

PharmaEngine, Inc.

2024 Board of Directors Performance Evaluation and Results

1. In August 2024, the Company entrusted the Taiwan Corporate Governance Association as an external organization to evaluate the efficiency (including performance) of the Board of Directors in 2024 (Nov. 1, 2023 to Oct. 31, 2024). The third-party assessment entity and its three assessment experts and two specialists are independent and have no affiliations with the Company's business or finance.

2. Taiwan Corporate Governance Association appointed three assessment experts and two specialists to evaluate the effectiveness of the Board of Directors in terms of 5 major aspects, including the structure and division of labor, guidance and supervision, authorization and risk management, communication and cooperation, and self-discipline and self-improvement. This assessment was conducted through questionnaires and on-site visits. The performance assessment interview team from the Association is composed of independent and experienced executive committee members and specialists. This assessment of the Board of Directors is to fill out the open questionnaire, review the Company's related documents between the dates of November 1, 2023 to October 31, 2024 (such as board meeting notes and functional committee meeting notes) and public information based on the 5 major aspects. Taiwan Corporate Governance Association (TCGA) team visited the Company to have face-to-face interviews with the managers on December 5, 2024, and finished the evaluation and issued an evaluation report on December 19, 2024.

3. The assessment results and suggestions for the Company were reported in the Board of Director meeting on January 23, 2025. The overall evaluation and suggestions from the Association were as follows:
 - (1) Evaluation and Suggestions:
 - a. In response to the current Financial Supervisory Commission's sustainable development policy initiatives, we suggest that the Company considers

establishing a functional committee at the Board level or integrating relevant functions into existing committees, such as transforming the Audit Committee into an Audit and Risk Management Committee.

- b. We recommend that the Board regularly reviews and revises the "Procedure for Risk Management" to include current risk management practices, ensuring the comprehensiveness of the "Procedure for Risk Management."
- c. We recommend that the Company establishes a reporting channel that allows independent directors to receive reports simultaneously to further strengthen the Board's supervisory responsibility over the whistleblower mechanism operation.
- d. Regarding performance evaluation metrics of the Company's Board, we recommend considering the new drug research and development risk management strategies and ESG sustainable development-related goals to ensure that the Board and functional committees' objectives for each term can be reasonably achieved.

(2) Implementation Status

- a. The Company will evaluate and discuss the feasibility of integrating the relevant functional committees with the existing committees.
- b. The Company's management team will revise the "Procedure for Risk Management" in 2025, incorporating the "New Drug Research and Development Risk Management Strategy," sustainable development related risk management metrics, and current risk management practices to ensure the comprehensiveness of the "Procedure for Risk Management".
- c. The Company has established a reporting channel (audit@pharmaengine.com) that allows independent directors to receive reports simultaneously, strengthening the Board's supervisory responsibility over the whistleblower mechanism operation.
- d. The Company has completed the revision to performance evaluation metrics of



the Board and has incorporated the new drug research and development risk management strategies and ESG sustainable development-related goals into the performance evaluation metrics to ensure that the objectives for the next Board and functional committees can be reasonably achieved.