity date: May 30, 2026
Guarantor	None.
Trustee	KGI Bank Co., Ltd.
Underwriter	KGI Securities Co., Ltd.
Certified Attorney	Chiu, Ya-Wen
CPAs	CPA Ma, Chun-Ting, CPA Hsu, Jung-Huang
Repayment method	Term of issuance: Three years Bondholders, in addition to converting the convertible bonds into common shares of the Company in accordance with Article 10 of the Issuance and Conversion Regulations for this issuance of convertible bonds, or if the Company redeems the bonds early pursuant to Article 18 of the Regulations, or if the bondholders exercise the put option pursuant to Article 19 of the Regulations, or if the Company repurchases and cancels the bonds through securities firms, the Company shall redeem the convertible bonds upon maturity in cash at face value.
Outstanding principal amount	NT\$0 thousand

as of the date of publication of the annual report:		
Terms of redemption or early repayment:		Refer to the Issuance and Conversion Regulations for the Fourth Domestic Unsecured Convertible Corporate Bonds.
Restrictive Clauses		None.
Credit rating agency name, rating date, corporate bond rating result:		None.
Other rights attached	The amount of ordinary shares, overseas depository receipts or other securities converted (exchanged or share subscription) as of the date of printing of the annual report.	NT\$83,751,400
	Issuance and Conversion (Exchange or Subscription) Regulations	Refer to the Issuance and Conversion Regulations for the Fourth Domestic Unsecured Convertible Corporate Bonds.
Issuance, conversion, exchange or subscription methods, issuance conditions, possible dilution of equity, and impact on existing shareholders' equity		The total issuance amount of this convertible corporate bond is NT\$500,000,000, which has been fully converted on 2024/02/19, so there should be no negative impact on shareholders' equity.
Name of the custodian institution for the exchange target.		Not Applicable

## (2) Convert corporate bond data

Corporate Bond Type (Note 1)		4th Domestic Unsecured Convertible Corporate Bonds	
Year		As of February 19, 2024 (Note 4)	As of March 31, 2025, in the current year
Item	Highest Market Price	176.00	Not Applicable
	Lowest Market Price	138.40	



	Average Market Price	147.38	
Conversion price		59.70	
Issue (Processing) date and conversion price upon issue		May 30, 2023 NT\$61.70	
Method of fulfilling conversion obligation (Note 3)		Issuance of new shares	

Note 1: The number of rows is adjusted in accordance with the actual entries.

Note 2: For overseas corporate bonds with multiple trading locations, list them separately by trading location.

Note 3: Delivery of issued shares or issuance of new shares.

Note 4: The company announced the exercise of bond redemption rights and the termination of over-the-counter trading on February 19, 2024.

### 3. Issuance of preference shares:

Item	Date of Issuance (Note 2)		Class A preference shares as of November 29, 2019
	Denomination		NT\$10
Issued Price		NT\$52	
Shares		1,000,000 shares	
Total		NT\$520,000,000	
Rights and Obligations	Distribution of dividends and bonuses	<p>1. The annual percentage rate of preference shares is 4.5% (record date: September 17, 2019, 5-year interest rate swap (IRS) rate, 0.7162% + fixed rate, 3.7838%) and calculated at the issue price per share. The five-year IRS rate will be reset on the next business day five years after the issue date and every five years thereafter. The record date of the reset is two business days of financial institutions in Taipei prior to the reset date. The five-year IRS rate is the arithmetic mean of the offer prices of Reuter's PYTWDFIX and COSMOS3 at 11 a.m. on the record date of the reset (business day of financial institutions in Taipei). If the aforesaid offer prices are unavailable on the record date of the reset, the five-year IRS rate shall be determined by the Company based on the principle of good faith and reasonable market conditions.</p> <p>2. The Company shall apply the current year's earnings, if any, to pay for taxes as stipulated by laws and regulations, offset accumulated losses of previous years, and allocate a portion as legal reserve pursuant to laws and regulations. Next, special reserve is appropriated or reversed pursuant to the Articles of Association. After adding the accumulated undistributed earnings, the remaining earnings, if any, are allocated as preference share dividends for the year. The Company has discretion over the distribution of preference share dividends. If the Company does not generate</p>	

		any or sufficient profits during the year for the distribution of preference share dividends, it may resolve not to pay out the dividends and preference shareholders have no rights to object. The preference shares issued are non-cumulative; that is, the undistributed dividends or shortages in dividends distributed shall not be accumulated and paid in subsequent years when profits are generated. The preference share dividends are fully distributed in cash every year. After the financial statements are adopted in an annual shareholders' meeting, the Board of Directors shall set the record date for paying the preference share dividends of the previous year. The number of dividends issued in the year of issue and in the year of redemption is calculated based on the actual number of days of issue in the current year. Distributed dividends will be recognized in the dividend statement.
	Distribution of remaining assets	Preference shareholders have a higher claim to the Company's residual properties than common stockholders. Different types of preference shares issued by the Company grant holders the same rights to claims, and preference shareholders stay subordinate to general creditors. The amount preference shareholders are entitled to is capped at the product of number of outstanding preference shares at the time of distribution and issuance price.
	Execution of voting rights	Preference shareholders have neither voting nor election rights. However, they may be elected as Directors or Supervisors. They have voting rights in preference shareholders' meetings or with respect to agendas associated with the rights and obligations of preference shareholders in shareholders' meetings.
	Others	<p>1. The preference shares shall not be converted within one year from the date of issue (October 18, 2019). From the day following the expiration of one year (October 19, 2020), the holders may apply for the conversion of part or all of their preference shares to common stocks (conversion ratio: 1:1) in the conversion period. The smallest unit of conversion is one share. After conversion of the preference shares into common stocks, their rights and obligations are the same with the latter. The payment of the annual dividends for the convertible preference shares shall be calculated based on the actual issuing days in proportion to the days of that total year. Should any shares be converted into the common stocks before the record date of distribution of dividends, the holders shall not have the right to the distribution of the dividends of preferred shares in the current year but may participate in the distribution of common stocks surplus and capital surplus.</p> <p>2. For cash offering of new shares, the preference shareholders have the same preemptive rights as the common stockholders.</p>
Outstanding Preference Shares	Amount of preference shares redeemed or converted	Repurchased 50,036 shares/Converted 9,949,964 shares
	Face value not yet redeemed or converted	NT\$0
	Redemption or	The Company may, at any time from the next day of the five-year expiration of the issue

	conversion terms	(October 19, 2024), redeem all or part of the preference shares based on the original issue price by making an announcement and sending a 30-day "Notice on the Redemption of Preference Shares" to the preferred shareholders. Preference shares not yet redeemed shall continue to be subject to the rights and obligations of issuance terms prescribed above. In the year of redeeming preferred the stocks, if the Company's shareholders' meeting makes the resolution to distribute dividends, the distributable dividends up to the date of redemption shall be calculated according to the actual issuance days of the current year.	
Market Price per Share	2022	Highest Market Price	54.00
		Lowest Market Price	42.10
		Average Market Price	47.44
	2023	Highest Market Price	81.00
		Lowest Market Price	48.25
		Average Market Price	60.62
	2024	Highest Market Price	Not Applicable
		Lowest Market Price	
		Average Market Price	
	As of March 31, 2025 (Note 6)	Highest Market Price	Not Applicable
		Lowest Market Price	
		Average Market Price	
Other rights attached	Face value converted or exercised into shares as of the printing date		NT\$99,499,640
	Issuance and conversion or subscription		See the Regulations Governing the Issuance and Conversion of Preference Shares A in 2019.

	regulations	
Impact of conditions of issuance on the rights and interests of preferred shareholders and possible dilution of shareholders' equity and impact on existing shareholders' equity		<p>Conditions of issuance have no impact on the rights and interests of preferred shareholders.</p> <p>In regard to any impact on existing shareholders' equity, although the issuance of preference share dividends before conversion reduces the distributable earnings to common shareholders (assuming that the original shareholders has not participated in the subscription for preference shares), preference share dividends to be distributed will decrease when preference shares are converted into common stocks. Although the holders may convert preference shares into common stocks, each holder's conversion request timing is different. Therefore, it should delay the dilution of earnings per share.</p> <p>The Company's increase in capital by issuing preference shares can immediately reduce the debt ratio and enhance the Company's competitiveness, further reducing operational risks.</p>

Note 1: The issuance of preference shares includes the public offering and private placement of preference shares in progress. The public offering of preference shares in the progress refers to those going into effect upon the approval at the shareholders' meeting; the private offering of preference shares in the progress refers to those passed by the Board of Directors.

Note 2: The number of rows is adjusted in accordance with the actual entries.

Note 3: Private placement shall be highlighted.

Note 4: Information on the most current year up to the publication date of the Annual Report shall be filled.

Note 5: For preference shares issued with an embedded call option, please fill in the table below.

Note 6: This company's Class A preferred stock will be delisted from over-the-counter trading effective August 8, 2023, as the outstanding shares have fallen below 5 million shares on June 16, 2023, in accordance with Article 12-2, Paragraph 1, Subparagraph 13 of the Business Rules.

#### **4. Issuance of overseas depositary receipts:**

**No such circumstances.**

#### **5. Issuance of employee stock option certificates and restricted employee shares:**

**No such circumstances.**

#### **6. Issuance of new shares in connection with mergers and acquisitions or acquisition of other companies' shares:**

**No such circumstances.**

#### **7. Implementation of capital application plans:**

**No such circumstances.**

## IV. Operational Overview

### 1. Business Activities

#### (1) Business Scope:

##### 1. Main Areas of Business Operations

(1) Research, development, production, manufacture and sales on the following products:

(1.1) Artificial orthopedic implants: including artificial joints, artificial bone plates, intramedullary rods, bone pins and so on.

(1.2) Orthopedic surgical equipment and its manufacturing equipment.

(1.3) Special metal and plastic materials.

(2) The import, export and trade of aforementioned products.

##### 2. Proportion of Revenue

Unit: NTD thousand

Product category	Total Sales in 2024	Ratio
Artificial joints	4,219,924	90.7%
Spinal products	246,826	5.3%
Other Products	145,898	3.1%
OEM products	40,482	0.9%
Total	4,653,130	100.0%

##### 3. Main Products of the Company

(1) Artificial hip joints: Artificial hip joint, partial hip joint, joint for large trochanteric fracture, Moore hip prosthesis, and customized artificial hip joints for individual tumor patients.

(2) Artificial knee joints: Artificial knee replacement joint, revision knee replacement system, restricted artificial knee joint, and customized artificial knee joints for individual tumor patients.

(3) Spinal products: Vertebral fixation devices.

(3) Injury and other orthopedic products: Orthopedic internal fixation, bone plate, bone nails, bone pins, bone screws and products as such.

(5) OEM products: Orthopedic internal fixation.

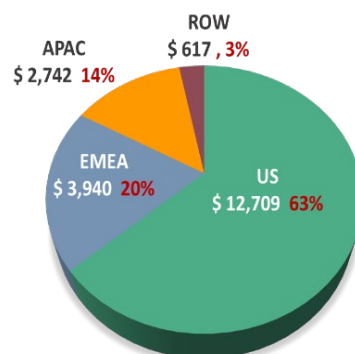
#### 4. Planned New Products (Services) Development

1	Knee artificial knee joint system - Non-cemented patellar implant and tools (U2PF+patella)	2	Radifocus Modular Femoral Stem System (Resolve modular revision stem)
3	Evolve Shoulder Arthroplasty System (SYSTEM ONE shoulder system)	4	Cellbrick Cement Spacer-Knee
5	United Optimal Acetabular System (Momentum cup)	6	Knee artificial knee joint system - Stabilized enhanced type/Hinged knee joint tool integration (PSA/hinge instrument integration)
7	Optimal Femoral Stem Augmentation and Tools (Conformity stem extension line)	8	Knee artificial knee joint system - Posterior stabilized type tool improvement case (U2 knee PS box preparation improvement)
9	Anterior Approach Hip Arthroplasty Instruments (United DApowerhook)	10	Replacement knee joint matching liner (Cones & Sleeves for revision TKA)
11	GMRS Tumor Prosthesis Extensions and Instruments (USTARIIextensionline)	12	Interior Stable Knee Joint System (UMSknee)

#### (2) Industry Overview:

##### 1. Current status and development of the industry

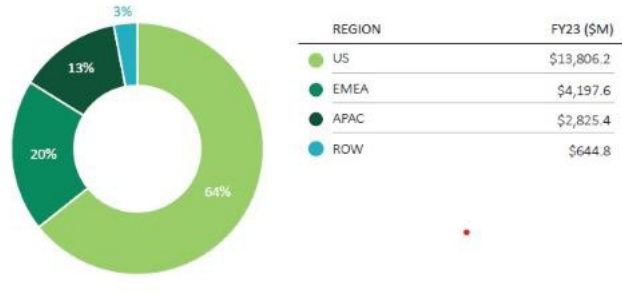
The global artificial joint industry had a revenue of \$21.47 billion in 2023, according to The Orthopedic Industrial Annual Report published by ORTHOWORLD in 2023. The United States accounted for 64% (\$13.7 billion), followed by Europe, the Middle East, and Africa (19.5%, or 41.97 billion), Asia Pacific (including Australia and China) 13% (\$2.82 billion), and the rest of the world (2%, or \$640 million). Overall, it grew by 3% compared to 2022. The revenue generated by artificial joints for the same comparable firm increased by 24.7% in 2023 and by 20% in 2024. The company has acquired market share from other manufacturers, showing an improvement in overall competitiveness, as this performance greatly outpaces the expansion of the industry. To maintain high growth, the company should pursue growth that exceeds the industry's natural growth rate and continual expansion to obtain market share.



# REGIONAL SALES

Region	FY23	FY22	\$ Chg	% Chg
US	\$13,806.2	\$12,708.5	\$1,097.8	8.6%
OUS	\$7,667.8	\$7,299.3	\$368.5	5.0%
EMEA	\$4,197.6	\$3,939.9	\$257.7	6.5%
APAC	\$2,825.4	\$2,742.1	\$83.3	3.0%
ROW	\$644.8	\$617.3	\$27.5	4.5%
Total	\$21,474.0	\$20,007.8	\$1,466.3	7.3%

EXHIBIT 31  
MARKET SHARE BY REGION





## The Orthopedic Industrial Annual Report

Published by Orthoworld 2024 June

### 2. Relationships among the Industrial Upstream, Midstream, and Downstream.

The business still depends on raw material providers to meet its raw material needs even though it is well-versed in the essential technologies and capabilities of the upstream, midstream, and downstream industries. Interactions with overseas raw material suppliers, as well as numerous operational preparations, are critical for the business. Fortunately, it guarantees consistent supply and service by fostering long-term collaboration and positive connections with suppliers. The percentage of raw materials in the cost structure is not large, and the impact is negligible even when annual adjustments to international raw material prices occur at varying rates.

### 3. Product Development Trends

The Company has partnered with an Italian precision navigation systems company to develop a robotic knee joint navigation surgery system. The system obtained EU certification in early 2025, and the European subsidiary has signed a contract with the company to begin sales in the European market, positioning United to enter the field of robotic surgery. FDA certification is also in progress, and it will be introduced to the U.S. market at that time. Furthermore, we are partnering with National Taiwan University's Department of Biomedical Engineering to use AI and precision medicine, with the goal of creating and establishing orthopedic precision medicine technologies in Taiwan. Additionally, the business is still concentrating on and making investments in the development of more precise procedures, faster recovery times, customized joint customization, and other initiatives.

### 4. Competition

The Company positions its products to compete with major global manufacturers by offering world-class quality at competitive prices. In the high-end market—where service and quality are key differentiators and which accounts for approximately 80% of total usage—the company's current market share remains relatively low. However, this also highlights abundant opportunities for expansion. The Company's growth in recent years has validated the soundness of its strategic direction.

## (3) Research and Development

### 1. Research and Development Expenses and Its Percentage to Revenue in the Past Two Years and the Current Year as of March 31, 2024, the publication date of the Annual Report:

Unit: NTD thousand

Year	Research and development expenses	to Revenue (%)
2023	185,029	4.7%
2024	220,493	4.7%
As of March 31, 2025	59,984	4.6%

## 2. Overview of Technology or Product Achievement

1	Artificial Joint Machining Technology of Co-Cr-Mo Alloy	2	Porous Surface Bead Sintering Technology of Co-Cr-Mo Alloy
3	Mirror Machining Technology of Co-Cr-Mo Alloy	4	Artificial Joint Machining Technology of Titanium Alloy
5	Surface Treatment and Hardening Technology of Stainless Steel Alloy Surgical Tool	6	Knife - cutting of diamond - shaped surface processing technology
7	Surface Technology of Grinding Femoral End Implant with Mechanical Arm	8	Precision Forging Technology of Co - Cr - molybdenum Alloy Artificial Joint Products
9	Precision Forging Technology of Titanium Alloy Artificial Joint Products	10	16 The Precision Casting Technology of CoCrMo Alloy for Orthopedic Joint Replacements
11	Sintered Technology of Porous Titanium Beads on Titanium Alloy	12	Vacuum Plasma Spraying Technology of Titanium Powder on Titanium Alloy Surface
13	The Plasma Spray Coating Technology of Titanium and Hydroxyapatite on Titanium Alloy Surface	14	Vacuum Plasma Spraying Technology of Titanium Powder on The Surface of Alloy of Cobalt, Chromium and Molybdenum
15	The Titanium Alloy Surface High-Thickness HA Plasma Spray Coating Technology	16	Titanium Powder Plasma Sprayed Coating Composite Ha Plasma Sprayed Coating Technology on the Surface of Cobalt-Chromium-Molybdenum Alloy
17	Asymmetric Porous Surface Sintering Technology of Co-Cr-Mo Alloy	18	Asymmetric Porous Surface Sintering Technology of Titanium Alloy
19	Machine Arm-Assisted Casting Grinding Technology	20	Machine Arm-Assisted Shell Mold Coating System Technology
21	Electropolishing technology for Co-Cr-Mo alloy femoral components in artificial knees		

## (4) Long-Term and Short-Term Development

### 1. Short-Term Development Plan:

(1) Marketing strategy

- (A) Since United has been in the Taiwanese market for thirty years, the majority of orthopedic doctors in Taiwan are aware of the company. A small number of surgeons have used United's products, either directly or through their peers. The Company's market share in Taiwan has been growing annually, and its domestic performance has also increased significantly. This can be attributed to a number of factors, including local services, more comprehensive product portfolios, clinical effectiveness and patient satisfaction following surgery that are on par with major foreign brands. Due to an aging population, United's business revenue in Taiwan increased by 14.5% in 2024 compared to 2023 and by 26% in 2022 compared to the industry's natural growth rate of 4-5%. However, the key driver remains the growing recognition of the Company's brand by orthopedic surgeons in Taiwan. The Company has also strengthened its academic support and engagement with the younger generation of orthopedic professionals. With its home-court advantage in Taiwan, United is expected to continue advancing from its current second place toward becoming the market leader.
- (B) In the Chinese market, the artificial knee joint system produced by the reinvested company Shinva United Orthopedic Corporation has successfully obtained Chinese regulatory certification in 2022 and is also being sold in the Chinese market. The effect of the first two-year phase of national procurement implementation by the Chinese government was not ideal for Sino United, resulting in poor business performance in 2024. Fortunately, the second national procurement was finalized in mid-2024 and began implementation at the end of the year. In the second round of national procurement, the self-produced Sino United domestic artificial knee joint system was fully included, and the contract price was also increased compared to the previous national procurement period. In general, national politics and business are closely intertwined in China. Maintaining a strong foundation for growth and establishing its own competitiveness remain the long-term operational goals. After years of planning, United Orthopedic Corporation has successfully operated two types of brands (imported and domestic brands), and it is believed that these brands can be used flexibly to achieve the greatest synergy.
- (C) The European, Middle East, and African (EMEA) markets showed revenue growth of 38.5% in 2023 compared to 2022 and continued to grow by 24% in 2024 compared to 2023. The French market continues to grow significantly, and other subsidiaries such as those in the UK, Belgium, and Switzerland are also performing well. Meanwhile, the Swiss subsidiary, which also manages the European, Middle East, and African (EMEA) markets, has shown considerable performance. European subsidiaries accounted for 30.7% of overall revenue in 2024, and we believe they will continue to experience healthy growth.
- (D) The U.S. subsidiary's performance in 2023 increased by 49% compared to

2022. In 2024, revenue grew by 32.5% compared to 2023, primarily driven by the momentum of newly launched products. As these products gain recognition and adoption among physicians, their impact is expected to continue unfolding. Additionally, new products developed in the U.S. are scheduled to apply for FDA approval in 2024 and 2025. Once approved, starting in 2025, these products will gradually enter the market. With this, the Company sees significant growth potential in the world's largest market.

- (E) International export market, the export market refers to sales not through direct subsidiaries, but through agents in different countries to promote them in their respective markets. In 2024, we expanded our European subsidiaries and placed the distributor export markets in Europe, the Middle East, and Africa under the nearby management and development of our European subsidiaries, which has already achieved preliminary results so far. The Taiwan export team is responsible for the export regions of Asia and Central and South America. There has been sustained growth in Asia, while in Latin America, frequent currency fluctuations have increased exchange costs for distributors, often leading to delays in payments to the Company. To avoid risks, the company strictly controls the accounts receivable from agents. Therefore, for the international export agent, the Company will still take a cautious attitude to expand the market and seek agents with stronger capabilities and closer alignment with the Company's pace.
- (F) In the Japanese market, our team has become increasingly mature, and our operations have experienced significant growth over the past three years. Although our current base remains small, the rapid annual growth will help the company secure a foothold in this key Asian market. Compared to the previous year, there was a 53% growth in 2022, followed by a 44% growth in 2023, and a 41% growth in 2024. After two years of negotiations, the Japanese subsidiary successfully reached a private labeling agreement with Japan's Kyocera in 2025, allowing our developed Conformity Stem femoral stem to be marketed in the Japanese market in Kyocera packaging (marked as jointly manufactured). Kyocera is a major Japanese company and a leading manufacturer of artificial joints. Due to the excellent design characteristics of our femoral stem, they wanted to distribute it under their label. This arrangement provides significant benefits to both our Japanese subsidiary and the product's image. This will also contribute to revenue growth in Japan for 2025.

(2) Production policy and direction of product development

- (A) In recent years, the Company has been continuously improving and optimizing its processes at its two plants in Kaohsiung and Hsinchu to reduce costs and steadily expand various production lines to meet market demand. Currently, it can still meet short-term growth. However, the Company is also seeking and evaluating potential OEM partners to provide a stable supply for future market growth. We have also begun planning for capacity requirements after 2028.

### (3) Operation scale and financial cooperation

(A) The Company implements target management. The improved regulations and reasonable remuneration will help to retain talent, to increase the employees' recognition on the Company's goals and confidence for the future development.

(B) Establish steady regulations and channels for finance, cash flow and financing for the future development of the Company.

## 2. Long-term development:

### (1) Marketing strategy

In the company's global deployment strategy, we target advanced markets with high price points and have established direct subsidiaries in various high-end market countries. We currently have marketing market development in Switzerland, France, the UK, Belgium, Australia, Japan, the United States, and China. We aim to interact directly with end customers (orthopedic surgeons) through branded products and market services to build a platform for mutual cooperation and brand reputation. This is the foundation and strategic positioning that allows us to compete on equal footing with major global competitors. In 2024, the Company's market share is only 0.62%. For the company, as long as we have an equal brand self-distribution platform alongside major manufacturers, we have sufficient confidence to provide continuous momentum for future development step by step.

### (2) Production policy and direction of product development

A company's sustainable development depends on innovation and research and development. In order to jointly develop new products, the corporation needs to be close to important markets and work with opinion leaders and medical institutes in developed nations. The ongoing initiatives will also gradually schedule their market debut and submit certification applications. These experts include physicians from the United States, Europe, Japan, and Taiwan. Cooperating with the world's top orthopedic artificial joint experts in research on the latest cutting-edge developments is the only way for the Company to compete with and gain market share from the world's leading companies. Launching products at the forefront of technology and close to advanced markets is key to leading the Company's sustainable development.

### (3) Operation scale and financial cooperation

In response to the growing scale of the Company, we seek the more appropriate fund raising channels in line with various financing demands from long and short-term investment plans and working capital to satisfy the needs for daily operation. The strategies adopted basically lean towards conservatism principle.

## 2. Market and Sales Overview

### (1) Market Analysis

#### 1. Sales (Service) Region

Unit: NTD thousand

Year Area	2022		2023		2024	
	Amount	%	Amount	%	Amount	%
Taiwan	982,441	31.0%	1,218,501	31.0%	1,400,941	30.1%
Asia	506,889	16.0%	512,032	13.0%	579,504	12.5%
America	657,987	20.8%	842,015	21.5%	1,117,025	24.0%
Europe	907,120	28.6%	1,254,225	31.9%	1,445,296	31.1%
Africa	95,460	3.0%	79,530	2.0%	76,491	1.6%
Oceania	18,783	0.6%	23,584	0.6%	33,873	0.7%
Total	3,168,680	100.0%	3,929,887	100.0%	4,653,130	100.0%

#### 2. Market shares

According to the latest "The 2023 Orthopaedic Industry Annual Report" published by the ORTHOWORLD in 2023, the total output of artificial joint market is up to US\$ 21.47 billion. The market share of the Company was approximately 0.62%.

#### 3. Future market supply and demand and growth

##### (1) Market demand

Degenerative arthritis is most commonly faced by the elderly population. The use of artificial joints is a necessary defense line when all other conservative treatments fail. Most of the elders are able to go back to their normal lives after they have been replaced with artificial joints. External factors, including aging population, increased life expectancy, better financial ability and pursue of life quality, are all momentum driving the growth of artificial joint market to ensure its continuous growth.

##### (2) Market supply

The global market is still dominated by a few major manufacturers. The four major manufacturers represented by the United States account for nearly 70.4 percent of all industry output. The tenth-ranked company has revenue of \$230 million, while United Joint's turnover in 2024 is \$130 million, accounting for

approximately 0.62% of the global \$21.4 billion market, indicating there is still significant room for growth.

### (3) Market growth

The artificial joint industry grew by 7.3% in 2023 compared to the previous year. This high growth rate may be due to the increase in elderly population and the rebound after COVID. United's growth rate was 20%, far exceeding the industry growth.

The artificial joint market is estimated by the industry to grow at a normal rate of 4% as the global population ages. According to the UN report, by 2050, the population aged 60 years or over will be around 21% of total world's population. This figure will increase from 20% to 33% in the developed regions. Such trend will drive the growth of artificial joint market. So, the industry keeps promising in the next 20 and 30 years.

## 4. Competitive Niches, Favorable and Unfavorable Factors in the Long Term and Countermeasures

### (1) Competitive niches

United has been in operation for the past thirty years. It has grasped all aspects of innovation, R&D, manufacturing, legislation, and product performance. Additionally, market deployment has accelerated. More than 500,000 clinical implantations have been performed in the human body, and its clinical outcomes are comparable to those of more developed foreign rivals. Additionally, it has progressively becoming recognized as a superior product in the marketplace.

### (2) Favorable factors

Currently, the global market share of the alliance is only 0.62%, but its products and services can keep pace with world-class products. In recent years, there has been a significant growth in the high-end markets of the United States, Europe, and Japan, which proves that the products of the alliance are not inferior to those of major manufacturers in the market and are highly accepted. This is the biggest advantage of the alliance, representing an unlimited market space that can be pursued. Next, gradually building trust with and gaining acceptance from physicians will be the key to the future success of the alliance.

### (3) Unfavorable factors

In terms of overall market positioning, channels, services, brand recognition, and reputation, the top four businesses continue to command the highest rankings internationally. Even with their enormous resources controlling the market, smaller coalitions still struggle to be recognized by the many orthopedic doctors who have never heard of an alliance.

### (4) Countermeasures for unfavorable factors

Under the apparently disadvantaged situation of corporate brand awareness competition, we can only take it one step at a time, and do everything properly. Whether it is innovation, quality, sales or service, we need to learn from major

companies, and strive to do better. We need to continue to strengthen our investment in sales channels. In terms of expanding sales markets, it is a war of talents and resources. With the company's scale, we need to invest steadily in various direct-operated branches, strengthen market marketing, provide more academic support, and introduce outstanding talents. Given time and with a strong and excellent product portfolio, coupled with quality market services, we will gain a certain position in the orthopedic artificial joint industry.

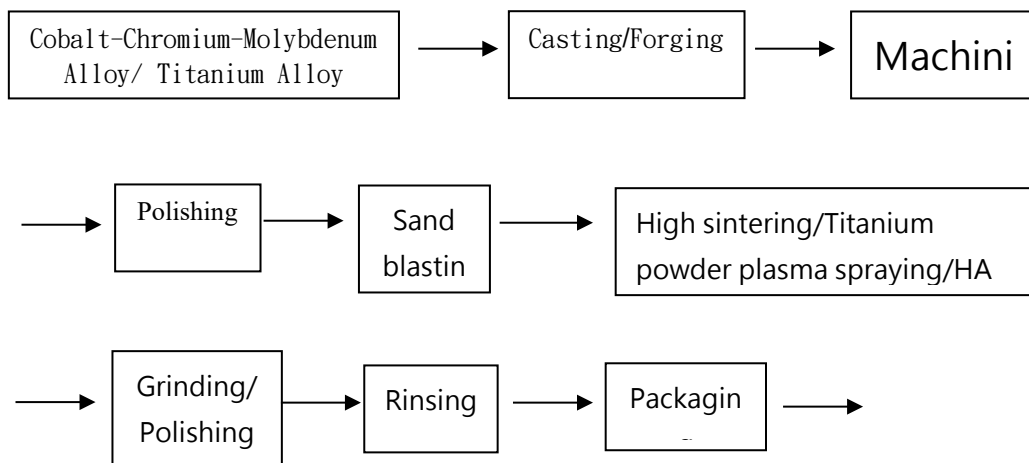
## (2) Major Products, Their Main Uses and Processes

### 1. Main Uses of Major Products:

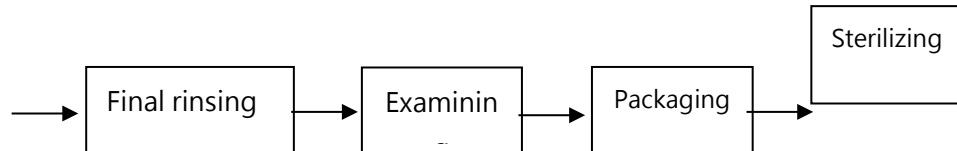
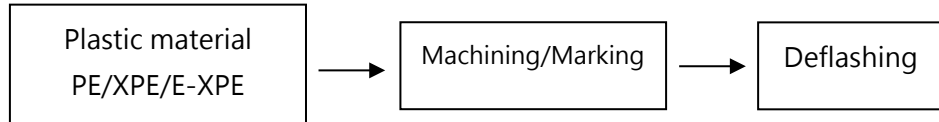
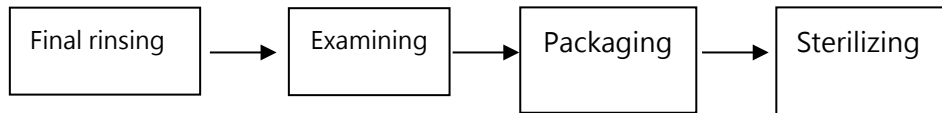
Main products	Important use
Artificial knee joints	Replace artificial joints for patients suffering from rheumatic or degenerative hip disease
Artificial knee joints	Replace artificial joints for patients suffering from rheumatic or degenerative knee disease
Spinal products	To fix the spine for patients suffering from degenerative disc disease or spondylolisthesis
Injury products	Repair bone tissues and keep it in place for patients suffering from all kinds of bone injuries
OEM products	Orthopedic internal fixator and laparoscopic disposable surgical blade

### 2. Production Process :

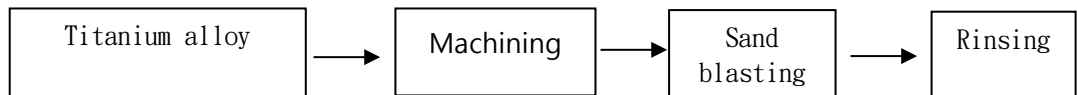
#### A. Artificial joints



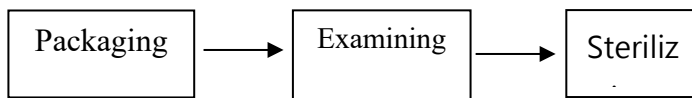
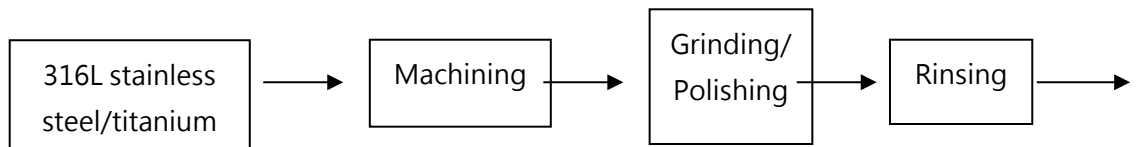




## B. Spinal products



## C. Injury products



## (3) Supply Status of Main Materials

### Domestic Purchasing:

- (1) Titanium alloy bars mainly provided by President Co., Ltd., Titanium Industries Asia, Inc. and Xitron Innovation Co., Ltd.

### Foreign procurement parts:

- (1) Stainless steel bars: Stainless steel bars are mainly imported from France and Germany.
- (2) Titanium alloy bars: Titanium alloy bars are mainly imported from the United States and Italy.

(3) Cobalt-chromium-molybdenum bars: Cobalt-chromium-molybdenum bars are mainly imported from the United States.

(4) Plastic bars: Plastic bars are mainly imported from the United Kingdom, Germany, and the United States.

(5) Tibead: Titanium beads are mainly imported from the United States.

(6) Ti/HA powder: Mainly imported from Germany and France.

(7) Cobalt-chromium-molybdenum Bead & Powder: Mainly imported from the United States

(8) Ceramic Head & Liner: Mainly imported from Germany.

(9) F75Ingot: The main import area for the Ingot is the United States.

Main raw materials	Supplier	Supply situation
Stainless steel bar	Titanium Industries Asia, Inc., Acnis International, President Co., Ltd. and Tech Tube	Good
Titanium alloy bar	President Co., Ltd., Titanium Industries Asia, Inc., Xitron Innovation Co., Ltd., Carpenter Technology, TiFast Srl, Acnis International, Perryman Company, UPM, BannerMedical	Good
CoCrMo bar	Carpenter Technology, Titanium Industries Asia, Inc., Edge International, United Performance Metals, UPM, BannerMedical	Good
Plastic bar	MitsubishiChemical 、Orthoplastics 、Invibio 、Spartech 、Invibio	Good
Tibead	PhellyMaterials,Inc.	Good
Ti/HApowder	CeramGmbh/MEDICOATFrance	Good
Cobalt-chromium-molybdenum Bead & Powder	PhellyMaterials,Inc.	Good
CeramicHead&Liner	CERAMTECH	Good
F75Ingot	Cannon-Muskegon	Good

(4) The names of customers who accounted for more than 10% of sales in any given year within the past two years, their purchase amount and proportion, and reasons for changes (increase or decrease) in sales:

(1) Major Suppliers in the Past Two Years

Unit: NTD thousand

Year	2023				2024				As of March 31, 2025 (Note 2)			
Item	Name	Amount	Proportion of total procurement value for the entire year (%)	Relationship with the issuer	Name	Amount	Proportion of total procurement value for the entire year (%)	Relationship with the issuer	Name	Amount	Proportion of net sales value for the first quarter of the current year (%)	Relationship with the issuer
1	UMC	167,197	17.73	Associates	UMC	190,851	20.25	Associates	Xinhua United	70,403	28.33	Associates
2	CeramTecAG	167,050	17.71	None.	CeramTecAG	93,834	9.96	None.	CeramTecAG	28,826	11.60	None.
3	CM	60,024	6.36	None.	HamagawaIndustrial	67,889	7.21	None.	HamagawaIndustrial	13,851	5.58	None.
	Others	549,050	58.20		Others	589,695	62.58		Others	135,403	54.49	
	Net Total Supplies	943,321	100.00		Net Total Supplies	942,269	100.00		Net Total Supplies	248,483	100.00	

Note 1: A list of any suppliers accounting for 10 percent or more of the Company's total procurement amount in either of the two most recent fiscal years, the amounts bought from each, and the percentage of total procurement accounted for by each. Where the Company is prohibited by contract from revealing the name of a client, or where a trading counterpart is an individual person who is not a related party, it may use code in place of the actual name.

Note 2: As of the date of publication of the annual report, companies that have been listed or whose stocks have been traded in the securities firm's business premises should be disclosed if they have the latest financial information reviewed or audited by the CPA.

Reason for changes in purchase: The Company's imports in 2024 did not differ significantly from those in 2023. Overall, there has been no significant change in our company's major inventory suppliers in the past two years.

(2) Major Clients in the Past Two Years:

Unit: NTD thousand

Year	2023				2024				As of March 31, 2025 (Note 2)			
Item	Name	Amount	Proportion in total sales value for the entire year (%)	Relationship with the issuer	Name	Amount	Proportion in total sales value for the entire year (%)	Relationship with the issuer	Name	Amount	Proportion of net sales value for the first quarter of the current year (%)	Relationship with the issuer
1	Linkou Chang Gung Memorial Hospital	140,093	3.57	None.	Linkou Chang Gung Memorial Hospital	181,269	3.90	None.	Linkou Chang Gung Memorial Hospital	43,198	3.33	None.
2	Surgical Alliance Inc.	121,190	3.08	None.	Surgical Alliance Inc.	138,715	2.98	None.	Surgical Alliance Inc.	41,360	3.19	None.
3	UMI	116,869	2.97	Associates	UMI	136,516	2.93	Associates	CLINIQUESTVINCENT-BESANCON	25,733	1.98	None.
	Others	3,551,735	90.38		Others	4,196,630	90.19		Others	1,186,881	91.50	
	Net Sales	3,929,887	100.00		Net Sales	4,653,130	100.00		Net Sales	1,297,172	100.00	

Note 1: The names of customers and their gross sales amount and ratio for those that purchase more than 10% of the total sales amount in the past two years have been listed. However, of customers whose names cannot be disclosed due to contract or the counterparts is an individual who is not an interested party, a code is used.

Note 2: As of the date of publication of the annual report, companies that have been listed or whose stocks have been traded in the securities firm's business premises should be disclosed if they have the latest financial information reviewed or audited by the CPA.

Reason for changes in sales: The Company's revenue in Taiwan, mainland China, and all group subsidiaries in 2024 showed growth compared to last year. Therefore, the changes in sales are reasonable in general.



### 3. Information of employees for the two most recent years and up to the publication date of the Annual Report

March 31, 2025

	Year	2023	2024	As of March 31, 2025
Number of employees	Business personnel	108	114	118
	Technical personnel	392	381	384
	Administrative personnel	133	156	163
	R&D personnel	189	204	220
	Total	822	855	885
Average age		39.4	39.8	39.8
Average Year of Employment		6.4	6.6	6.5
Educational level distribution ratio	Ph.D.	1%	1%	1%
	Master's degree	17%	17%	17%
	University	60%	59%	59%
	High school	20%	21%	21%
	Under high school	2%	2%	2%

### 4. Environmental Protection Expenditure

Any losses incurred from environmental pollution in the most recent fiscal year and up to the date the annual report is published should be disclosed (including compensation and infractions of environmental protection regulations found by environmental inspections, with specifics like the date of the penalty, the reference number, the provisions violated, the nature of the infraction, and the penalty imposed). Also, disclose the expected sums incurred now and in the future, as well as the appropriate response measures. If a reasonable estimate is not feasible, describe the circumstances that preclude it: The Company has not received any penalties and fines due to pollutions for the most recent year and as of the publication date of the Annual Report.

Relevant information in response to the EU Restriction of Hazardous Substances (RoHS): None.

### 5. Labor Relations

- (1) Various employee benefits, continuing education, training, retirement systems and the implementation status as well as various labor-management agreements and measures for maintaining employee rights and interests

## 1. Implementation of welfare measures:

- (1) When the Company has a surplus at the end of the year, performance bonuses and employee bonuses will be provided for outstanding performance employees.
- (2) Legally allocate employee welfare funds to establish an Employee Welfare Committee, which organizes various employee welfare activities, such as: Labor Day, Dragon Boat Festival, Mid-Autumn Festival bonuses, birthday gifts, birthday celebrations, group dining and recreational activities, club activities, employee trips, and subsidies for weddings, funerals, and celebrations.
- (3) Provide free health examinations every two years.

## 2. Education, training and development

- (1) Employees are the most important asset of the United Orthopedic Corporation. The Company provides appropriate and necessary training, so that employees can use their strengths and do their jobs well to achieve the objectives that was assigned by the organization , and thus improve the Company's core competitive advantage. The Company's training expenses in 2024 were 3.61 million dollars.

### (2) Training system:

Our training types are currently divided as:

- ①Orientation training: Help the new employees to get familiar with office administration procedures and relevant general training in the professional field in time.
- ②Professional training: When new employees and existing employees are appointed in new positions, professional skills raining shall be given so that the employees are equipped with the capacity to meet the requirements and are aware of the tasks of their new positions.
- ③General training: A set of training arranged to improve employees' knowledge, skills, and abilities, change employees' attitude and improve compliance requirements, as well as further improve the performance of employees and the Organization.

### (3) Implementation of educational training:

The Company has always been committed to strengthening personnel job skills and management skills of the management personnel to improve human resources quality. The Company regularly sets up and executes annual training plans to meet the requirement of work objectives, functionality, management, on-boarding, self-development, and regulations. The implementation statistics for educational training in 2024 is as follows:

General training hours	Professional training hours	Orientation training hours	Total hours
8,857 hours	23,087 hours	2,087 hours	34,031 hours

## 3. Retirement system implementation :

The employee retirement policy of the company's employees is set in accordance with "Labor Standards Act" and "Labor Pension Statutes". The Company reports and contributes pension to the Department of Trust, Bank of Taiwan or employee pension account in accordance with the regulations.

4. Employee Code of Conduct:

5. Employee communication channels:

(1) The Company has established the system of labor-management meetings in accordance with the regulations. The meetings are held quarterly and are conducted in an open and bidirectional manner.

(2) The Company has set up employee feedback boxes in each plant for the employees to report any issues at work.

(3) A fully functional internal website (Portal): The contents include all important internal messages.

6. Working environment and protection for employees' personal safety

(1) The Company prioritized safety design when constructing new plants.

(2) The Company organizes regular employee health examination in accordance with the Labor Health Protection Act, as well as educational training in accordance with Occupational Safety and Health Education and Training Rules.

(3) Other than complying with the Occupational Safety and Health Act, the Company has set up occupational hazard prevention plan, hired full-time health management personnel, conducted regular environment inspections, and implemented automatic inspection guidelines to effectively prevent the occurrence of occupational diseases and occupational hazards. The Company has equally produced and posted labor safety and health slogans on its premises so that the employees can learn about safety knowledge and establish good environmental safety and health concepts.

(2) Any losses incurred as a result of labor-management disputes should be reported for the most recent year and up until the date the annual report is printed (including Labor Standards Act violations found during labor inspections; include information about the specifics of the violation, such as the date of the ruling, the ruling reference number, the legal provisions broken, the type of violation, and the fine assessed). Additionally, make known the projected present and future levels as well as the appropriate preventative measures. If a reasonable estimate is not possible, state the following justifications:

There has been no material labor disputes in the most recent year up to the publication date of this Annual Report.

## **6. Information and Communication Security Management**

(1) State the risk management framework, policy and specific management plan of information and communication security, and resources invested in it.

The Company has formulated an information security management policy to specify the information security priorities to be adopted in such aspects as employees, equipment, networks and application systems. The specific management scheme includes firewall



construction, system backup, remote backup, user endpoint data backup, mandatory password complexity and change frequency, multi-factor authentication, anti-virus software, regular system security update, employee information security awareness training and other items.

- (2) The losses and potential impact caused by material information security incidents in the most recent year and up to the publication date of the annual report shall be specified. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated.

There has been no significant labor disputes in the most recent year up to the publication date of this annual report.

## 7. Material Contracts

The contracting parties, major content, restrictive clauses, and the commencement dates and expiration dates of supply/distribution contracts, technical cooperation contracts, engineering/construction contracts, long-term loan contracts, and other contracts that would affect shareholders' equity, where said contracts were either still effective as of the date of publication of the Annual Report or expired in the most recent fiscal year:

Nature of contract	Party	Term	Major contents	Restrictive Clauses
Financing	CTBC Bank	September 12, 2022 to September 10, 2027	Loans	Loan Financial Commitments: (a) Current ratio $\geq$ 120% (b) Debt ratio $\leq$ 120% (C) Financial liability/EBITDA $\leq$ 5 times
Financing	E.SUN Bank	From Sept. 13, 2022 to Sept. 13 2027	Loans	None.
Financing	Bank of Taiwan	From Jun. 19, 2018 to Sept. 20, 2031	Loans	None.
Financing	Bank of Taiwan	From Sept. 13, 2022 to Sept. 13 2027	Loans	None.
Financing	MEGA Financial Holding Co., Ltd	From Dec. 07, 2017 to Dec. 07, 2032	Loans	None.
Financing	Far Eastern International Bank	From Jun. 24, 2024 to Jun. 24, 2027	Loans	None.
Financing	UBSSwitzerlandAG	From Apr. 17, 2020 to Sept. 30,	Loans	None.

		2027		
Financing	CICAGENCEENTREPRISENCY	From Apr. 20, 2021 to Apr. 20, 2026	Loans	None.
Financing	CICAGENCEENTREPRISENCY	From Dec. 15, 2021 to Dec. 15, 2026	Loans	None.
Financing	INFIMEDSASU	From Dec. 14, 2021 to Nov. 14, 2026	Loans	None.
Financing	INFIMEDSASU	From Apr. 28, 2022 to Apr. 27, 2027	Loans	None.
Financing	CICAGENCEENTREPRISENCY	From Oct. 15, 2022 to Oct. 15 2027	Loans	None.
Financing	INFIMEDSASU	From Aug. 01, 2022 to Aug. 05, 2027	Loans	None.
Financing	INFIMEDSASU	From Nov. 17, 2022 to Nov. 30, 2027	Loans	None.
Financing	CICAGENCEENTREPRISENCY	From Jun. 19, 2023 to Jun. 15, 2027	Loans	None.
Financing	CICAGENCEENTREPRISENCY	From Jul. 05, 2023 to Jul. 05, 2027	Loans	None.
Financing	CICAGENCEENTREPRISENCY	From Jul. 05, 2023 to Jul. 05, 2027	Loans	None.
Financing	CICAGENCEENTREPRISENCY	From Jan. 05, 2023 to Jan. 05, 2029	Loans	None.
Financing	CICAGENCEENTREPRISENCY	From Jan. 05, 2023 to Jan. 05, 2029	Loans	None.
Financing	CICAGENCEENTREPRISENCY	From Feb. 12, 2024 to Jan. 15, 2029	Loans	None.
Nature of contract	Party	Term	Major contents	Restrictive Clauses
Financing	CICAGENCEENTREPRISENCY	From Feb. 12, 2024 to Jan. 15, 2029	Loans	None.
Financing	CICAGENCEENTREPRISENCY	From Feb. 23, 2024 to Feb. 15, 2029	Loans	None.
Financing	CICAGENCEENTREPRISENCY	From May 06, 2024 to Apr. 25, 2029	Loans	None.
Financing	CICAGENCEENTREPRISENCY	From Nov. 22, 2024 to Nov. 15, 2028	Loans	None.
National Taiwan University Cooperative Education Program	National Taiwan University	From Nov. 15, 2023 to Nov. 14, 2024	Development of total knee arthroplasty surgical navigation system	None.

## V. Review and Analysis of Financial Status and Financial Performance and Risk Assessment Matters

### 1. Analysis of financial status

#### Consolidated financial statements

##### Comparative analysis of financial conditions

Unit: NTD thousand

Item \ Year	2024	2023	Increases (decreases)	Increase/decrease ratio (%)
Current Assets	3,822,404	3,383,788	438,616	12.96
Investments accounted for using the equity method	330,603	372,254	(41,651)	-11.19
Property, plant, and equipment	1,790,732	1,580,581	210,151	13.30
Intangible Assets	577,624	571,465	6,159	1.08
Other Assets (Note 1)	518,124	508,782	9,342	1.84
Total Assets	7,039,487	6,416,870	622,617	9.70
Current Liabilities	2,470,798	1,890,865	579,933	30.67
Non-Current Liabilities	618,728	931,932	(313,204)	-33.61
Total Liabilities	3,089,526	2,822,797	266,729	9.45
Capital Stock	964,367	925,287	39,080	4.22
Capital Surplus	2,223,879	2,023,236	200,643	9.92
Retained Earnings	728,640	651,195	77,445	11.89
Other Equity Interest	(64,347)	(102,045)	37,698	36.94
Non-Controlling Interests	97,422	96,400	1,022	1.06
Total Equity	3,949,961	3,594,073	355,888	9.90

Note 1: Other assets include non-current financial assets measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, financial assets measured at amortized cost, right-of-use assets, deferred income tax assets, other non-current assets, net long-term receivables from finance leases, and net defined benefit assets-non-current.

- Change analysis for the Increase/decrease ratio that is more than 20% for the most recent two years.

Increase in current liabilities: This is mainly due to increased operational capital requirements this year, resulting in an increase in short-term bank loans.

Decrease in non-current liabilities: This is mainly due to the full conversion of corporate bonds payable into common shares, and the repayment of long-term bank loans.

Increase in other equity: This is mainly due to the depreciation of the New Taiwan Dollar this year, resulting in an increase in exchange gains from the translation of financial statements of foreign operating institutions.

Changes in financial status over the past two years: No significant impact on the financial position.

- Future response plan : Not applicable.

## Individual financial statement

### Comparative analysis of financial conditions

Unit: NTD thousand

Year Item	2024	2023	Increases (decreases)	Increase/decrease ratio (%)
Current Assets	3,268,992	2,883,507	385,485	13.37
Investment accounted for using equity method	1,329,311	1,174,665	154,646	13.17
Property, plant, and equipment	833,479	773,731	59,748	7.72
Intangible Assets	181,796	155,995	25,801	16.54
Other Assets (Note 1)	453,947	490,203	(36,256)	-7.40
Total Assets	6,067,525	5,478,101	589,424	10.76
Current Liabilities	1,777,090	1,198,188	578,902	48.31
Non-Current Liabilities	437,896	782,240	(344,344)	-44.02
Total Liabilities	2,214,986	1,980,428	234,558	11.84
Capital Stock	964,367	925,287	39,080	4.22
Capital Surplus	2,223,879	2,023,236	200,643	9.92
Retained Earnings	728,640	651,195	77,445	11.89
Other Equity Interest	(64,347)	(102,045)	37,698	36.94
Total Equity	3,852,539	3,497,673	354,866	10.15

Note 1: Other assets include non-current financial assets measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, financial assets measured at amortized cost, right-of-use assets, deferred income tax assets, other non-current assets, net long-term receivables from finance leases, and net defined benefit assets-non-current.

- Change analysis for the Increase/decrease ratio that is more than 20% for the most recent two years.

Increase in current liabilities: This is mainly due to increased operational capital requirements this year, resulting in an increase in short-term bank loans.

Decrease in non-current liabilities: This is mainly due to the full conversion of corporate bonds payable into common shares, and the repayment of long-term bank loans.

Increase in other equity: This is mainly due to the depreciation of the New Taiwan Dollar this year, resulting in an increase in exchange gains from the translation of financial statements of foreign operating institutions.

Changes in financial status over the past two years: No significant impact on the financial position.

- Future response plan : Not applicable.

## 2. Financial performance

### Consolidated financial statements

#### Comparison and analysis table for financial performance

Unit: NTD thousand

Item \ Year	2024	2023	Increases (decreases)	Ratio of the changes (%)
Net Operating Revenue	4,653,130	3,929,887	723,243	18.40
Operating Costs	1,030,809	893,517	137,292	15.37
Operating Gross Profit	3,622,321	3,036,370	585,951	19.30
Realized gain or loss on sales	204	15,005	(14,801)	-98.64
Net operating gross profit	3,622,525	3,051,375	571,150	18.72
Operating Expenses	3,013,537	2,508,106	505,431	20.15
Operating Profit	608,988	543,269	65,719	12.10
Non-operating revenues and expenses	(33,884)	(34,043)	159	-0.47
Net profit before Tax	575,104	509,226	65,878	12.94
Income Tax Expenses	(114,723)	(120,917)	6,194	-5.12
Net profit for the period	460,381	388,309	72,072	18.56
Other Comprehensive Income (Net After Tax) of Current Period	43,919	(3,875)	47,791	-1,233.32
Total Amount of Comprehensive Income for current period	504,300	384,434	119,866	31.18
Net profits that belong to parent company for the current period	456,428	384,201	72,227	18.80
Total net profits and losses that belong to parent company for the current period	499,897	379,951	119,946	31.57

- Change analysis for the Increase/decrease ratio that is more than 20% for the most recent two years.

Decrease in realized gain or loss on sales: This is mainly due to the decrease in the shareholding ratio of the China subsidiary accounted for using the equity method.

Increase in Operating Expenses:: Mainly due to an increase in selling expenses. Due to the growth in revenue, the market promotion-related expenses of all subsidiaries increased.

Increase in other comprehensive income for the period (net of tax): This is mainly due to the increase in remeasurement of defined benefit plans this year compared to last year, the increase in exchange gains from the translation of financial statements of foreign operating institutions due to the depreciation of the New Taiwan Dollar this year compared to last year, and the increase in the share of profit of associates and joint ventures recognized using the equity method - items that may be reclassified to profit or loss compared to last year.

Increase in total comprehensive income for the period: This is mainly due to the increase in operating revenue, operating gross profit, and exchange gains from the translation of financial statements of foreign operating institutions due to the depreciation of the New Taiwan Dollar this year compared to last year, resulting in an increase in other comprehensive income for the period.

Increase in total comprehensive income attributable to owners of the parent: This is mainly due to the increase in operating revenue, operating gross profit, and exchange gains from the translation of financial statements of foreign operating institutions due to the depreciation of the New Taiwan Dollar this year compared to last year.

- Expected sales volume for the next year and its basis, along with the main factors affecting the Company's expected continued growth or decline in sales volume: In the coming year, the Company will experience good growth due to the global market deployment of each business unit. At the same time, the Company will continue to deeply engage in and operate in various markets, which is a necessary strategy for the Company's growth. Based on the Company's excellent and diverse product portfolio, our unremitting goal is to make more physicians understand and trust United. As a result, the company will continue to improve its exposure and brand awareness through a variety of activities such as exhibitions, online conferences, medical conference organization, clinical report presentations, and so on. In order to maintain growth, the company will also aggressively pursue the expansion of its direct markets through the sale of its own branded products and the gradual introduction of high-end new product development plans.

Changes in financial status over the past two years: No significant impact on the financial position.

- Future response plan : Not applicable.

Analysis of changes in operating gross profit: The percentage change did not exceed 20%, therefore not applicable.



## Individual financial statement

### Comparison and analysis table for financial performance

Unit: NTD thousand

Item \ Year	2024	2023	Increases (decreases)	Ratio of the changes (%)
Net Operating Revenue	2,830,109	2,540,604	289,505	11.40
Operating Costs	1,306,392	1,153,116	153,276	13.29
Operating Gross Profit	1,523,717	1,387,488	136,229	9.82
Unrealized sales profit	(40,257)	(86,085)	45,828	-53.25
Operating gross profit and net profit	1,483,460	1,301,403	182,057	13.99
Operating Expenses	1,078,976	910,036	168,940	18.56
Operating Profit	404,484	391,367	13,117	3.35
Non-operating revenues and expenses	141,678	82,407	59,271	71.92
Net profit before Tax	546,162	473,774	72,388	15.28
Income Tax Expenses	(89,734)	(89,573)	161	-0.18
Net profit for the period	456,428	384,201	72,227	18.80
Other Comprehensive Income (Net After Tax) of Current Period	43,469	(4,250)	47,719	-1,122.80
Total Amount of Comprehensive Income for current period	499,897	379,951	119,946	31.57

- Change analysis for the Increase/decrease ratio that is more than 20% for the most recent two years.

Decrease in unrealized sales profit: This is mainly due to the growth in revenue of all subsidiaries this year compared to last year, resulting in a decrease in unrealized sales gains and losses.

Increase in non-operating income: This is mainly due to an increase in exchange gains this year, and an increase in the share of profits of associates and joint ventures recognized using the equity method, resulting in an increase in non-operating income this year compared to last year.

Increase in other comprehensive income for the period (net of tax): This is mainly due to the increase in remeasurements of defined benefit plans and the share of other comprehensive income of subsidiaries, associates, and

joint ventures recognized using the equity method - items that may be reclassified to profit or loss compared to last year.

Increase in total comprehensive income for the period: This is mainly due to the increase in operating revenue and operating gross profit compared to last year, the increase in exchange gains in non-operating income, the increase in the share of profits of associates and joint ventures recognized using the equity method compared to last year, and the increase in remeasurements of defined benefit plans in other comprehensive income and the share of other comprehensive income of subsidiaries, associates, and joint ventures recognized using the equity method - items that may be reclassified to profit or loss compared to last year.

- Expected sales volume for the next year and its basis, along with the main factors affecting the Company's expected continued growth or decline in sales volume: In the coming year, the Company will experience good growth due to the global market deployment of each business unit. At the same time, the Company will continue to deeply engage in and operate in various markets, which is a necessary strategy for the Company's growth. Building on United's robust and diversified product portfolio, our unwavering goal is to help more physicians understand and trust it. As a result, the company will continue to participate in a variety of activities, including as exhibits, webinars, medical conference hosting, clinical report publishing, and others, in order to raise the visibility and recognition of our company's brand and goods. To support the company's continuous expansion, we will also aggressively enter new direct-sales markets with our own branded items and introduce new, high-end product development initiatives.

Changes in financial status over the past two years: No significant impact on the financial position.

- Future response plan : Not applicable.

Analysis of changes in operating gross profit: The percentage change did not exceed 20%, therefore not applicable.

### 3. Cash Flows

#### Consolidated financial statements

##### Cash flow analysis

Unit: NTD thousand

Cash and cash equivalents at beginning of year	Annual net cash flow from operating activities	Net cash inflow from investment and financing activities	Cash surplus (insufficient)	Measures for insufficient cash	
				Investing plan	Financing plan
449,020	717,289	(555,627)	610,682	None.	None.

● Analysis of the changes in cash flow this year:

The pre-tax net profit for the period, depreciation costs, the equity method-accountable portion of associates' and joint ventures' losses, an increase in accounts receivable, inventories, other payables, and income tax paid are the primary causes of the net cash inflow from operating activities.

The cash outflow from investing activities is mainly due to the expenditures on the acquisition of equipment, surgical instrument equipment, intangible assets, and prepayments for equipment.

Cash outflow from financing activities mainly consists of an increase in short-term borrowings; repayment of long-term borrowings and distribution of cash dividends.

Improvement plans for insufficient liquidity and liquidity analysis: There were no instances of insufficient liquidity.

Analysis of cash liquidity for the following year: Not applicable.

## Individual financial statement

### Cash flow analysis

Unit: NTD thousand

Cash and cash equivalents at beginning of year	Annual net cash flow from operating activities	Net cash inflow from investment and financing activities	Cash surplus (insufficient)	Measures for insufficient cash	
				Investing plan	Financing plan
284,272	154,640	(135,724)	303,188	None.	None.

● Analysis of the changes in cash flow this year:

Net cash inflow from operating activities mainly consists of net profit before tax for the period, depreciation expenses, share of profits of associates and joint ventures recognized using the equity method, unrealized sales gains, accounts receivable from related parties, and increased income tax payments.

The cash outflow from investing activities was primarily for the acquisition of equipment, surgical instrument equipment, intangible assets, prepayments for equipment, and investments accounted for using the equity method.

Cash inflow from financing activities mainly consists of an increase in short-term borrowings; repayment of long-term borrowings and distribution of cash dividends.

Improvement plans for insufficient liquidity and liquidity analysis: There were no instances of insufficient liquidity.

Analysis of cash liquidity for the following year: Not applicable.

#### **4. The impact of major capital expenditures in the most recent year on the Company's finance:**

**None.**

#### **5. Policy on re-investment in other companies, main reasons for profit or losses resulting therefrom, improvement plans and investment plans for the upcoming fiscal year**

Invested Company	Holding ratio at the end of the period (%)	Investment policy	Main reason for profits or losses	Improvement plans	Investment plans in the following year
UOCEuropeHoldingSA	96%	Indirect investments in Europe through third region	The majority of the profits of the holding company is sourced from the gains and losses of the investment.	None.	None.
United Orthopedic JapanIncJapanInc.	96%	Arrange investments in response to the local market channels, in order to get access to the market	Adopt dealer or direct selling model due to regional characteristics to actively expand the market shares.	None.	None.
A-SPINE Asia Co., Ltd.	74.9%	In response to the Company's strategy for business diversification, we enter the market of spine products	And actively expands spinal products in Taiwan and international markets.	None.	None.
UOCUSA,Inc. (Note 2)	100%	Arrange investments in response to the local market channels, in order to get access to the market	Due to successful ongoing market expansion, the Company has begun to generate profits and will more aggressively expand its market presence.	None.	None.
United Orthopedic JapanInc(Australia)Pty Ltd (Note 3)	100%	Arrange investments in response	The Company is still in the early stage of	Adopt dealer or direct selling model	None.

		to the local market channels, in order to get access to the market	the development since its establishment and has not yet obtained certification, so there is no income generated. The loss is mainly due to management personnel salaries and office rent and other expenses.	due to regional characteristics to actively expand the market shares.	
Shinva United Orthopedic Corporation	43%	Work with Shinva Medical Instrument Co.,Ltd to expand the sales of domestic and imported products in the market of China due to China's made in China policy.	Mainly due to the low-price competition in the market affected by the Chinese government's national collective bidding procurement policy, resulting in great reduction of profits.	It has built a comprehensive marketing system and domestic products to enhance market shares.	None.
United Orthopedic Corporation (Suisse) SA (Note 1)	100%	Arrange investments in response to the local market channels, in order to get access to the market	Adopt dealer or direct selling model due to regional characteristics to actively expand the market shares.	None.	None.
United Orthopedic Corporation (France)(Note 1)	100%	Arrange investments in response to the local market channels, in order to get	Adopt dealer or direct selling model due to regional characteristics to actively	None.	None.

		access to the market	expand the market shares.		
United Orthopedic Corporation (Belgium)(Note 1)	100%	Arrange investments in response to the local market channels, in order to get access to the market	Due to successful ongoing market expansion, the Company has turned from loss to profit and will more aggressively expand its market presence.	None.	None.
United Orthopedic JapanIncsLimited (Note 1)	100%	Arrange investments in response to the local market channels, in order to get access to the market	Due to successful ongoing market expansion, the Company has turned from loss to profit and will more aggressively expand its market presence.	None.	None.
U2ORTHOORTOPEDİK ÜRÜNLER TİCARETİ ANONİM ŞİRKETİ (Note 4)	100%	Arrange investments in response to the local market channels, in order to get access to the market	The Company is in the initial establishment stage, with no revenue generation yet. Losses are mainly due to expenses such as personnel salaries and office rent.	Actively explore the market and sales activities.	None.

Note 1: This is a reinvestment by UOC Europe Holding SA, a subsidiary of the Company.

Note 2: In response to the expansion of local market operations, an additional investment of 1.5 million US dollars was made in 2024.

Note 3: In response to market development needs, an additional investment of AUD 500,000 was made in 2024.

Note 4: This is a reinvestment by United Orthopedic Corporation (Suisse) SA, a subsidiary of the Company.

## 6. Risk assessments shall evaluate the following items for the most recent year and up to the publication date of the Annual Report

(1) The Impacts of interest rates, exchange rate fluctuation and inflation situation on the company's profit and loss, and the future countermeasures:

### (1) Impact from interest rate changes

The Company has loans with banks in Taiwan dollars and other foreign currencies. The fluctuation in future interest rates will impact the Company's profits and losses. The Company will monitor interest rate changes and continuously keep long-term stable transactions with banks. Various financing tools will be adopted to hedge against the risk of interest rates in line with market conditions.

### (2) Impact from exchange rate changes

The Company sells its products mainly in US dollars, Euro, RMB and Japanese Yen. Thus, if the exchange rate of New Taiwan Dollars against the above currencies fluctuated, the Company's revenue and profits will be affected, accordingly. On the whole, the Company relies on the response principle of natural hedging and continuously monitors the fluctuation of the market exchange rate, and tries to minimize the possible risks that changes in the exchange rate might do to the Company.

Unit: NTD thousand ; %

Item	Year	2024	2023	2022
Net currency exchange gain (loss)		32,367	33,643	46,070
Net Operating Revenue		4,653,130	3,929,887	3,168,680
Operating (loss) gain		608,988	543,269	341,582
Net Foreign Exchange Profits (Losses) / Net Operating Income Profits (Losses)		0.70%	0.86%	1.45%
Net Foreign Exchange Profits (Losses) / Operating Profits (Losses)		5.31%	6.19%	13.49%

(B) Specific measures in response to changes in exchange rates:

- a. The business units would first evaluate the trends of currencies and consider the impact of changes in exchange rate before making a quote to the customer, and the business unit



would take a more robust and conservative exchange rate as the basis for the quote, so that the impact of appreciation and depreciation of NTD is minimized for the orders.

- b. Open an foreign currency account at the banks to keep the foreign currency for the needs of foreign currency. Exchange the remittance of sales into TWD in accordance with actual exchange rate and deposit it in NTD account or foreign currency account. Foreign currencies that are earned from the exports are preferred to used when paying for the import to reduce the impact of changes in foreign exchange.
- c. Collect information with regards to changes in foreign exchange at any time and fully grasp the domestic and international exchange rate movements to adjust the ratio of foreign currency assets and liabilities, so that the exchange rate fluctuations have a natural hedge effect.

(C) Impact from inflation

If inflation keeps up, the interest rate and costs will keep growing. In the future, the Company will monitor the market price changes, keep good interaction with suppliers and clients to reduce the impact of inflation to the Company's profits and losses.

- (2) Policies on high risk, highly leveraged investments, loans to other parties, endorsements/guarantees, and derivatives transactions, main reasons for the profits or losses generated thereby, and future response measures to be undertaken.

(1) The Company is not engaged in high risk or highly leveraged investments for the most recent year.

(2) According to the Company's operating procedures for lending funds, as of March 31, 2025, the actual amount of funds lent to the invested subsidiary United Orthopedic Corporation (Suisse) SA was EUR 2,344,000 and GBP 32,800.

(3) According to the endorsement guarantee operating procedures, as of March 31, 2025, the Company has assumed joint and several liability guarantees for its reinvested subsidiary UOC USA, Inc. for a bank loan of USD 3 million.

(4) The Company engages in the trading of derivatives products. As of March 31, 2025, there are no future transactions of derivative products that has not been settled.

(3) Future R&D projects and estimated R&D expenditures:

Unit: NTD

Plan title	Progress	Need to invest more R&D expenses	Time expected to complete mass-production	Main reasons that would affect the success of R&D
Knee artificial knee joint system - Non-cemented patellar implant and tools (U2PF+patella)	In process development:	3,715,352	2025 Q2	1. New process development 2. Passed verification test

				3. Application for certification
Radifocus Modular Femoral Stem System (Resolve modular revision stem)	In process development:	15,810,768	2025 Q2	1. Passed verification test 2. Application for certification
Cellbrick Cement Spacer-Knee	In process development:	128,333	2025 Q2	1. Application for certification
Anterior Approach Hip Arthroplasty Instruments (United DApowerhook)	In process development:	45,000	2025 Q2	1. Passed safety test 2. Certified by NRTL
Knee artificial knee joint system - Stabilized enhanced type/Hinged knee joint tool integration (PSA/hinge instrument integration)	In design and development	1,250,000	2025 Q4	1. Design to meet customer needs 2. Coordination of process resources
Optimal Femoral Stem Augmentation and Tools (Conformity stem extension line)	In process development:	735,715	2025 Q4	1. Passed verification test 2. Application for certification
Knee artificial knee joint system - Posterior stabilized type tool improvement case (U2 knee PS box preparation improvement)	In design and development	60,000	2025 Q4	1. Design to meet customer needs 2. Coordination of process resources
Replacement knee joint matching liner (Cones & Sleeves for revision TKA)	In design and development	3,443,238	2025 Q4	1. Design to meet customer needs 2. New process development 3. Passed verification test 4. Application for certification
GMRS Tumor Prosthesis Extensions and Instruments (USTARIIextensionline)	In design and development	4,248,421	2026 Q1	1. Design to meet customer needs 2. Passed verification test 3. Application for certification
United Optimal Acetabular System (Momentum cup)	In process development:	23,207,232	2026 Q2	1. New process development 2. Passed verification test 3. Application for certification

Evolve Shoulder Arthroplasty System (SYSTEM ONE shoulder system)	In process development:	29,092,623	2026 Q4	1. Passed verification test 2. Application for certification
Interior Stable Knee Joint System (UMSknee)	In design and development	13,616,303	2027 Q1	1. Design to meet customer needs 2. Passed verification test 3. Application for certification

(4) Impacts of changes of the important domestic and foreign policies and laws on the Company's finance and business, and the countermeasures thereof: None.

(5) Impact of changes in technology(including information and communication security risks)and industry on the Company's financial operations, and countermeasures thereof:

With the advancement of medicine and the understanding of bio-compatible materials, artificial joint products have become stable and mature. Artificial joints must be designed with appropriate bio-compatible materials and developed to meet the needs of patients. In addition that sufficient knowledge and clinical data are required in design, the technology of precision machinery is also required in manufacture. The Company's R&D direction is to design joint implants suitable for Chinese people, provide product experience suitable for Chinese people, and then develop products suitable for Asians, supply products in Asian markets and other international markets, and establish the highest level of artificial joint R&D and production center outside the European and American regions, which is the long-term goal of the Company; there is no major impact on the Company's financial business due to changes in technology and industry.

Regarding the information security, the Company will quantify and classify the impact of the "confidentiality", "integrity" and "availability" of the data contained in its main system, take into account common network attack risk events, formulate various operating specifications, such as: account permissions, firewalls, network management requirements, and implement regular monitoring and measurement; any system changes shall be undergone rigorous testing to ensure the data integrity. The responsible department needs to monitor from time to time, regularly review and keep records. In addition, email social engineering drills shall be performed occasionally or educational training cases shall be used to raise the awareness of staff. In the future, it is also planned to conduct information security audits through third-party companies to ensure compliance with information security requirements and compliance with regulatory updates.

(6) Impacts of corporate image change on risk management and response measures:

Ever since the Company has been listed on September, 2004, the Company has always uphold the professional and integrity of the operating principles, paid attention to corporate image and risk control, and has a positive impact on the Company's visibility and improvements of image, sound management of the Company, and sustainability of the Company. The Company will continue to operate in maximum efficiency to retrieve the best

interest and share the results with all shareholders and employees. Thus, there are no major events that would have an impact on the Company's corporate image.

(7) Potential risks and rewards associated with M&A and the response measures: None.

(8) Potential impact associated with capacity expansion and the response measures: None.

(9) The Risks Faced with Concentrated Procurement and Sales, and the Countermeasures:

(1) Purchase: The Company has established a good cooperative relationship with various suppliers, and the source of supply is still stable. Therefore, the Company and its subsidiaries have no risk of concentrated purchase.

(2) Sales: The Company and its subsidiaries do not have customers to whom more than 20% of products are sold, and are actively expanding product sales in various regions to diversify operational risks. Therefore, the Company and its subsidiaries have no risk of concentrated sales.

(10) The impacts and risks arising from major exchange or transfer of shares by Directors, Supervisors or shareholders with over 10% of stake in the Company and the countermeasures:

The Directors, Supervisors or shareholders of more than 10% of the Company's shares do not have any substantial transfers or changes in the shares of the Company for the most recent year and as of the publication date of the Annual Report. Thus, it did not have any significant impact on the Company.

(11) Effects of, risks relating to and response to the changes in management rights: None.

(12) Litigation and non-litigation events:

(1) Confirmed judgment, ongoing significant litigation, and non-litigation or administrative contention items involving the Company for the most recent two years and as of the publication date of the annual report, which might have a significant impact on the shareholders' equities or price of securities: None.

(2) Confirmed judgment, ongoing significant litigation, and non-litigation or administrative contention items involving Directors, Supervisors, General Manager, responsible person, and stockholders that hold more than 10% of this company's stock in the last two years and up to the printing of this annual report that can have a significant impact on shareholders' equity or securities prices: None.

(13) Other Material Risks and Response Measures: None.

## **7. Other important matters :**

**None.**

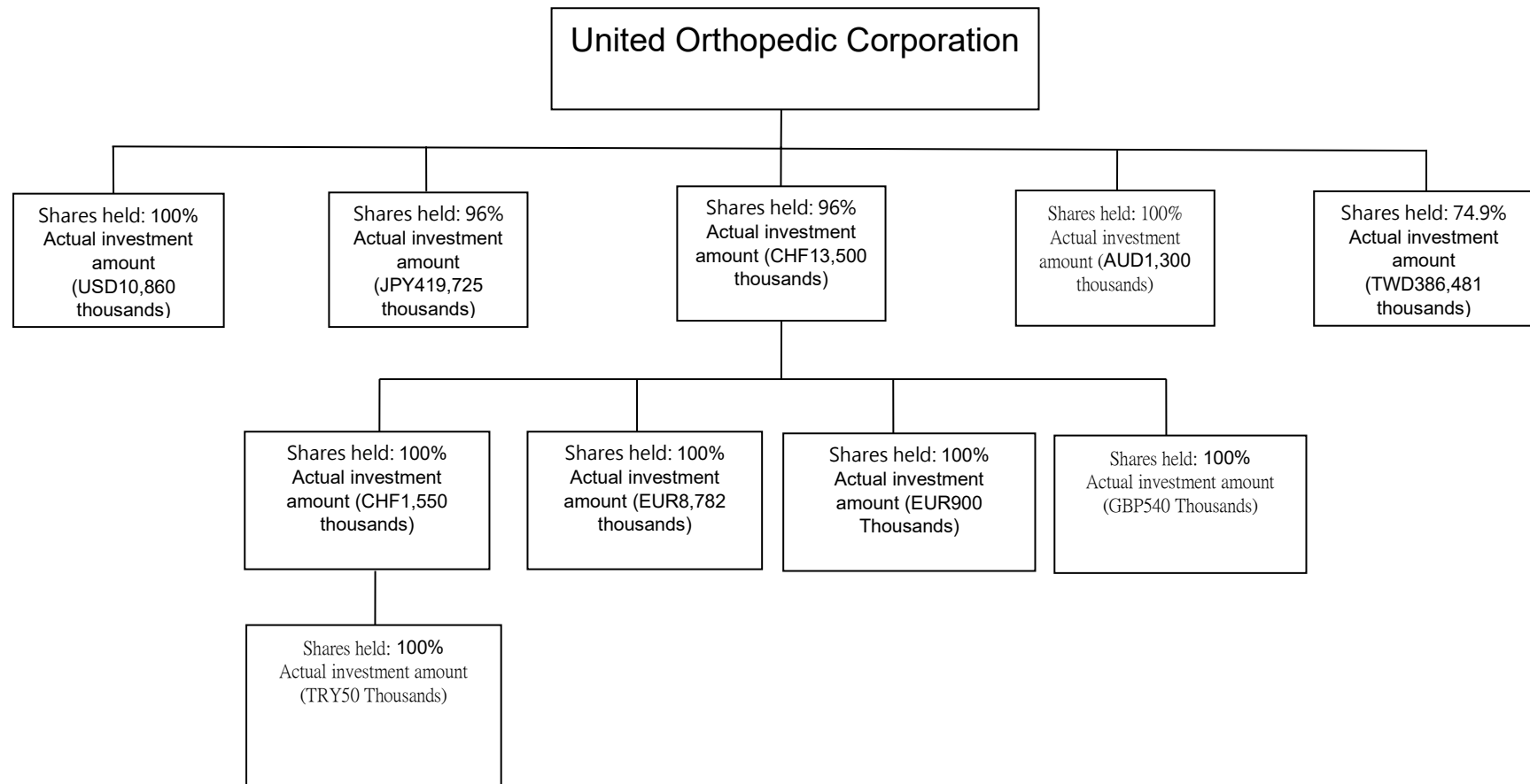
## VI. Special Items

### 1. Relevant information on affiliates:

#### (1) Consolidated Business Report of Affiliates

##### 1. Organization structure of affiliates

December 31, 2024



## 2. Basic information of various affiliates

Unit: Thousand dollars

Name of business	Date of Incorporation	Addresses	Paid-in capital	Main business and product
UOCUSA, Inc.	2012.07.19	Note 4 (1)	USD10,860	Sales of Medical Equipment
UOCEuropeHoldingSA	2016.05.23	Note 4 (2)	CHF14,000	Investment and trading business
United Orthopedic JapanIncCorporation(Suisse)SA	2016.06.29	Note 4 (3)	CHF1,550	Sales of Medical Equipment
United Orthopedic JapanIncCorporation(France)	2016.07.05	Note 4 (4)	EUR8,782	Sales of Medical Equipment
United Orthopedic JapanIncCorporation(Belgium)SA	2019.07.11	Note 4 (5)	EUR900	Sales of Medical Equipment
United Orthopedic JapanIncJapanInc.	2016.08.05	Note 4 (6)	JPY265,741	Sales of Medical Equipment
A-SPINE Asia Co., Ltd.	2001.06.15	Note 4 (7)	TWD134,710	Manufacture and Sale of Medical Equipment
United Orthopedic JapanIncsLimited	2019.07.24	Note 4 (8)	GBP540	Sales of Medical Equipment
United Orthopedic JapanInc(Australia)PtyLtd	2022.05.16	Note 4 (9)	AUD1,300	Sales of Medical Equipment
U2ORTHOORTOPEDİKÜRÜNLERTİCARETİANONİMŞİRKETİ	2023.10.24	Note 4 (10)	TRY50	Sales of Medical Equipment

Note 1: All affiliates shall disclosed regardless of their sizes.

Note 2: For all affiliates that have plants, and the production value of products of the plants worth more than 10% of the operating income of the holding company, the name of the plants, founding dates, addresses, the main productions of the plants shall also be listed.

Note 3: If the affiliate is a foreign company, the title of the Company and the address may be shown in English, and the founding date may also be expressed in Gregorian calendar. The paid-in capital may be expressed in foreign exchange (However, the exchange rate as of the publish date shall be listed).

Note 4:

(2) Avenue Général Guisan 60A, 1009 Pully, USA

(3) Y Parc, Avenue des sciences 15, 1400 Yverdon, Switzerland

(4) 7 Allée des Peupliers, 54180 Houdemont, France

(5) Kernenergiestraat 47C, 2610 Wilrijk, Antwerpen, Belgium

(6) Ginyo Bldg. 4F, 2-9-40 Kitasaiwai, Nishi-ku, Yokohama, Kanagawa 220-0004, Japan

(7) 20F., No. 80, Sec. 1, Chenggong Road, Yonghe District, New Taipei City

(8) Unit B2 Illumapark Gelders Hall Industrial Estate Gelders Hall Road Shepshed Loughborough Leicestershire LE12 9NH, UK

(9) LEVEL 2, 35 COTHAM ROAD, KEW, VIC 3101

(10) GAYRETTEPEMAH.PAZARSK.BARELIPLAZANO:2-4İÇKAPINO:2BEŞİKTAŞ/İSTANBUL

3. Companies presumed as having control and subordinate relationships in accordance with Article 369-3 of the Company Act:

According to the above organization chart, the Company's affiliates are all subsidiaries of the Company.

4. Industries that are covered by affiliates and their distribution of work if the businesses of affiliates are interconnected with others:

(1) Industries that the overall affiliates are involved with: Mainly for orthopedic artificial implants, surgical equipment manufacturing and sales.

(2) Distribution of work if the businesses of affiliates are interconnected with others:

The Company invested in UOC America Holding Corporation in 2012, and the liquidation was completed on March 21, 2022. Instead, the Company invested in UOC USA, Inc. as the base for marketing operations in the America. The marketing model adopted are dealer and directly selling to quickly establish a complete marketing system to increase market share.

The Company made an indirect investment in United Orthopedic Corporation (Suisse) SA and United Orthopedic Corporation (France) in 2016 through UOC Europe Holding SA. In order to create marketing bases in Switzerland, France, Belgium, and the United Kingdom in the European region, it further made indirect investments in United Orthopedic Corporation (Belgium) SA and United Orthopedics Limited in 2019. The marketing strategy uses direct sales and distribution to target steady, high growth in the European market and quicken the increase of market share.

The Company invested in United Orthopedic Japan Inc. in 2016 as a sales and operation base in Japan. United Orthopedic Japan Inc. has completed product registration and started

marketing and sales activities in 2019 to continuously develop the business and expand market share.

The Company invested in A-Spine Asia Co., Ltd. in 2017 in response to the Company's strategy of business diversification. We were looking to quickly enter the spine product market through M&A to accelerate the development of spine products in Taiwan and international markets, as well as boosting the Company's revenue and profit.

The Company invested in United Orthopedic (Australia) Pty. Ltd. in 2022 as the base for sales and operation in Australia, to actively expand the market via distributors or the direct selling model according to regional characteristics.

In order to expand our business, United Orthopedic Corporation (Suisse) SA, our subsidiary, invested in ÜRÜNLER TİCARETİ ANONİM ŞİRKETİ in 2023 as a sales and operations base in Turkey.

#### 5. Information of Directors, Supervisors and General Managers in all Affiliates:

Name of business	Title (note 1)	Name or representative	shares held	
			Shares	holding ratio
UOCUSA,Inc.	Chairman	Lin, Yan-Sheng	15,361,016	100%
UOCEuropeHoldingSA	Chairman	Lin, Yan-Sheng	13,500	96%
United Orthopedic JapanIncCorporation(Suisse)SA	President	BoppFrançois	1,550	100%
United Orthopedic JapanIncCorporation(France)	President	BoppFrançois	8,782	100%
United Orthopedic JapanIncCorporation(Belgium)SA	President	BoppFrançois	900	100%
United Orthopedic JapanIncJapanInc.	Chairman	Tetsuhiko Niwa	125,022	96%
A-SPINE Asia Co., Ltd.	Chairman	Lin, Yan-Sheng	10,089,696	74.9%
United Orthopedic JapanIncsLimited	President	PearsonMalcolm	540	100%
United Orthopedic JapanInc(Australia)PtyLtd	President	DAVIDVEALE	1,300,001	100%
U2ORTHOOTOPEDİKÜRÜNLERTİCARETİANONİMŞİRKETİ	President	BoppFrançois	50	100%

Note 1: If the affiliate is a foreign company, list those whose job position is equivalent.

Note 2 If the invested company is a joint-stock company, please list the amount of stocks and shareholding ratio. For others, please list the capital contribution and contribution ratio and make a note on that.



## 6. Operating status of affiliates:

Unit: NTD thousand

Name of business	Capital	Total Assets	Total Liabilities	Net value	Operating Revenue	Operating Profit	Current profit and loss (After tax)	Earnings per share (after tax/dollar)
UOCUSA, Inc.	332,533	1,024,553	551,550	473,003	871,474	95,520	86,761	—
UOC Europe Holding SA	436,770	1,650,533	1,277,670	372,863	1,429,052	76,708	67,693	—
United Orthopedic JapanIncCorporation (Suisse) SA	49,987	1,308,995	1,059,880	249,115	721,224	71,739	69,443	—
United Orthopedic JapanInc Corporation (France)	310,304	948,337	630,235	318,102	1,085,264	5,881	7,243	—
United Orthopedic JapanInc Corporation (Belgium) SA	30,154	27,048	23,960	3,088	34,718	8,431	8,224	—
United Orthopedic JapanIncJapanInc.	69,832	337,838	246,100	91,738	260,008	26,756	15,852	—
A-SPINE Asia Co., Ltd.	134,710	506,514	235,722	270,792	404,949	8,944	8,411	0.62
United Orthopedic JapanIncLimited	20,840	51,257	25,129	26,128	91,310	1,541	9,846	—
United Orthopedic JapanInc (Australia) PtyLtd	27,143	16,713	2,863	13,850	0	(6,168)	(6,168)	—
U2ORTHOORTOPEDİK ÜRÜNLER TİCARET ANONİM ŞİRKETİ	59	147	533	(386)	0	(446)	(460)	—

Note 1: All affiliates shall disclosed regardless of their sizes.

Note 2: If the affiliate is a foreign company, all relevant numbers shall be expressed in NTD by using the exchange rate as of the publish date.

Note 3: The exchange rates for the income statement are as follows: 1 USD = 32.785 NTD, 1 CNY = 4.478 NTD, 1 EUR = 34.140 NTD, 1 CHF = 36.265 NTD, 1 GBP = 41.190 NTD, 1 JPY = 0.2099 NTD, 1 AUD = 20.390 NTD, 1 TRY = 0.929 NTD, 1 CHF = 1.0622 EUR, 1 EUR = 0.9414 CHF, 1 CHF = 0.8804 GBP, 1 GBP = 1.1358 CHF, 1 GBP = 1.2065 EUR, 1 CHF = 39.0366 TRY, 1 TRY = 0.0256 CHF.

The exchange rates for the income statement are as follows: 1 USD = 31.745 NTD, 1 CNY = 4.4025 NTD,  
1 EUR = 34.060 NTD, 1 CHF = 36.375 NTD,  
1 GBP = 40.170 NTD, 1 JPY = 0.2136 NTD,  
1 AUD = 20.685 NTD, 1 TRY = 0.9845 NTD  
1 CHF = 1.068 EUR, 1 EUR = 0.9364 CHF,  
1 CHF = 0.9062 GBP, 1 GBP = 1.1044 CHF,  
1 GBP = 1.1793 EUR, 1 CHF = 37.0592 TRY,  
1 TRY = 0.0271 CHF.

(2) Reports of each enterprise: Refer to the parent-subsidiary consolidated report.

**2. Regarding the private placement of securities in the most recent year and up to the printing date of the annual report, the following should be disclosed:**

the date and amount approved by the shareholders' meeting or Board of Directors, the basis and reasonableness of price determination, the method of selecting specific persons and the necessity for the private placement, the private placement targets, their qualifications, subscription quantities, relationship with the Company, participation in company management, actual subscription (or conversion) price, difference between actual subscription (or conversion) price and reference price, impact of the private placement on shareholders' rights, utilization of funds from the private placement of securities from the time of receipt of payment until the completion of the fund utilization plan, the progress of plan implementation, and the manifestation of plan benefits: None.

**3. Other necessary supplementary information: None.**

**VII. Any events prescribed in subparagraph 2, paragraph 3, Article 36 of the Securities and Exchange Act with material impact on shareholders' equity or the price of the Company's securities that has occurred for the most recent year and up to the publication date of the Annual Report:**

None.

**VIII. The information stipulated in Article 10, Paragraph 1, Subparagraph 3, Item 8, the first part of Subparagraph 7, Article 17, and Article 21, Subparagraphs 1 and 2, if**

**already announced and reported on the information reporting website designated by the Commission, may be recorded in the annual report as an index for information inquiry, and the relevant announced and reported information shall be deemed as content recorded in the annual report.**

**Please refer to the following website, <https://mops.twse.com.tw/>**

United Orthopedic Corporation

Chairman: Lin, Yan-Sheng

