

Stock Code: 4106

Wellell Inc.

2025 Annual Shareholders' Meeting

Meeting Handbook

June 24, 2025

Form of Shareholders' Meeting: Physical

Table of Contents

Chapter 1.	Meeting Agenda.....	1
Chapter 2.	Report Items.....	2
	1. 2024 Business Status Report.	2
	2. Audit Committee’s Review Report on the 2024 Financial Statements.....	4
	3. 2024 Employee and Director Remunerations Distribution Status Report	5
	4. 2024 Appropriated Earnings Cash Dividends Report.	5
Chapter 3.	Ratification Items.....	6
	Item 1: Proposal for Ratification of 2024 Business Report and Financial Statements (Proposed by the Board of Directors).....	6
	Item 2: Proposal for the 2024 Earnings Distribution (Proposed by the Board of Directors)	7
Chapter 4.	Discussions Items.....	8
	Proposal 1 Proposal to Amend the “Articles of Incorporation.” (Proposed by the Board of Directors).....	8
Chapter 5.	Election Items	8
	Proposal 1 Proposal for General Re-Election of Directors (Proposed by the Board of Directors)	8
Chapter 6.	Other Proposals	9
	Proposal 1 Proposal to Release of New Directors from Non-competition Restrictions (Proposed by the Board Of Directors)	9
Chapter 7.	Extempore Motions.....	9
Chapter 8.	Attachments	10
	[Attachment 1] CPA’s Audit Report and 2024 Financial Statements	10
	[Attachment 2] Comparison Table of the “Articles of Incorporation” Before and After Amendment.....	- 30 -
	[Attachment 3] List of Candidates for Directors and Independent Directors	32
	[Attachment 4] List of Directors Released from Non-competition Restrictions	36
Chapter 9.	Appendix	38
	[Appendix 1] Articles of Incorporation	38
	[Appendix 2] Rules of Procedure of Shareholder’ Meeting	44
	[Appendix 3] Rules for Election of Directors	57
	[Appendix 4] Shareholding Status of All Directors of the Company	59
	[Appendix 5] Information on the Proposals of Shareholders Holding Over 1% of the Company’s Outstanding Shares	60

Chapter 1. Meeting Agenda

1. Time: 9 a.m., June 24, 2025 (Tuesday)
2. Place: No. 9, Minsheng St., Tucheng Dist., New Taipei City
3. Call the Meeting to Order
4. Chairman's Remarks
5. Report Items
 - (1) 2024 Business Status Report
 - (2) Audit Committee's Review Report on the 2024 Financial Statements
 - (3) 2024 Employee and Director Remunerations Distribution Status Report
 - (4) 2024 Appropriated Earnings Cash Dividends Report
6. Ratification Items
 - (1) Proposal for Ratification of 2024 Business Report and Financial Statements
 - (2) Proposal for the 2024 Earnings Distribution
7. Discussions Items
 - (1) Proposal to Amend the "Articles of Incorporation"
8. Election Items
 - (1) Proposal for General Re-election of Directors
9. Other proposals
 - (1) Proposal to Release of New Directors from Non-competition Restrictions
10. Extempore Motions
11. Adjournment

Chapter 2. Report Items

1. 2024 Business Status Report is submitted for approval.

Wellell Inc. 2024 Business Report

The year 2024 was a challenging year for Wellell. In terms of international environment, we faced a slowdown in demand for medical materials in Europe after the Covid epidemic, a squeeze in government healthcare spending due to inflation, and aggressive price-cutting competition of Chinese mainland manufacturers overseas due to economic downturn in China; internally, there was a transition period for our brand transition, resulting in a decline in revenue in 2024 as compared to 2023. However, the year 2024 was also a year of sustained internal growth and transformation, as we completed over 90% of our global product brand conversion, which is the last mile of our brand reengineering in 2022; we began to introduce intelligent manufacturing systems to improve operational efficiency.

In 2024, the consolidated revenue was NT\$2.38 billion, a decrease of 9.8% compared to 2023. The gross profit margin reached 45%, a 2% increase compared to 2023, mainly due to an increase in the proportion of revenue from high-margin products. The operating expenses were NT\$943 million, a slight decrease of 0.1% compared to 2023, mainly due to the control of expenses in response to the operating downturn. The net income after tax attributable to the parent company was NT\$115 million, a decrease of 24% compared to 2023, and the earnings per share was NT\$1.14.

In terms of product development, the Company continued to launch advanced styles of various series of products in the field of pressure ulcer prevention. Through in-depth understanding of market demand and consumer feedback, the Company improved technology and design, further optimized product functionality and comfort, and launched redesigned products such as Optima Auto Link, and Domus Edge, etc. The Company completed the product development of its high-value industrial plan Procure Auto G3 Link, which conformed to the needs of hospital channel fields, met the rental/cleaning and disinfection service requirements, and was in collaboration with KeepWell management software, achieving design upgrades, technology upgrades, material upgrades, localization, ESG, and high added value of software + hardware, etc. In the field of sleep breathing therapy, the Company has launched WiZARD 330 new mask that adopts a lightweight design, is more comfortable to wear and easy to remove with one hand. Its side frame design reduces the contact area with the cheeks, making it particularly suitable for users who frequently flip over or sleep in multiple positions, providing a wearing experience without sensation and enhancing the sleep comfort.

Looking forward to 2025, the Company will continue to focus on the field of Patient Recovery Care (PRC), based on the needs of patient recovery combining with Pressure Area Care (PAC), mobility aids, patient hoists, Intermittent Pneumatic Compression (IPC), medical beds, and other products, so as to strengthen our product portfolio and provide complete solutions. The Company will lay emphasis on enhancing clinical value, selling high-end air mattresses, and exploring channel strategy partners. Meanwhile, the Company will actively promote the transformation of digital healthcare, develop smart pressure-relieving air mattresses and remote digital management platforms, improve product and service quality through smart healthcare equipment, and enhance operational efficiency through supply chain integration and digital optimization of internal processes.

Last but not least, we would like to thank all our colleagues for their efforts and dedication, as well as our shareholders, customers, suppliers and other stakeholders for their continuous support and encouragement.

Chairman:

Manager:

Accounting Manager:

2. The Audit Committee's Review Report on the 2024 Financial Statements is submitted for approval.

Auditing Committee's Audit Report

The Board of Directors submitted the Company's business report, financial statements, and profit distribution proposal for the year 2024. The financial statements have been audited by KPMG Taiwan and an audit report has been issued. The aforementioned business report, financial statements, and profit distribution proposal have been audited by our Audit Committee, and no discrepancies have been found. Therefore, an audit report is provided as above for approval in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

2025 Annual Shareholders' Meeting of Wellell Inc.

Wellell Inc.

Convener of the Audit Committee:

March 13, 2025

3. The 2024 Employee and Director Remunerations Distribution Status Report is submitted for approval.

Description: (1) In accordance with Article 20-2 of the Company's Articles of Incorporation, "If the Company makes a profit in a fiscal year, it shall set aside 5% to 15% of the profit as employees' remuneration, which shall be distributed in shares or cash as resolved by the Board of Directors, to employees of controlling and subsidiary companies under certain conditions; the Company may set aside not more than 2% of the above-mentioned profit as directors' remuneration as resolved by the Board of Directors."

(2) In 2024, the Company earned a profit of NT\$ 129,618,158 (i.e., income before tax, less employees' and directors' remuneration) and proposed to set aside 8.0% as the employees' remuneration in the amount of NT\$ 10,369,455 and 1.8% as the directors' remuneration in the amount of NT\$ 2,333,127.

(3) The above report is submitted for approval.

4. The 2024 Appropriated Earnings Cash Dividends Report is submitted for approval.

Description: (1) In accordance with Article 20-1 of the Company's Articles of Incorporation, the Board of Directors is authorized to resolve to distribute cash dividends to shareholders in the amount of NT\$0.8 per share, totaling NT\$80,729,246.

(2) The cash dividends are calculated to the nearest NT\$, and dividends less than NT\$ 1 are omitted, and the Chairman is authorized to distribute the fractional dividends less than NT\$ 1 to specific persons.

(3) For the dividend distribution mentioned in the preceding paragraph, the Chairman is authorized to set the interest distribution base date and other related matters.

(4) If the distribution of cash dividends subsequently affects the number of outstanding shares due to the repurchase of the Company's shares, transfer or cancellation of treasury stock, conversion of convertible bonds and employee stock warrants into common stock, resulting in a change in the shareholders' cash distribution ratio, the Chairman is authorized to make relevant adjustments.

(5) The above report is submitted for approval.

Chapter 3. Ratification Items

Item 1: Proposal for Ratification of 2024 Business Report and Financial Statements
(Proposed by the Board of Directors)

Description: (1) The Company's 2024 Financial Statements (including the consolidated financial statements and parent company only financial statements) have been audited by CPAs Kou, Hui-Zhi and Chen, Bei-Qi from KPMG Taiwan and approved by the Board of Directors, and have been submitted to the Audit Committee for review in accordance with the provisions of the Company Act, with no discrepancy found, and the audit report has been issued for reference.

(2) Please refer to page 2-3 of this Handbook for the attached 2024 Financial Statements and the Business Report. For the financial statements, please refer to Attachment 1 of this Handbook.

(3) The above documents are submitted for ratification.

Resolution:

Item 2: Proposal for the 2024 Earnings Distribution (Proposed by the Board of Directors)

Description: (1) The earnings distribution is to distribute the distributable earnings for 2024.
The earnings distribution table is as follows:

Wellell Inc.
2024 Earnings Distribution Table

Unit: NT\$

Item	Amount	
	Subtotal	Total
Unappropriated earnings at the beginning of a period		473,459,564
Add: Net profit after tax for the year	115,238,843	
Less: Legal reserve	(11,773,645)	
Less: Special reserve	0	
Add: Remeasurement of defined benefit plans included in retained earnings	2,497,611	
Appropriable earnings		579,422,373
Less: (Distribution items)		
Dividends of shareholders (cash, NT\$0.8 per share)	80,729,246	
Unappropriated retained earnings at the end of period		498,693,127

Note: In this earnings distribution, the Company will first distribute the earnings after tax for 2024.

(2) The above documents are submitted for ratification.

Resolution:

Chapter 4. Discussions Items

Proposal 1 Proposal to Amend the “Articles of Incorporation.” (Proposed by the Board of Directors)

Description: (1) In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, it is proposed to amend the Company’s Articles of Incorporation. Please refer to Attachment 2.

 (2) It is herewith posted for discussion and approval.

Resolution:

Chapter 5. Election Items

Proposal 1 Proposal for General Re-election of Directors (Proposed by the Board of Directors)

Description: (1) The term of office of the twelfth session of the Board of Directors of the Company will expire on June 19, 2025, and the former directors will retire on the date of election of the new directors. In accordance with Articles 13 and 13-1 of the Company’s Articles of Incorporation, nine directors (including five independent directors) will be re-elected at this Annual Shareholders’ Meeting.

 (2) The term of office of the new directors will be three years, from June 24, 2025 to June 23, 2028, and the term of office of the former directors will expire upon the assumption of office of the directors re-elected at this Annual Shareholders’ Meeting.

 (3) Please refer to Attachment 3 for the list of candidates for directors and independent directors.

 (4) It is hereby submitted for election.

Election results:

Chapter 6. Other Proposals

Proposal 1 Proposal to Release of New Directors from Non-competition Restrictions
(Proposed by the Board of Directors)

Description: (1) Where the directors of the Company act for themselves or others within the scope of the Company's business, in accordance with Article 209 of the Company Act, a proposal is submitted to the shareholders' meeting to release of the thirteenth elected directors from non-competition restrictions, provided that the acts are not detrimental to the Company's interests.

(2) The Company adopts a candidate nomination system for the election of directors. After the directors and independent director candidates are elected at the shareholders' meeting, a proposal is submitted to the shareholders' meeting to release of the directors from non-competition restrictions. For details, please refer to Attachment 4.

(3) It is herewith posted for discussion and approval.

Resolution:

Chapter 7. Extempore Motions

Adjournment

Chapter 8. Attachments

[Attachment 1] CPA's Audit Report and 2024 Financial Statements

Independent Auditors' Report

To Wellell Inc.,

Audit opinion

We have audited the consolidated balance sheet of Wellell Inc. and its subsidiaries (The Group) prepared on December 31, 2024 and December 31, 2023, and the consolidated comprehensive income statement, consolidated statement of change in shareholders' equity, the consolidated statement of cash flow, and the notes to the consolidated financial statements (including a summary of significant accounting policies) covering the periods of 2024 and 2023 until December 31 of the respective fiscal year.

In our opinion, the financial statements as referred in the first paragraph are prepared, in all material respects, in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations(SIC) as endorsed by the Financial Supervisory Commission (FSC), and present fairly the consolidated financial position of the Group as of December 31, 2024 and 2023, and the results of the consolidated financial performance and consolidated cash flows for the year ending December 31, 2024 and 2023.

Basis of Audit opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards. Our responsibility under these standards will be further explained in a paragraph that details the auditor's responsibility of the consolidated financial statements in the Independent auditors' report. The audit team of our firm subject to the auditor's independence ethics and independence rules has complied with the Code of Professional Ethics, and maintains independence from the Group to perform other duties as specified in the Code. We believe that sufficient and appropriate audit evidence has been obtained as a basis to express the opinion of the audit.

Key audit matters

Key audit matters refer to the most important matters, per our judgment, when auditing the 2024 consolidated financial reports of the Group. These matters have been responded to in the course of our auditing the consolidated financial reports as a whole and when the audit opinion is formed. We do not express separate opinions for each individual matter. Per our judgment, the key audit matters that should be communication in the audit report are as follows:

I. Revenue recognition

Please refer to Note 4 (14) of the consolidated financial reports for the accounting policy of revenue recognition. Please refer to Note 6 (15) Revenue from Contracts with Customers for disclosure of relevant information of revenue recognition.

Description of the key audit matters:

The Group's revenues include R/D, production and sales of wound care, respiratory therapy, welfare equipment, and other electronic medical device. As some revenues are from customized products/services and might be subject to various terms of contracts, the testing of revenue recognition becomes one of the most important items to be assessed when auditing the Group's consolidated financial reports.

Response to Audit procedures:

Our major audit procedures for the above key audit matter include analyzing the revenue of the top ten customers that are related parties with significant transaction amounts and the top ten new customers, reviewing material new contracts and understanding the contractual terms to assess whether there are any material anomalies; assessing the reasonableness of the accounting treatment of revenue recognition (including sales discounts and returns). We also evaluated the effectiveness of the design and implementation of the Group's internal control system for revenue, reviewed the Group's delivery terms to customers, and tested the sales samples for the period before and after the year end to assess the correctness of the revenue recognition period.

II. Valuation of inventory

For the accounting policy of inventory valuation, please refer to Note 4 (8) of the consolidated financial reports for details. For accounting estimates and assumptions of inventories. Please refer to Note 5 (1) Valuation of inventories: information on inventories of the consolidated financial reports for details. For description of inventories, please refer to the Note 6 (5) Inventories of the consolidated financial reports for details.

Description of the key audit matters:

Inventory value of the Group is measured at lower cost or net realizable value on the financial reporting date. Since the Group's products are designed specifically to meet the needs of customers and have high add-on value, the probability of inventory loss is very low. However, as some products are customized, if quality is not up to customer's standards they won't be sold as scheduled, and would result in a higher risk for sluggish inventory movement. As loss from sluggish inventory movement is assessed according to inventory category and number of days the inventory being sluggish, the percentage used for provision is at management's discretion.

Therefore, valuation of inventory is an item highly regarded when the Group's consolidated financial reports are audited.

Response to Audit procedures:

Our major audit procedures for the above key audit matter include examining whether the provision for loss on inventory valuation and obsolescence had been made in accordance with the provisions of the relevant accounting standards. We also evaluated whether inventories had been correctly attributed to the correct ageing period and analyzed the changes in inventory ageing from period to period to assess the reasonableness of the policy on the provision of inventory obsolescence and whether it was in accordance with the Company's established accounting policies and evaluated the provision of allowance for inventory obsolescence by comparing the information with the actual loss on disposal, and assessed the appropriateness of management's disclosure of the allowance for inventory.

III. Valuation of impairment of goodwill

For the accounting policy of impairment of goodwill, please refer to Note 4 (13) for the impairment of non-financial assets of the consolidated financial reports. For uncertainty regarding accounting estimates and assumptions of goodwill please refer to Note 5 (2) Estimation on Impairment of Goodwill the of the consolidated financial reports. For disclosure of relevant information about goodwill please refer to Note 6 (8) intangible assets of the consolidated financial reports.

Description of the key audit matters:

Wellell Inc. made investments to expand marketing presences and add product lines, and thereby generate relevant goodwill. Due to the high uncertainty of the recoverable amount of goodwill valuation using future discounted cash flows, we paid special attention to whether the assumption, valuation, and determination of the discount value of future cash flow are appropriate. Therefore, whether the goodwill is impaired is highly concerned when the Group's consolidated financial reports are audited.

Response to Audit procedures:

The main auditing procedures of the above key audit matters include assessment of the future cash flow forecast and the discount rate used in the impairment model, the forecast of future cash flow against historical performance, and the comparison of discount rate with external data to test the impairment of goodwill.

Other Matters

Wellell Inc. also prepared individual financial reports for 2024 and 2023, and we expressed unqualified opinions for these two years for reference.

Responsibilities assumed by the management and governing units on the consolidated financial reports

Responsibility of the management is to prepare the fairly presented consolidated financial reports in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers as well as IFRSs, IASs, IFRICs, and announcements endorsed by FSC, maintain necessary

internal controls in relation to prepare the consolidated financial reports, and ensure that the consolidated financial reports do not contain significant false statements that are attributable to fraud or error.

In preparing the consolidated financial reports, the responsibility of the management is to evaluate the Group's capability as whether it can continue operating as a successful business, the disclosure of relevant matters, the adoption of accounting basis to continue operating, unless the management intends to liquidate the Group or cease to operate, or no other option available except for liquidating or ceasing to operate.

The governing unit of the Group (including the Audit Committee) is responsible for supervising the financial reporting process.

The responsibility of the auditor when auditing the consolidated financial reports

The purpose for auditing the consolidated financial reports is to obtain reasonable assurance as to whether the consolidated financial reports as a whole are free from material misstatement due to fraud or error. Reasonable assurance refers to high assurance. However, an audit performed in accordance with auditing standards is not a guarantee to detect material misstatement of the consolidated financial reports. Misstatements may result from fraud or error. If the misstated amount, be respective or aggregated, can be reasonably expected to influence the user of the consolidated financial reports to make economic decisions, it is considered material.

As part of an audit in accordance with the auditing standards generally accepted, we exercise professional judgment and maintain professional skepticism throughout the audit. We have also conducted the following tasks:

1. Identified and evaluated the risks the consolidated financial reports might be materially misstated due to fraud or errors; responded to the identified risks with strategies that were appropriately designed and implemented; obtained sufficient and proper evidence as basis to provide audit opinions. As frauds may involve conspiracy, forgery, deliberate omission, misstatement, or beyond the internal control, the risk of not being able to detect misstatement due to fraud is higher than that caused by the error.
2. Obtained necessary understanding of internal control relevant to the audit so to design appropriate audit procedures commensurate with what is needed at the time of audit. However, please note the purpose is not to express opinion as to whether the internal control of the Group is effective.
3. To assess appropriateness of the accounting policies adopted by the management, as well as whether the accounting estimates and related disclosures are reasonable.
4. Made a conclusion based on audit evidence obtained, determined whether the accounting basis used by the management to carry out business is appropriate, and if there was any event, circumstance, or significant uncertainty, would affect the Group to continue its business. If in our option, there is existing significant uncertainty in such an event or circumstance, we have the responsibility to remind users of the consolidated financial reports to look after relevant disclosures, or revise the audit opinion when disclosure becomes inappropriate. Our conclusion is based on the audit evidence obtained at the date of the auditor's independent report. However future events or circumstances may

cause the Group not to have the capability to operate.

5. Evaluated whether the overall statement, structure and content of the consolidated financial reports (including relevant notes), as well as the consolidated financial reports fairly present relevant transactions and events.
6. Obtained sufficient and appropriate audit evidence from financial information of individual entities of the Group to express opinions on the consolidated financial reports. We are responsible for the guidance, supervision and implementation of the Group's audit, as well as the forming of audit opinions.

The matters we communicated with the governing unit include the scope and time frame of the audit, as well as the major findings in the audit (including the significant lack of internal controls identified during the audit procedures).

We have also provided a declaration to the governing unit that our audit team has complied with the independence rules as required by the Code of Professional Ethics for Certified Public Accountant. We have also communicated with the governing unit all matters that might be considered to influence the auditor's independence as well as all other matters (Including relevant protective measures).

We have decided the key audit matters for the Group's 2024 consolidated financial reports for matters communicated with the governing unit. We will make known such matters in the audit report unless the laws and regulations do not allow public disclosure of any particular matter or, in rare cases, we decide not to communicate a particular matter in the audit report, as we can reasonably expect the negative impact from such communication will outweigh the benefit to increase the public interest.

KPMG. Taipei, Taiwan, R.O.C.

Certified Public Accountants:

Certified and Approved No. of the	Tai Tsai Certified No. 0930106739
Securities Competent Authority:	Jin-Guan-Cheng-Liu-Zi No. 0960069825
March 13, 2025	

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Wellell Inc. and Subsidiaries
Consolidated Balance Sheet
December 31, 2024 and 2023

Unit: New Taiwan Dollars in thousands

		2024.12.31		2023.12.31				2024.12.31		2023.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets						Liabilities and Equity					
Current Assets:						Current Liabilities:					
1100	Cash and Cash Equivalents(Note 6 (1) and (18))	\$ 666,440	21	648,379	20	2100	Short term Borrowings (Note 6 (9) and (18))	\$ 156,347	5	195,761	6
1137	Financial Asset at Amortized Cost – Current (Note 6 (2), (18) and 8)	131,327	4	110,927	3	2150	Notes Payable (Note (18))	34	-	37	-
1150	Notes Receivable, net (Note 6 (3), (15) (18))	9,475	-	18,663	-	2170	Accounts Payable (Note (18))	134,270	4	178,938	6
1170	Accounts Receivable, net (Note 6 (3), (15) (18))	362,321	12	471,869	15	2200	Other Payables (including related parties) (Note 6 (18) and 7)	206,375	7	223,674	7
1180	Accounts Receivable – related parties, net (Note (3), (15) (18) and 7)	10,057	-	-	-	2230	Current Income Tax Liability	22,105	1	43,664	1
1200	Other Receivables (including related parties) (Note 6 (4), (18) & 7)	16,661	1	27,230	1	2280	Lease Liabilities – Current (Note 6 (18))	18,955	1	15,615	-
130X	Inventories (Note 6 (5))	415,798	13	420,289	13	2300	Other Current Liabilities (including related parties) (Note 7)	34,844	1	29,202	1
1410	Prepayments	31,421	1	23,905	1	2322	Long-term borrowings due within one year (Note 6(10) and (18))	11,191	-	11,973	-
1470	Other Current Assets	669	-	799	-		Total Current Liabilities	584,121	19	698,864	21
	Total Current Assets	1,644,169	52	1,722,061	53		Non-current Liabilities:				
Non-current Assets:						2540	Long term Borrowings (Note 6 (10) and (18))	103,005	3	112,979	4
1535	Financial Asset at Amortized Cost – Non-Current (Note 6 (2), (18) and 8)	-	-	15,000	-	2570	Deferred Income tax Liabilities (Note 6 (12))	6,815	-	7,919	-
1517	Financial Assets at Fair Value Through Other Comprehensive Income - Non-Current (Note 6 (18))	20,482	1	21,120	1	2580	Lease Liabilities – Non-Current (Note 6 (18))	18,735	1	28,187	1
1550	Investment accounted under the equity method (Note 6(6)	1,621	-	2,877	-	2640	Net defined benefit liability – Non Current (Note 6 (11))	-	-	738	-
1600	Property, Plant and Equipment (Note 6 (7) and 8)	716,220	23	713,321	23	2670	Other Non-current Liabilities	1,553	-	35,288	1
1755	Right-of-use Assets	46,124	2	52,104	2		Total Non-Current Liabilities	130,108	4	185,111	6
1780	Intangible Assets (Note 6 (8))	657,563	21	648,833	20		Total Liabilities	714,229	23	883,975	27
1840	Deferred Income Tax Assets (Note 6 (12))	37,016	1	34,479	1	3100	Equity attributable to owners of the parent company (Note 6 (13)):	1,009,116	32	1,009,116	31
1920	Refundable deposits	11,403	-	14,280	-	3200	Capital	345,736	11	345,635	11
1975	Net defined benefit assets – Non Current (Note 6 (11))	2,512	-	-	-		Capital Reserve				
1990	Other non-current Assets	770	-	769	-		Retained Earnings:				
	Total Non-current Assets	1,493,711	48	1,502,783	47	3310	Statutory reserves	326,470	10	311,210	10
						3320	Special reserves	252,634	8	252,634	8
						3350	Undistributed earnings (Note 6 (11))	591,196	19	569,448	18
							Subtotal of Retained Earnings	1,170,300	37	1,133,292	36
						3400	Other Equities	(107,151)	(3)	(152,063)	(5)
							Subtotal of equity attributable to owners of the parent company	2,418,001	77	2,335,980	73
						36XX	Non-controlling interests	5,650	-	4,889	-
							Total Equity	2,423,651	77	2,340,869	73
							Total liabilities and Equity	\$ 3,137,880	100	3,224,844	100
	Total Assets	\$ 3,137,880	100	3,224,844	100						

(For details please refer to the attached consolidated balance sheets notes)

Chairman of the Board: Li, Yung Chuan

Manager: Li, Wen-Te

Accounting Director: Chen, Shih-He

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

Wellell Inc. and Subsidiaries

Consolidated Statement of Comprehensive Income

From January 1 to December 31, 2024 and 2023

Unit: New Taiwan Dollars in thousands

		2024		2023	
		Amount	%	Amount	%
4000	Sales Revenue (Note 6 (15) and 7)	\$ 2,386,654	100	2,647,122	100
5000	Operating Costs (Note 6 (5), (7), (8), (11) and (16))	<u>1,311,804</u>	<u>55</u>	<u>1,508,805</u>	<u>57</u>
	Gross Margin	<u>1,074,850</u>	<u>45</u>	<u>1,138,317</u>	<u>43</u>
6000	Operating Expenses (Note 6 (3), (7), (8), (11), (16) and 7):				
6100	Selling Expenses	389,805	16	379,127	15
6200	General and Administrative Expenses	375,072	16	399,368	15
6300	Research & Development Expenses	163,526	7	165,762	6
6450	Expected Credit Impairment Losses (Gains)	<u>14,738</u>	<u>1</u>	<u>(159)</u>	<u>-</u>
	Total Operating Expenses	<u>943,141</u>	<u>40</u>	<u>944,098</u>	<u>36</u>
6900	Net Operating Profit	<u>131,709</u>	<u>5</u>	<u>194,219</u>	<u>7</u>
	Non-operating income and expenditures (Note 6 (6), (17) and 7):				
7100	Interest Income	9,259	-	6,212	-
7010	Other Income	367	-	219	-
7020	Other Profits and Losses	20,644	1	23,710	1
7050	Financial Costs	(12,971)	-	(14,184)	-
7060	Share of profit or loss of affiliated companies under the equity method	<u>(1,164)</u>	<u>-</u>	<u>(323)</u>	<u>-</u>
	Total non-operating income and expenses	<u>16,135</u>	<u>1</u>	<u>15,634</u>	<u>1</u>
	Profit before Tax	<u>147,844</u>	<u>6</u>	<u>209,853</u>	<u>8</u>
7950	Less: Income Tax Expenses (Note 6 (12))	<u>32,193</u>	<u>1</u>	<u>56,841</u>	<u>2</u>
	Net Income Current Period	<u>115,651</u>	<u>5</u>	<u>153,012</u>	<u>6</u>
8300	Other comprehensive income (Notes 6(11), (12) and (13))				
8310	Items not to be reclassified into profit or loss				
8311	Remeasurement of defined benefit plan	3,122	-	304	-
8316	Unrealized Evaluation Profit and Loss on Equity Instruments Investments Measured at Fair Value Through Other Comprehensive Income	(638)	-	1,955	-
8349	Less: Income tax related to items not reclassified	<u>624</u>	<u>-</u>	<u>61</u>	<u>-</u>
	Total items not to be reclassified into profit or loss	<u>1,860</u>	<u>-</u>	<u>2,198</u>	<u>-</u>
8360	Items that may be subsequently reclassified into profit or loss				
8361	Financial statements translation differences of foreign operations	45,899	2	43,876	2
8399	Less: Income tax relating to items that may be reclassified subsequently	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Items that may be subsequently reclassified into profit or loss	<u>45,899</u>	<u>2</u>	<u>43,876</u>	<u>2</u>
8300	Other comprehensive Income Current Period	<u>47,759</u>	<u>2</u>	<u>46,074</u>	<u>2</u>
8500	Total Comprehensive Income Current Period	<u><u>\$ 163,410</u></u>	<u><u>7</u></u>	<u><u>199,086</u></u>	<u><u>8</u></u>
	Net Income attributed to:				
8610	Owner of the parent company	\$ 115,239	5	152,172	6
8620	Non-controlling interests	<u>412</u>	<u>-</u>	<u>840</u>	<u>-</u>
		<u><u>\$ 115,651</u></u>	<u><u>5</u></u>	<u><u>153,012</u></u>	<u><u>6</u></u>
	Comprehensive Income attributed to:				
8710	Owner of the parent company	\$ 162,649	7	200,491	8
8720	Non-controlling interests	<u>761</u>	<u>-</u>	<u>(1,405)</u>	<u>-</u>
		<u><u>\$ 163,410</u></u>	<u><u>7</u></u>	<u><u>199,086</u></u>	<u><u>8</u></u>
9750	Basic EPS (Unit: NT\$) (Note 6 (14))	<u><u>\$ 1.14</u></u>		<u><u>1.51</u></u>	
9850	Diluted EPS (Unit: NT\$) (Note 6 (14))	<u><u>\$ 1.14</u></u>		<u><u>1.50</u></u>	

(For details please refer to the attached consolidated balance sheets notes)

Chairman of the Board:

Li, Yung Chuan

Manager:

Li, Wen-Te

Accounting Director:

Chen, Shih-He

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Wellell Inc. and Subsidiaries

Consolidated Statement of Change in Equity
From January 1 to December 31, 2024 and 2023

Unit: New Taiwan Dollars in thousands

	Equity attributable to owners of the parent company											
	Retained Earnings						Total Other Equities					
	Capital	Capital Reserve	Statutory reserves	Special reserves	Undistributed earnings	Total	Financial statements translation differences of foreign operations	Unrealized valuation gains or losses on financial assets measured at fair value through other comprehensive income	Total	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance as of January 1, 2023	\$ 1,009,116	345,635	294,712	252,634	519,306	1,066,652	(209,197)	9,058	(200,139)	2,221,264	6,294	2,227,558
Net Income Current Period	-	-	-	-	152,172	152,172	-	-	-	152,172	840	153,012
Other comprehensive Income Current Period	-	-	-	-	243	243	46,121	1,955	48,076	48,319	(2,245)	46,074
Total Comprehensive Income Current Period	-	-	-	-	152,415	152,415	46,121	1,955	48,076	200,491	(1,405)	199,086
Earnings appropriation and distribution:												
Provision of statutory reserves	-	-	16,498	-	(16,498)	-	-	-	-	-	-	-
Common stock cash dividends	-	-	-	-	(85,775)	(85,775)	-	-	-	(85,775)	-	(85,775)
Balance as of December 31, 2023	1,009,116	345,635	311,210	252,634	569,448	1,133,292	(163,076)	11,013	(152,063)	2,335,980	4,889	2,340,869
Net Income Current Period	-	-	-	-	115,239	115,239	-	-	-	115,239	412	115,651
Other comprehensive Income Current Period	-	-	-	-	2,498	2,498	45,550	(638)	44,912	47,410	349	47,759
Total Comprehensive Income Current Period	-	-	-	-	117,737	117,737	45,550	(638)	44,912	162,649	761	163,410
Earnings appropriation and distribution:												
Provision of statutory reserves	-	-	15,260	-	(15,260)	-	-	-	-	-	-	-
Common stock cash dividends	-	-	-	-	(80,729)	(80,729)	-	-	-	(80,729)	-	(80,729)
Changes of other capital reserves:												
Unclaimed overdue shareholder dividends	-	101	-	-	-	-	-	-	-	101	-	101
Balance as of December 31, 2024	\$ 1,009,116	345,736	326,470	252,634	591,196	1,170,300	(117,526)	10,375	(107,151)	2,418,001	5,650	2,423,651

(For details please refer to the attached consolidated balance sheets notes)

Chairman of the Board: Li, Yung Chuan

Manager: Li, Wen-Te

Accounting Director: Chen, Shih-He

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Wellell Inc. and Subsidiaries

Consolidated Statement of Cash Flow

From January 1 to December 31, 2024 and 2023

Unit: New Taiwan Dollars in thousands

	<u>2024</u>	<u>2023</u>
Cash flow from operating activities:		
Profit before Tax current period	\$ 147,844	209,853
Adjustment items:		
Income and expenses item		
Depreciation	75,975	73,028
Amortization	19,236	20,735
Expected Credit Impairment Losses (Gains)	14,738	(159)
Interest Expense	12,971	14,184
Interest Income	(9,259)	(6,212)
Dividend Income	(34)	-
Share of profit or loss of affiliated companies under the equity method	1,164	323
Profit or loss from disposal and obsolesce of property, plants and equipment	860	452
Property, plants and equipment reclassified as expenses	42	688
Impairment loss recognised in profit or loss, intangible assets other than goodwill	-	12,418
Gain on lease modification	-	(2)
Total Incomes and Expenses	<u>115,693</u>	<u>115,455</u>
Changes of assets and liabilities relating to operating activities:		
Notes receivable	9,188	(2,598)
Accounts Receivable	94,779	20,024
Account Receivable - Related Party	(10,057)	-
Other Receivables (including related parties)	11,452	2,481
Inventories	4,491	132,217
Prepayments	(8,102)	9,920
Other Current Assets	130	346
Other non-current Assets	(1)	(1)
Total Net changes of assets relating to operating activities	<u>101,880</u>	<u>162,389</u>
Notes Payable	(3)	(529)
Accounts Payable	(44,668)	4,445
Other Payables (including related parties)	(16,788)	13,114
Other current liabilities (including related parties)	5,642	(1,074)
Net defined benefit liabilities	(752)	(62)
Other Non-current Liabilities	(33,735)	1,330
Total Net changes of liabilities relating to operating activities	<u>(90,304)</u>	<u>17,224</u>
Total Net changes of assets and liabilities relating to operating activities	<u>11,576</u>	<u>179,613</u>
Total adjustments	<u>127,269</u>	<u>295,068</u>

(For details please refer to the attached consolidated balance sheets notes)

Chairman of the Board:

Li, Yung Chuan

Manager:

Li, Wen-Te

Accounting Director:

Chen, Shih-He

Cash inflow from operating	\$ 275,113	504,921
Interest received	9,331	6,218
Dividends received	34	-
Interest paid	(13,482)	(14,055)
Income Taxes Paid	<u>(57,762)</u>	<u>(41,426)</u>
Net Cash inflow from operating activities	<u>213,234</u>	<u>455,658</u>
Cash flow from investing activities:		
Acquisition of Financial assets at amortized cost	(5,400)	(20,765)
Investment accounted for under the equity method	-	(3,198)
Investment in properties, plants and equipment	(56,909)	(28,826)
Disposal of property, plants and equipment	1,730	1,597
Refundable deposits	2,877	1,582
Investment in intangible assets	<u>(3,825)</u>	<u>(3,285)</u>
Cash outflow from investing activities	<u>(61,527)</u>	<u>(52,895)</u>
Cash flow from financing activities:		
Application for short-term borrowings	575,185	664,591
Repayment of short-term borrowings	(616,308)	(754,793)
Repayment of long-term borrowings	(10,756)	(6,574)
Repayment of principal portion of the lease	(20,479)	(17,830)
Cash dividends paid	(80,729)	(85,775)
Unclaimed overdue shareholder dividends	<u>101</u>	<u>-</u>
Net cash outflow from financing activities	<u>(152,986)</u>	<u>(200,381)</u>
Net effect of changes in foreign currency exchange rates on cash and cash equivalent	<u>19,340</u>	<u>717</u>
Increase of cash and cash equivalents current period	18,061	203,099
Cash and cash equivalents at beginning of year	<u>648,379</u>	<u>445,280</u>
Cash and cash equivalents at the end of year	<u>\$ 666,440</u>	<u>648,379</u>

Independent Auditors' Report

To Wellell Inc.,

Audit opinion

We have audited the consolidated balance sheet of Wellell Inc. and its subsidiaries (The Group) prepared on December 31, 2024 and December 31, 2023, and the consolidated comprehensive income statement, consolidated statement of change in shareholders' equity, the consolidated statement of cash flow, and the notes to the consolidated financial statements (including a summary of significant accounting policies) covering the periods of 2024 and 2023 until December 31 of the respective fiscal year.

In our opinion, the financial statements as referred in the first paragraph are prepared, in all material respects, in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations(SIC) as endorsed by the Financial Supervisory Commission (FSC), and present fairly the consolidated financial position of the Group as of December 31, 2024 and 2023, and the results of the consolidated financial performance and consolidated cash flows for the year ending December 31, 2024 and 2023.

Basis of Audit opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards. Our responsibility under these standards will be further explained in a paragraph that details the auditor's responsibility of the consolidated financial statements in the Independent auditors' report. The audit team of our firm subject to the auditor's independence ethics and independence rules has complied with the Code of Professional Ethics, and maintains independence from the Group to perform other duties as specified in the Code. We believe that sufficient and appropriate audit evidence has been obtained as a basis to express the opinion of the audit.

Key audit matters

Key audit matters refer to the most important matters, per our judgment, when auditing the 2024 consolidated financial reports of the Group. These matters have been responded to in the course of our auditing the consolidated financial reports as a whole and when the audit opinion is formed. We do not express separate opinions for each individual matter. Per our judgment, the key audit matters that should be communication in the audit report are as follows:

I. Revenue recognition

Please refer to Note 4 (14) of the consolidated financial reports for the accounting policy of revenue recognition. Please refer to Note 6 (15) Revenue from Contracts with Customers for disclosure of relevant information of revenue recognition.

Description of the key audit matters:

The Group's revenues include R/D, production and sales of wound care, respiratory therapy, welfare equipment, and other electronic medical device. As some revenues are from customized products/services and might be subject to various terms of contracts, the testing of revenue recognition becomes one of the most important items to be assessed when auditing the Group's consolidated financial reports.

Response to Audit procedures:

Our major audit procedures for the above key audit matter include analyzing the revenue of the top ten customers that are related parties with significant transaction amounts and the top ten new customers, reviewing material new contracts and understanding the contractual terms to assess whether there are any material anomalies; assessing the reasonableness of the accounting treatment of revenue recognition (including sales discounts and returns). We also evaluated the effectiveness of the design and implementation of the Group's internal control system for revenue, reviewed the Group's delivery terms to customers, and tested the sales samples for the period before and after the year end to assess the correctness of the revenue recognition period.

II. Valuation of inventory

For the accounting policy of inventory valuation, please refer to Note 4 (8) of the consolidated financial reports for details. For accounting estimates and assumptions of inventories. Please refer to Note 5 (1) Valuation of inventories: information on inventories of the consolidated financial reports for details. For description of inventories, please refer to the Note 6 (5) Inventories of the consolidated financial reports for details.

Description of the key audit matters:

Inventory value of the Group is measured at lower cost or net realizable value on the financial reporting date. Since the Group's products are designed specifically to meet the needs of customers and have high add-on value, the probability of inventory loss is very low. However, as some products are customized, if quality is not up to customer's standards they won't be sold as scheduled, and would result in a higher risk for sluggish inventory movement. As loss from sluggish inventory movement is assessed according to inventory category and number of days the inventory being sluggish, the percentage used for provision is at management's discretion.

Therefore, valuation of inventory is an item highly regarded when the Group's consolidated financial reports are audited.

Response to Audit procedures:

Our major audit procedures for the above key audit matter include examining whether the provision for loss on inventory valuation and obsolescence had been made in accordance with the provisions of the relevant accounting standards. We also evaluated whether inventories had been correctly attributed to the correct ageing period and analyzed the changes in inventory ageing from period to period to assess the reasonableness of the policy on the provision of inventory obsolescence and whether it was in accordance with the Company's established accounting policies and evaluated the provision of allowance for inventory obsolescence by comparing the information with the actual loss on disposal, and assessed the appropriateness of management's disclosure of the allowance for inventory.

III. Valuation of impairment of goodwill

For the accounting policy of impairment of goodwill, please refer to Note 4 (13) for the impairment of non-financial assets of the consolidated financial reports. For uncertainty regarding accounting estimates and assumptions of goodwill please refer to Note 5 (2) Estimation on Impairment of Goodwill the of the consolidated financial reports. For disclosure of relevant information about goodwill please refer to Note 6 (8) intangible assets of the consolidated financial reports.

Description of the key audit matters:

Wellell Inc. made investments to expand marketing presences and add product lines, and thereby generate relevant goodwill. Due to the high uncertainty of the recoverable amount of goodwill valuation using future discounted cash flows, we paid special attention to whether the assumption, valuation, and determination of the discount value of future cash flow are appropriate. Therefore, whether the goodwill is impaired is highly concerned when the Group's consolidated financial reports are audited.

Response to Audit procedures:

The main auditing procedures of the above key audit matters include assessment of the future cash flow forecast and the discount rate used in the impairment model, the forecast of future cash flow against historical performance, and the comparison of discount rate with external data to test the impairment of goodwill.

Other Matters

Wellell Inc. also prepared individual financial reports for 2024 and 2023, and we expressed unqualified opinions for these two years for reference.

Responsibilities assumed by the management and governing units on the consolidated financial reports

Responsibility of the management is to prepare the fairly presented consolidated financial reports in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers as well as IFRSs, IASs, IFRICs, and announcements endorsed by FSC, maintain necessary

internal controls in relation to prepare the consolidated financial reports, and ensure that the consolidated financial reports do not contain significant false statements that are attributable to fraud or error.

In preparing the consolidated financial reports, the responsibility of the management is to evaluate the Group's capability as whether it can continue operating as a successful business, the disclosure of relevant matters, the adoption of accounting basis to continue operating, unless the management intends to liquidate the Group or cease to operate, or no other option available except for liquidating or ceasing to operate.

The governing unit of the Group (including the Audit Committee) is responsible for supervising the financial reporting process.

The responsibility of the auditor when auditing the consolidated financial reports

The purpose for auditing the consolidated financial reports is to obtain reasonable assurance as to whether the consolidated financial reports as a whole are free from material misstatement due to fraud or error. Reasonable assurance refers to high assurance. However, an audit performed in accordance with auditing standards is not a guarantee to detect material misstatement of the consolidated financial reports. Misstatements may result from fraud or error. If the misstated amount, be respective or aggregated, can be reasonably expected to influence the user of the consolidated financial reports to make economic decisions, it is considered material.

As part of an audit in accordance with the auditing standards generally accepted, we exercise professional judgment and maintain professional skepticism throughout the audit. We have also conducted the following tasks:

1. Identified and evaluated the risks the consolidated financial reports might be materially misstated due to fraud or errors; responded to the identified risks with strategies that were appropriately designed and implemented; obtained sufficient and proper evidence as basis to provide audit opinions. As frauds may involve conspiracy, forgery, deliberate omission, misstatement, or beyond the internal control, the risk of not being able to detect misstatement due to fraud is higher than that caused by the error.
2. Obtained necessary understanding of internal control relevant to the audit so to design appropriate audit procedures commensurate with what is needed at the time of audit. However, please note the purpose is not to express opinion as to whether the internal control of the Group is effective.
3. To assess appropriateness of the accounting policies adopted by the management, as well as whether the accounting estimates and related disclosures are reasonable.
4. Made a conclusion based on audit evidence obtained, determined whether the accounting basis used by the management to carry out business is appropriate, and if there was any event, circumstance, or significant uncertainty, would affect the Group to continue its business. If in our option, there is existing significant uncertainty in such an event or circumstance, we have the responsibility to remind users of the consolidated financial reports to look after relevant disclosures, or revise the audit opinion when disclosure becomes inappropriate. Our conclusion is based on the audit evidence obtained at the date of the auditor's independent report. However future events or circumstances may

cause the Group not to have the capability to operate.

5. Evaluated whether the overall statement, structure and content of the consolidated financial reports (including relevant notes), as well as the consolidated financial reports fairly present relevant transactions and events.
6. Obtained sufficient and appropriate audit evidence from financial information of individual entities of the Group to express opinions on the consolidated financial reports. We are responsible for the guidance, supervision and implementation of the Group's audit, as well as the forming of audit opinions.

The matters we communicated with the governing unit include the scope and time frame of the audit, as well as the major findings in the audit (including the significant lack of internal controls identified during the audit procedures).

We have also provided a declaration to the governing unit that our audit team has complied with the independence rules as required by the Code of Professional Ethics for Certified Public Accountant. We have also communicated with the governing unit all matters that might be considered to influence the auditor's independence as well as all other matters (Including relevant protective measures).

We have decided the key audit matters for the Group's 2024 consolidated financial reports for matters communicated with the governing unit. We will make known such matters in the audit report unless the laws and regulations do not allow public disclosure of any particular matter or, in rare cases, we decide not to communicate a particular matter in the audit report, as we can reasonably expect the negative impact from such communication will outweigh the benefit to increase the public interest.

KPMG. Taipei, Taiwan, R.O.C.

Certified Public Accountants:

Certified and Approved No. of the	Tai Tsai Certified No. 0930106739
Securities Competent Authority:	Jin-Guan-Cheng-Liu-Zi No. 0960069825
March 13, 2025	

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Wellell Inc. and Subsidiaries
Consolidated Balance Sheet
December 31, 2024 and 2023

Unit: New Taiwan Dollars in thousands

		2024.12.31		2023.12.31				2024.12.31		2023.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets						Liabilities and Equity					
Current Assets:						Current Liabilities:					
1100	Cash and Cash Equivalents(Note 6 (1) and (18))	\$ 666,440	21	648,379	20	2100	Short term Borrowings (Note 6 (9) and (18))	\$ 156,347	5	195,761	6
1137	Financial Asset at Amortized Cost – Current (Note 6 (2), (18) and 8)	131,327	4	110,927	3	2150	Notes Payable (Note (18))	34	-	37	-
1150	Notes Receivable, net (Note 6 (3), (15) (18))	9,475	-	18,663	-	2170	Accounts Payable (Note (18))	134,270	4	178,938	6
1170	Accounts Receivable, net (Note 6 (3), (15) (18))	362,321	12	471,869	15	2200	Other Payables (including related parties) (Note 6 (18) and 7)	206,375	7	223,674	7
1180	Accounts Receivable – related parties, net (Note (3), (15) (18) and 7)	10,057	-	-	-	2230	Current Income Tax Liability	22,105	1	43,664	1
1200	Other Receivables (including related parties) (Note 6 (4), (18) & 7)	16,661	1	27,230	1	2280	Lease Liabilities – Current (Note 6 (18))	18,955	1	15,615	-
130X	Inventories (Note 6 (5))	415,798	13	420,289	13	2300	Other Current Liabilities (including related parties) (Note 7)	34,844	1	29,202	1
1410	Prepayments	31,421	1	23,905	1	2322	Long-term borrowings due within one year (Note 6(10) and (18))	11,191	-	11,973	-
1470	Other Current Assets	669	-	799	-		Total Current Liabilities	584,121	19	698,864	21
	Total Current Assets	1,644,169	52	1,722,061	53		Non-current Liabilities:				
Non-current Assets:						2540	Long term Borrowings (Note 6 (10) and (18))	103,005	3	112,979	4
1535	Financial Asset at Amortized Cost – Non-Current (Note 6 (2), (18) and 8)	-	-	15,000	-	2570	Deferred Income tax Liabilities (Note 6 (12))	6,815	-	7,919	-
1517	Financial Assets at Fair Value Through Other Comprehensive Income - Non-Current (Note 6 (18))	20,482	1	21,120	1	2580	Lease Liabilities – Non-Current (Note 6 (18))	18,735	1	28,187	1
1550	Investment accounted under the equity method (Note 6(6)	1,621	-	2,877	-	2640	Net defined benefit liability – Non Current (Note 6 (11))	-	-	738	-
1600	Property, Plant and Equipment (Note 6 (7) and 8)	716,220	23	713,321	23	2670	Other Non-current Liabilities	1,553	-	35,288	1
1755	Right-of-use Assets	46,124	2	52,104	2		Total Non-Current Liabilities	130,108	4	185,111	6
1780	Intangible Assets (Note 6 (8))	657,563	21	648,833	20		Total Liabilities	714,229	23	883,975	27
1840	Deferred Income Tax Assets (Note 6 (12))	37,016	1	34,479	1	3100	Equity attributable to owners of the parent company (Note 6 (13)):	1,009,116	32	1,009,116	31
1920	Refundable deposits	11,403	-	14,280	-	3200	Capital	345,736	11	345,635	11
1975	Net defined benefit assets – Non Current (Note 6 (11))	2,512	-	-	-		Capital Reserve				
1990	Other non-current Assets	770	-	769	-		Retained Earnings:				
	Total Non-current Assets	1,493,711	48	1,502,783	47	3310	Statutory reserves	326,470	10	311,210	10
						3320	Special reserves	252,634	8	252,634	8
						3350	Undistributed earnings (Note 6 (11))	591,196	19	569,448	18
							Subtotal of Retained Earnings	1,170,300	37	1,133,292	36
						3400	Other Equities	(107,151)	(3)	(152,063)	(5)
							Subtotal of equity attributable to owners of the parent company	2,418,001	77	2,335,980	73
						36XX	Non-controlling interests	5,650	-	4,889	-
							Total Equity	2,423,651	77	2,340,869	73
							Total liabilities and Equity	\$ 3,137,880	100	3,224,844	100
	Total Assets	\$ 3,137,880	100	3,224,844	100						

(For details please refer to the attached consolidated balance sheets notes)

Chairman of the Board: Li, Yung Chuan

Manager: Li, Wen-Te

Accounting Director: Chen, Shih-He

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

Wellell Inc. and Subsidiaries

Consolidated Statement of Comprehensive Income

From January 1 to December 31, 2024 and 2023

Unit: New Taiwan Dollars in thousands

		2024		2023	
		Amount	%	Amount	%
4000	Sales Revenue (Note 6 (15) and 7)	\$ 2,386,654	100	2,647,122	100
5000	Operating Costs (Note 6 (5), (7), (8), (11) and (16))	<u>1,311,804</u>	<u>55</u>	<u>1,508,805</u>	<u>57</u>
	Gross Margin	<u>1,074,850</u>	<u>45</u>	<u>1,138,317</u>	<u>43</u>
6000	Operating Expenses (Note 6 (3), (7), (8), (11), (16) and 7):				
6100	Selling Expenses	389,805	16	379,127	15
6200	General and Administrative Expenses	375,072	16	399,368	15
6300	Research & Development Expenses	163,526	7	165,762	6
6450	Expected Credit Impairment Losses (Gains)	<u>14,738</u>	<u>1</u>	<u>(159)</u>	<u>-</u>
	Total Operating Expenses	<u>943,141</u>	<u>40</u>	<u>944,098</u>	<u>36</u>
6900	Net Operating Profit	<u>131,709</u>	<u>5</u>	<u>194,219</u>	<u>7</u>
	Non-operating income and expenditures (Note 6 (6), (17) and 7):				
7100	Interest Income	9,259	-	6,212	-
7010	Other Income	367	-	219	-
7020	Other Profits and Losses	20,644	1	23,710	1
7050	Financial Costs	(12,971)	-	(14,184)	-
7060	Share of profit or loss of affiliated companies under the equity method	<u>(1,164)</u>	<u>-</u>	<u>(323)</u>	<u>-</u>
	Total non-operating income and expenses	<u>16,135</u>	<u>1</u>	<u>15,634</u>	<u>1</u>
	Profit before Tax	147,844	6	209,853	8
7950	Less: Income Tax Expenses (Note 6 (12))	<u>32,193</u>	<u>1</u>	<u>56,841</u>	<u>2</u>
	Net Income Current Period	<u>115,651</u>	<u>5</u>	<u>153,012</u>	<u>6</u>
8300	Other comprehensive income (Notes 6(11), (12) and (13))				
8310	Items not to be reclassified into profit or loss				
8311	Remeasurement of defined benefit plan	3,122	-	304	-
8316	Unrealized Evaluation Profit and Loss on Equity Instruments Investments Measured at Fair Value Through Other Comprehensive Income	(638)	-	1,955	-
8349	Less: Income tax related to items not reclassified	<u>624</u>	<u>-</u>	<u>61</u>	<u>-</u>
	Total items not to be reclassified into profit or loss	<u>1,860</u>	<u>-</u>	<u>2,198</u>	<u>-</u>
8360	Items that may be subsequently reclassified into profit or loss				
8361	Financial statements translation differences of foreign operations	45,899	2	43,876	2
8399	Less: Income tax relating to items that may be reclassified subsequently	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Items that may be subsequently reclassified into profit or loss	<u>45,899</u>	<u>2</u>	<u>43,876</u>	<u>2</u>
8300	Other comprehensive Income Current Period	<u>47,759</u>	<u>2</u>	<u>46,074</u>	<u>2</u>
8500	Total Comprehensive Income Current Period	<u><u>\$ 163,410</u></u>	<u><u>7</u></u>	<u><u>199,086</u></u>	<u><u>8</u></u>
	Net Income attributed to:				
8610	Owner of the parent company	\$ 115,239	5	152,172	6
8620	Non-controlling interests	<u>412</u>	<u>-</u>	<u>840</u>	<u>-</u>
		<u><u>\$ 115,651</u></u>	<u><u>5</u></u>	<u><u>153,012</u></u>	<u><u>6</u></u>
	Comprehensive Income attributed to:				
8710	Owner of the parent company	\$ 162,649	7	200,491	8
8720	Non-controlling interests	<u>761</u>	<u>-</u>	<u>(1,405)</u>	<u>-</u>
		<u><u>\$ 163,410</u></u>	<u><u>7</u></u>	<u><u>199,086</u></u>	<u><u>8</u></u>
9750	Basic EPS (Unit: NT\$) (Note 6 (14))	<u><u>\$ 1.14</u></u>		<u><u>1.51</u></u>	
9850	Diluted EPS (Unit: NT\$) (Note 6 (14))	<u><u>\$ 1.14</u></u>		<u><u>1.50</u></u>	

(For details please refer to the attached consolidated balance sheets notes)

Chairman of the Board:

Li, Yung Chuan

Manager:

Li, Wen-Te

Accounting Director:

Chen, Shih-He

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Wellell Inc. and Subsidiaries

Consolidated Statement of Change in Equity
From January 1 to December 31, 2024 and 2023

Unit: New Taiwan Dollars in thousands

	Equity attributable to owners of the parent company											
	Retained Earnings						Total Other Equities					
	Capital	Capital Reserve	Statutory reserves	Special reserves	Undistributed earnings	Total	Financial statements translation differences of foreign operations	Unrealized valuation gains or losses on financial assets measured at fair value through other comprehensive income	Total	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance as of January 1, 2023	\$ 1,009,116	345,635	294,712	252,634	519,306	1,066,652	(209,197)	9,058	(200,139)	2,221,264	6,294	2,227,558
Net Income Current Period	-	-	-	-	152,172	152,172	-	-	-	152,172	840	153,012
Other comprehensive Income Current Period	-	-	-	-	243	243	46,121	1,955	48,076	48,319	(2,245)	46,074
Total Comprehensive Income Current Period	-	-	-	-	152,415	152,415	46,121	1,955	48,076	200,491	(1,405)	199,086
Earnings appropriation and distribution:												
Provision of statutory reserves	-	-	16,498	-	(16,498)	-	-	-	-	-	-	-
Common stock cash dividends	-	-	-	-	(85,775)	(85,775)	-	-	-	(85,775)	-	(85,775)
Balance as of December 31, 2023	1,009,116	345,635	311,210	252,634	569,448	1,133,292	(163,076)	11,013	(152,063)	2,335,980	4,889	2,340,869
Net Income Current Period	-	-	-	-	115,239	115,239	-	-	-	115,239	412	115,651
Other comprehensive Income Current Period	-	-	-	-	2,498	2,498	45,550	(638)	44,912	47,410	349	47,759
Total Comprehensive Income Current Period	-	-	-	-	117,737	117,737	45,550	(638)	44,912	162,649	761	163,410
Earnings appropriation and distribution:												
Provision of statutory reserves	-	-	15,260	-	(15,260)	-	-	-	-	-	-	-
Common stock cash dividends	-	-	-	-	(80,729)	(80,729)	-	-	-	(80,729)	-	(80,729)
Changes of other capital reserves:												
Unclaimed overdue shareholder dividends	-	101	-	-	-	-	-	-	-	101	-	101
Balance as of December 31, 2024	\$ 1,009,116	345,736	326,470	252,634	591,196	1,170,300	(117,526)	10,375	(107,151)	2,418,001	5,650	2,423,651

(For details please refer to the attached consolidated balance sheets notes)

Chairman of the Board: Li, Yung Chuan

Manager: Li, Wen-Te

Accounting Director: Chen, Shih-He

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Wellell Inc. and Subsidiaries

Consolidated Statement of Cash Flow

From January 1 to December 31, 2024 and 2023

Unit: New Taiwan Dollars in thousands

	<u>2024</u>	<u>2023</u>
Cash flow from operating activities:		
Profit before Tax current period	\$ 147,844	209,853
Adjustment items:		
Income and expenses item		
Depreciation	75,975	73,028
Amortization	19,236	20,735
Expected Credit Impairment Losses (Gains)	14,738	(159)
Interest Expense	12,971	14,184
Interest Income	(9,259)	(6,212)
Dividend Income	(34)	-
Share of profit or loss of affiliated companies under the equity method	1,164	323
Profit or loss from disposal and obsolesce of property, plants and equipment	860	452
Property, plants and equipment reclassified as expenses	42	688
Impairment loss recognised in profit or loss, intangible assets other than goodwill	-	12,418
Gain on lease modification	-	(2)
Total Incomes and Expenses	<u>115,693</u>	<u>115,455</u>
Changes of assets and liabilities relating to operating activities:		
Notes receivable	9,188	(2,598)
Accounts Receivable	94,779	20,024
Account Receivable - Related Party	(10,057)	-
Other Receivables (including related parties)	11,452	2,481
Inventories	4,491	132,217
Prepayments	(8,102)	9,920
Other Current Assets	130	346
Other non-current Assets	(1)	(1)
Total Net changes of assets relating to operating activities	<u>101,880</u>	<u>162,389</u>
Notes Payable	(3)	(529)
Accounts Payable	(44,668)	4,445
Other Payables (including related parties)	(16,788)	13,114
Other current liabilities (including related parties)	5,642	(1,074)
Net defined benefit liabilities	(752)	(62)
Other Non-current Liabilities	(33,735)	1,330
Total Net changes of liabilities relating to operating activities	<u>(90,304)</u>	<u>17,224</u>
Total Net changes of assets and liabilities relating to operating activities	<u>11,576</u>	<u>179,613</u>
Total adjustments	<u>127,269</u>	<u>295,068</u>

(For details please refer to the attached consolidated balance sheets notes)

Chairman of the Board:

Li, Yung Chuan

Manager:

Li, Wen-Te

Accounting Director:

Chen, Shih-He

Cash inflow from operating	\$	275,113	504,921
Interest received		9,331	6,218
Dividends received		34	-
Interest paid		(13,482)	(14,055)
Income Taxes Paid		<u>(57,762)</u>	<u>(41,426)</u>
Net Cash inflow from operating activities		<u>213,234</u>	<u>455,658</u>
Cash flow from investing activities:			
Acquisition of Financial assets at amortized cost		(5,400)	(20,765)
Investment accounted for under the equity method		-	(3,198)
Investment in properties, plants and equipment		(56,909)	(28,826)
Disposal of property, plants and equipment		1,730	1,597
Refundable deposits		2,877	1,582
Investment in intangible assets		<u>(3,825)</u>	<u>(3,285)</u>
Cash outflow from investing activities		<u>(61,527)</u>	<u>(52,895)</u>
Cash flow from financing activities:			
Application for short-term borrowings		575,185	664,591
Repayment of short-term borrowings		(616,308)	(754,793)
Repayment of long-term borrowings		(10,756)	(6,574)
Repayment of principal portion of the lease		(20,479)	(17,830)
Cash dividends paid		(80,729)	(85,775)
Unclaimed overdue shareholder dividends		<u>101</u>	<u>-</u>
Net cash outflow from financing activities		<u>(152,986)</u>	<u>(200,381)</u>
Net effect of changes in foreign currency exchange rates on cash and cash equivalent		<u>19,340</u>	<u>717</u>
Increase of cash and cash equivalents current period		18,061	203,099
Cash and cash equivalents at beginning of year		<u>648,379</u>	<u>445,280</u>
Cash and cash equivalents at the end of year	\$	<u>666,440</u>	<u>648,379</u>

(For details please refer to the attached consolidated balance sheets notes)

Chairman of the Board:

Li, Yung Chuan

Manager:

Li, Wen-Te

Accounting Director:

Chen, Shih-He

[Attachment 2] Comparison Table of the “Articles of Incorporation” Before and After Amendment

Wellell Inc.

Comparison table of the “Articles of Incorporation” before and after amendment

Provisions after amendment	Provisions before amendment	Description
<p>Article 20-2</p> <p>If the Company makes a profit in a fiscal year, it shall set aside 5% to 15% of the profit as employees’ remuneration, which shall be distributed in shares or cash as resolved by the Board of Directors, to employees of controlling and subsidiary companies under certain conditions; the Company may set aside not more than 2% of the above-mentioned profit as directors’ remuneration as resolved by the Board of Directors. The remuneration proposal to the employees and the Directors shall be reported to the shareholders’ meeting.</p> <p>However, when the Company still has accumulated losses, it should reserve the profit to make up for the loss before allocate employee remuneration and director remuneration in proportion to the preceding paragraph.</p> <p><u>If the Company makes a profit in a fiscal year, it shall set aside 1% to 2% of the profit as salary adjustment or remuneration distribution for grass-roots employees, which shall be distributed as resolved by the Board of Directors, to grass-roots employees of controlling and subsidiary companies under certain conditions. However, if the Company has accumulated losses, the Company shall make up for the losses first and</u></p>	<p>Article 20-2</p> <p>If the Company makes a profit in a fiscal year, it shall set aside 5% to 15% of the profit as employees’ remuneration, which shall be distributed in shares or cash as resolved by the Board of Directors, to employees of controlling and subsidiary companies under certain conditions; the Company may set aside not more than 2% of the above-mentioned profit as directors’ remuneration as resolved by the Board of Directors. The remuneration proposal to the employees and the Directors shall be reported to the shareholders’ meeting.</p> <p>However, when the Company still has accumulated losses, it should reserve the profit to make up for the loss before allocate employee remuneration and director remuneration in proportion to the preceding paragraph.</p>	<p>In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, it is proposed to amend the articles.</p>

Provisions after amendment	Provisions before amendment	Description
<u>then calculate the remuneration</u> <u>according to the remaining balance.</u>		
<p>Article 22</p> <p>These Articles of Incorporation were established on March 10, 1990.</p> <p>The 1st amendment was made on November 30, 1990.</p> <p>.....,</p> <p>The 30th amendment was made on June 20, 2022.</p> <p><u>The 31st amendment was made on June 24, 2025.</u></p>	<p>Article 22</p> <p>These Articles of Incorporation were established on March 10, 1990.</p> <p>The 1st amendment was made on November 30, 1990.</p> <p>.....,</p> <p>The 30th amendment was made on June 20, 2022.</p>	<p>The date of amendment was added.</p>

[Attachment 3] List of Candidates for Directors and Independent Directors

Category of Candidate	Name of Candidate	Education	Work experience	Current position	Number of shares held (unit: shares)	Reason for continuing to nominate independent directors who have served three consecutive terms
Director	Representative of Yasheng Investment Development Co., Ltd.: Lee, Yung-Chuan	National Chengchi University, EMBA, Non-Profit Business Group	Business Manager of Comfort Orthopedic Co. Ltd.	Chairman of Wellell Inc. Chairman of Yachuang Investment Development Co., Ltd. Director of Yaxin Investment Development Co., Ltd. Chairman of Yasheng Investment Development Co., Ltd. Director of Wenzhuan Investment Development Co., Ltd. Chairman (Legal Representative) of Sturdy Industrial Co., Ltd. Director of Wellell America Corp. Director of Apex Global Investment Ltd. Director of ComfortPro Investment Corp. Director of Max Delight Holding Limited Executive Director of Apex (Kunshan) Medical Corp. Executive Director of Wellell (Kunshan) Co., Ltd. Director of G Innings Medical Ltd. Director of Wellell (Thailand) Ltd. Director of Apex Medical Respiratory Ltd. Director of Wellell UK Limited Director of Wellell France S.A.S. Director of SLK Vertriebs GmbH Director of SLK Medical GmbH Chairman of Apex Medical Corp.	10,566,760 (shares)	Not applicable

Category of Candidate	Name of Candidate	Education	Work experience	Current position	Number of shares held (unit: shares)	Reason for continuing to nominate independent directors who have served three consecutive terms
				Director of Wellell Germany GmbH Independent Director of Q Burger Group Co., Ltd. Director of Puren Youth Care Foundation		
Director	Representative of Yasheng Investment Development Co., Ltd.: Liu, Chang-Chi	EMBA, National Chung Hsing University Ph.D. in Economics, The Wang Yunnan Institute for Studies in Economics, Xiamen University	Vice President of Wellell Inc. President of Yatai Industrial Co., Ltd. Director of Yachuang Investment Development Co., Ltd. Director of Huizhuan Investment Development Co., Ltd. President of Chang Hua Enterprise Operation Research Association Vice Chairman (Legal Representative) of Strong Biotech Corp.	Chairman of Yaxin Investment Development Co., Ltd. Director of Yasheng Investment Development Co., Ltd. Chairman of Acemaker Technology Services & Products Corp. Chairman of Huaren Investment Development Co., Ltd. Supervisor of Eversun Science and Technology Co., Ltd. Chairman (Legal Representative) of Strong Biotech Corp. Director of Shengda Construction Co., Ltd. Supervisor of Medifun Corporation Adjunct Professor, Academy of Circular Economy, National Chung Hsing University Consultant of Topkey Foundation Supervisor of Welfare Organization for the Elderly, Taiwan, R.O.C. Vice Chairman of Xiamen University Taiwan Alumni Association Consultant of National Chung Hsing University Alumni Association	10,566,760 (shares)	Not applicable
Director	CDIB Capital Growth Partner L.P.	Not applicable	Not applicable	Not applicable	11,526,000 (shares)	Not applicable

Director	Representative of National Development Fund, Executive Yuan: Chen, Mei-Ju	Master, Department of Economics, National Taiwan University Bachelor, Department of Economics, National Taiwan University	Deputy Director, Department of Overall Planning, National Development Council	Deputy Director, Department of Economic Development, National Development Council	6,000,000 (shares)	Not applicable
Independent Director	Zheng, Kuei-Hui	Ph.D., Department of Accounting, National Chengchi University	Department of Accounting, National Taipei University Independent Director of ABC Taiwan Electronics Corp.	Department of Accounting, National Taipei University Independent Director of ABC Taiwan Electronics Corp.	0 (share)	None.
Independent Director	Lee, Hsiung-Ching	Executive Master of Business Administration (EMBA), School of Business, Sun Yat-sen University	Chairman of Jiu Zhen Nan Foods Co., Ltd. Responsible person of Yongxingheng Investment Co., Ltd. Representative of the corporate director of Logah Technology Corporation Supervisor of Barking Dog Technology Inc.	Chairman of Jiu Zhen Nan Foods Co., Ltd. Responsible person of Yongxingheng Investment Co., Ltd.	0 (share)	None.
Independent Director	He, Chun-Cheng	Department of Electrical Engineering, Tatung University	Executive Director, Director of Advantech Co., Ltd. President of Advantech Co., Ltd.	Executive Director, Director of Advantech Co., Ltd. Independent Director of Giant Manufacturing Co., Ltd.	0 (share)	None.
Independent Director	Sui, Tai-Chung	National Kaohsiung Marine University	Chairman of Thinking Electronic Industrial Co., Ltd. Chairman of Welkin Electronic Industrial Co., Ltd. Chairman of YENYO Technology Co., Ltd.	Chairman of Thinking Electronic Industrial Co., Ltd. Chairman of Welkin Electronic Industrial Co., Ltd. Chairman of YENYO Technology Co., Ltd. Chairman of Boh Chin Investment Co., Ltd. Chairman of Thinking(Changzhou) Electronic Co., Ltd. Chairman of Thinking(Yichang)Electronic Co., Ltd. Chairman of Jiangxi Thinking Electronic Co., Ltd.	0 (share)	None.

				Chairman of Dongguan Welkin Electronic Co., Ltd. Chairman of Welkin Electronic Co., Ltd. Director of Thinking (HK) Enterprises Limited Chairman of Thinking International Co., Ltd. Director of Jing Fu (Samoa) Co., Ltd. Director of Thinking Electronic (Samoa) Co., Ltd. Director of Greenish Co., Ltd. Chairman of Thinking Electronic USA, Inc. Chairman of Thinking (Viet Nam) Electronic, Inc. Chairman of THINKING Education Foundation		
Independent Director	Chou, Hsia-Li	Master in Computer Science, William & Mary, Virginia, USA	Vice President of Taiwan Institute of Economic Research Director of Research Division VII, Taiwan Institute of Economic Research Director of Industry Economics Services, Taiwan Institute of Economic Research Director of Department of Industrial Development, Taiwan Institute of Economic Research Chairman, YM - CYCU	Vice President of Taiwan Institute of Economic Research Executive (Independent) Director of Taiwan Power Company Director of International Cooperation and Development Fund (TaiwanICDF) Director of Taiwan Small & Medium Enterprise Counseling Foundation (Taiwan SMECF) Chairman of Puren Youth Care Foundation Director of Huede Healthtech Co., Ltd. Member, IPPC Intellectual Property Protection Committee	0 (share)	None.

[Attachment 4] List of Directors Released from Non-competition Restrictions

Category	Name	Concurrent positions
Director	Representative of Yasheng Investment Development Co., Ltd.: Lee, Yung-Chuan	Chairman of Yachuang Investment Development Co., Ltd. Director of Yaxin Investment Development Co., Ltd. Chairman of Yasheng Investment Development Co., Ltd. Director of Wenzhuan Investment Development Co., Ltd. Chairman (Legal Representative) of Sturdy Industrial Co., Ltd. Director of Wellell America Corp. Director of Apex Global Investment Ltd. Director of ComfortPro Investment Corp. Director of Max Delight Holding Limited Executive Director of Apex (Kunshan) Medical Corp. Executive Director of Wellell (Kunshan) Co., Ltd. Director of G Innings Medical Ltd. Director of Wellell (Thailand) Ltd. Director of Apex Medical Respiratory Ltd. Director of Wellell UK Limited Director of Wellell France S.A.S. Director of SLK Vertriebs GmbH Director of SLK Medical GmbH Chairman of Apex Medical Corp. Director of Wellell Germany GmbH Independent Director of Q Burger Group Co., Ltd. Director of Puren Youth Care Foundation
Director	Representative of Yasheng Investment Development Co., Ltd.: Liu, Chang-Chi	Chairman of Yaxin Investment Development Co., Ltd. Director of Yasheng Investment Development Co., Ltd. Chairman of Acemaker Technology Services & Products Corp. Chairman of Huaren Investment Development Co., Ltd. Supervisor of Eversun Science and Technology Co., Ltd. Chairman (Legal Representative) of Strong Biotech Corp. Director of Shengda Construction Co., Ltd. Supervisor of Medifun Corporation Adjunct Professor, Academy of Circular Economy, National Chung Hsing University Consultant of Topkey Foundation Supervisor of Welfare Organization for the Elderly, Taiwan, R.O.C. Vice Chairman of Xiamen University Taiwan Alumni Association Consultant of National Chung Hsing University Alumni Association
Director	CDIB Capital Growth Partner L.P.	Not applicable
	National Development Fund, Executive Yuan	Director of Genovate Biotechnology Co., LTD. Director of Taiwan Biotech Co., Ltd.

Category	Name	Concurrent positions
		Director of ScinoPharm Taiwan, Ltd. Director of Taiwan Flower Biotechnology Company, Ltd. Director of United Biomedical, Inc., Asia Director of ADIMMUNE Corporation Director of TaiGen Biopharmaceuticals Holdings Limited Director of PharmaEssentia Corp. Director of PharmaEngine, Inc. Director of TaiAn Technologies Corp. Director of TaiMed Biologics Director of EirGenix Inc. Director of MetaTech (AP) Inc. Director of Intech Biopharm Ltd. Director of Point Robotics Holding Limited Director of Locus Cell Co., Ltd. Director of Taiwan Bio-Manufacturing Corporation
Director	Representative of National Development Fund, Executive Yuan: Chen, Mei-Ju	None
Independent Director	Zheng, Kuei-Hui	None
Independent Director	Li, Hsiung-Ching	Chairman of Jiu Zhen Nan Foods Co., Ltd. Responsible person of Yongxingheng Investment Co., Ltd.
Independent Director	He, Chun-Cheng	None
Independent Director	Sui, Tai-Chung	Chairman of Thinking Electronic Industrial Co., Ltd. Chairman of Welkin Electronic Industrial Co., Ltd. Chairman of YENYO Technology Co., Ltd. Chairman of Boh Chin Investment Co., Ltd. Chairman of Thinking(Changzhou) Electronic Co., Ltd. Chairman of Thinking(Yichang)Electronic Co., Ltd. Chairman of Jiangxi Thinking Electronic Co., Ltd. Chairman of Dongguan Welkin Electronic Co., Ltd. Chairman of Welkin Electronic Co., Ltd. Director of Thinking (HK) Enterprises Limited Chairman of Thinking International Co., Ltd. Director of Jing Fu (Samoa) Co., Ltd. Director of Thinking Electronic (Samoa) Co., Ltd. Director of Greenish Co., Ltd. Chairman of Thinking Electronic USA, Inc. Chairman of Thinking (Viet Nam) Electronic, Inc. Chairman of THINKING Education Foundation
Independent Director	Chou, Hsia-Li	Director of Huede Healthtech Co., Ltd.

Chapter 9. Appendix

[Appendix 1] Articles of Incorporation

Articles of Incorporation of Wellell Inc.

Chapter 1. General Provisions

Article 1. The Company was incorporated under the Company Act, and its name is Wellell Inc.

Article 2. The business items operated by this Company are as follows:

1. F401010 International Trade.
2. F108031 Wholesale of Drugs, Medical Goods.
3. F208031 Retail sale of Medical Equipments.
4. F113020 Wholesale of Electrical Appliances.
5. F213010 Retail Sale of Electrical Appliances.
6. F108040 Wholesale of Cosmetics.
7. F208040 Retail Sale of Cosmetics.
8. CA02090 Metal Wire Products Manufacturing.
9. CB01010 Mechanical Equipment Manufacturing
10. F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.
11. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.
12. CD01990 Other Transport Equipment and Parts Manufacturing (handcarts, walking aid cart for disabled children, oxygen cylinder trailers)
13. CN01010 Furniture and Fixtures Manufacturing.
14. CA02990 Other Fabricated Metal Products Manufacturing Not Elsewhere Classified (crutches, aluminum clips, bathtub handrails)
15. F199990 Other Wholesale Trade (crutches, aluminum clips, bathtub handrails).
16. F299990 Retail Sale of Other Products (crutches, aluminum clips, bathtub handrails)
17. F106010 Wholesale of Batteries
18. F206010 Retail Sale of Ironware
19. F114990 Wholesale of Other Traffic Means of Transport and Component Parts Thereof (walking aid cart for disabled children, oxygen cylinder trailers)
20. F214990 Retail Sale of Other Traffic Means of Transport and Component Parts Thereof (walking aid cart for disabled children, oxygen cylinder trailers)
21. F105010 Wholesale of Furniture.
22. F205010 Retail Sale of Furniture.
23. CF01011 Medical Devices Manufacturing.
24. CC01100 Controlled Telecommunications Radio-Frequency Devices and

Materials Manufacturing.

25. All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1. The Company may provide endorsements or guarantees for business or investment relationships.

Article 2-2. The total amount of the Company's investment may not be limited by Article 13 of the Company Act.

Article 3. The Company has established its head office in New Taipei City. Branch offices or subsidiaries may be established domestically or overseas upon a resolution of the board of directors as it deems necessary.

Article 4. The public announcement method of the Company shall be handled according to Article 28 of the Company Act.

Chapter 2. Shares

Article 5. The Company's total capital is registered at NT\$1.5 billion, which is composed of 150 million shares with a par value of NT\$10 per share and issued in batches. The board of directors is authorized to issue the unissued shares according to the actual needs. Of the above-mentioned total shares, NT\$100 million are reserved for the issuance of employee stock warrants.

Article 6. Deleted.

Article 7. The Company's share certificates shall be in registered form, numbered, and signed or sealed by the director representing the Company, and shall be issued after being certified by the bank acting as the issuer of shares according to the laws. The shares issued by the Company may be issued without printing a certificate, but shall be kept or registered at a centralized securities depository.

Article 8. The transfer of name of a shareholder shall stop within 60 days before the date of an annual shareholders' meeting, within 30 days before the date of an extraordinary shareholders meeting, or within 5 days before the base date on which the Company decides to distribute dividends and bonuses or other benefits.

Chapter 3. Shareholders Meeting

Article 9. The Company's Shareholders' Meetings are divided into:

1. The annual shareholders' meetings shall be convened annually and within six months after each fiscal year.
2. Extraordinary shareholders meetings shall be convened according to relevant laws and regulations when necessary.

The shareholders shall be notified in writing, by fax or e-mail of the date and place of, and the reason for the meeting at least 30 days before the annual shareholders' meetings and 15 days before the extraordinary shareholders meetings according to laws and

regulations.

For shareholders holding less than 1,000 registered shares, the aforementioned notice may be made by announcement.

Article 9-1. The Company's Shareholders' Meeting may be held by video conference or other means announced by central competent authority.

Article 10. If a shareholder is unable to attend a shareholders' meeting for any reason, he or she may appoint a proxy to attend the meeting by presenting a power of attorney issued by the Company and signed and sealed by the shareholder, stating the scope of authority.

Article 11. All shareholders are entitled to one vote for every share held except for restricted shares or non-voting shares described in Article 179 of the Company Act.

Article 12. Resolutions at the shareholders' meeting shall be made in the presence or by proxy of shareholders representing a majority of the total number of outstanding shares, and with the consent of a majority of voting rights of the shareholders present, unless otherwise required by the relevant laws and regulations.

However, for the matters listed below, the resolutions shall be made in the presence or by proxy of shareholders representing two-thirds of the total number of outstanding shares, and with the consent of a majority of voting rights of the shareholders present.

1. Acquisition or merger of other domestic or foreign enterprises.
2. Dissolution, liquidation or division.

When the Company convenes a shareholders' meeting, it may adopt written or electronic manners to exercise the voting rights; when exercising voting rights in writing or electronically, the method for exercising rights shall be specified in the notice of convening of the shareholders' meeting.

The resolutions of the shareholders' meeting shall be made into minutes, which shall be signed or sealed by the chairman, and shall be prepared and distributed in writing or electronically. The minutes shall be distributed by announcement.

Article 12-1. The chairman of the shareholders' meeting shall be the Chairman of the Board of Directors. In case the chairman is on leave or absent or cannot exercise his/her power and authority for any cause, the proxy thereof shall be handled according to Article 208 of the Company Act.

Chapter 4. Directors and Audit Committee

Article 13. The Company has 5 to 9 directors for a term of three years, all of whom are elected by the shareholders' meeting by candidate nomination system with the ability to act and can be re-elected.

In case of failure to conduct a re-election timely upon expiration of the tenure of a director, the tenure of such director shall be extended, until a newly elected director takes office legally. However, the competent authority may, in accordance with its authority, order the Company to re-elect a director within a time limit; if the director is

not re-elected within that period, the director shall be dismissed from office upon the expiration of that period.

Article 13-1. In accordance with Article 14-2 of the Securities and Exchange Act, the Company shall have at least three independent directors among the above-mentioned directors. The professional qualifications, shareholding, restriction on concurrent positions, and nomination and election methods of, and other provisions that shall be complied with regarding independent directors shall be subject to the relevant laws and regulations of competent authority and the Company's rules.

Article 13-2. The Company shall set up an audit committee in accordance with Article 14-4 of the Securities and Exchange Act, which shall consist of all independent directors. The exercise of powers by the audit committee and its members, and other matters shall be handled in accordance with relevant regulations of Securities and Exchange Act.

Article 13-3. The Company may set up various functional committees, the organization rules of which shall be agreed upon by the Board of Directors in accordance with the relevant laws and regulations.

Article 14. The directors shall organize the board of directors. One chairman shall be appointed during a board of directors meeting with over two-thirds of the directors present and with the support of over half of all attending directors, and the chairman shall represent the Company externally.

If a director is unable to attend a board meeting for any reason, he or she may appoint another director to attend the meeting by proxy, provided that the proxy attendance by a director at a board meeting shall be limited to one person.

Article 15. In case the chairman is on leave or absent or cannot exercise his/her power and authority for any cause, the proxy thereof shall be handled according to Article 208 of the Company Act.

Article 16. The Company may authorize the Board of Directors to determine the remuneration of all directors and the purchase of liability insurance based on the extent of their participation in and the value of their contributions to the Company's operations and with reference to the normal standards in the industry, regardless of operating profit or loss.

Chapter 5. Managers

Article 17. The Company may have several managers, whose appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act.

Chapter 6. Accounting

Article 18. At the end of each fiscal year, the Company's Board of Directors shall issue:

1. Business Report
2. Financial statements.

3. Proposals for earnings distribution or loss reversal.

And various statements to submit to the shareholders' meeting for ratification.

Article 19. Deleted.

Article 20. The Company's dividend policy is determined by the Board of Directors in accordance with the operating plan, investment plan, capital budget and changes in internal and external environments. The Board of Directors shall prepare a proposal for earnings distribution, which shall be approved by the shareholders' meeting before distribution. The distribution of earnings may be made in the form of cash dividends or stock dividends, provided that the percentage of stock dividends shall not exceed 50% of the total earnings distributed for the year.

Article 20-1. The Company's surplus from general final accounts, if any, shall be distributed in the following order

1. Pay all taxes.
2. Make up for losses.
3. Set aside 10% of the surplus as a statutory surplus reserve. However, this provision shall not apply if the statutory surplus reserve has reached the total paid-in capital of the Company.
4. The special surplus reserve shall be allocated or reversed according to the laws or regulations of the competent authority.
5. For the remaining earnings and the undistributed earnings of the previous years, a proposal for distribution shall be prepared by the Board of Directors, and submitted to the annual shareholders' meeting for approval before distribution.

If the above shareholders dividends are distributed in cash; the proposal shall be authorized by a board of directors meeting with over two-thirds of the entire board members attending and approved by over half of those present at the meeting, and then reported the case to a shareholders' meeting.

Article 20-2. If the Company makes a profit in a fiscal year, it shall set aside 5% to 15% of the profit as employees' remuneration, which shall be distributed in shares or cash as resolved by the Board of Directors, to employees of controlling and subsidiary companies under certain conditions; the Company may set aside not more than 2% of the above-mentioned profit as directors' remuneration as resolved by the Board of Directors. The remuneration proposal to the employees and the Directors shall be reported to the shareholders' meeting.

However, when the Company still has accumulated losses, it should reserve the profit to make up for the loss before allocate employee remuneration and director remuneration in proportion to the preceding paragraph.

Article 21. Matters not covered in the Articles of Incorporation shall be handled in accordance with the Company Act and relevant laws and regulations.

Article 22. These Articles of Incorporation were established on March 10, 1990.

The 1st amendment was made on November 30, 1990.
The 2nd amendment was made on May 1, 1993.
The 3rd amendment was made on June 28, 1993.
The 4th amendment was made on September 14, 1995.
The 5th amendment was made on June 5, 1996.
The 6th amendment was made on June 3, 1997.
The 7th amendment was made on September 11, 1997.
The 8th amendment was made on November 6, 1997.
The 9th amendment was made on August 5, 1998.
The 10th amendment was made on November 7, 1998.
The 11th amendment was made on June 18, 1999.
The 12th amendment was made on March 7, 2000.
The 13th amendment was made on June 29, 2000.
The 14th amendment was made on June 11, 2001.
The 15th amendment was made on June 11, 2001.
The 16th amendment was made on June 26, 2002.
The 17th amendment was made on April 27, 2004.
The 18th amendment was made on June 7, 2005.
The 19th amendment was made on June 13, 2006.
The 20th amendment was made on June 14, 2010.
The 21st amendment was made on June 24, 2011.
The 22nd amendment was made on June 19, 2012.
The 23rd amendment was made on June 18, 2013.
The 24th amendment was made on June 18, 2015.
The 25th amendment was made on June 21, 2016.
The 26th amendment was made on June 22, 2017.
The 27th amendment was made on June 18, 2019.
The 28th amendment was made on June 17, 2020.
The 29th amendment was made on August 26, 2021.
The 30th amendment was made on June 20, 2022.

Wellell Inc.

Chairman: Li, Yong-Chuan

[Appendix 2] Rules of Procedure of Shareholder' Meeting

Wellell Inc.

Rules of Procedure of Shareholder' Meeting

- Article 1. In order to establish a good governance system for the Company's Shareholders' Meeting, improve the supervisory function and strengthen the management function, these rules are formulated in accordance with Article 5 of the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" for compliance.
- Article 2. The Company's Corporation Rules of Procedure for Shareholders' Meetings shall prevail unless otherwise provided by the laws or the Articles of Incorporation.
- Article 3. Unless otherwise specified by the laws or the Articles of Incorporation, the Company's shareholders' meetings shall be convened by the board of directors.

Any change in the mode of convention of the shareholders' meeting shall be subject to the resolution of the Board and shall be made known to the shareholders no later than the scheduled date of the convention.

The Company shall transmit the notice of meeting, the documents for power of attorney, and specify the causes of motions for recognition, discussion, election or relief of the Directors and explanation with compilation into electronic format to MOPS 30 days before the annual shareholders' meetings and 15 days before the extraordinary shareholders meetings. The Company shall also formulate the shareholders meeting handbook and supplementary materials into electronic files and upload them to the Market Observation Post System at least 21 days before the annual shareholders' meetings or 15 days before the extraordinary shareholders meetings. However, if the Company's paid-in capital at the end of the most recent fiscal year is NT\$10 billion or higher or the total shareholding ratio from foreign capital and capital from mainland China recorded in the shareholder register during a general shareholders meeting in the most recent fiscal year has exceeded 30%, the transmission of the aforesaid electronic file shall be completed 30 days before the annual shareholders' meeting. 15 days prior to the shareholders' meeting, the Company shall complete the current meeting handbook and supplementary materials for shareholders, reference at any time, and display this information at the premises of the Company and the professional stock agency appointed by the Company.

For the procedure manual and supplementary meeting materials mentioned in the preceding paragraph, the Company shall provide references to shareholders in the following ways on the shareholders' meeting day:

1. Release at the venue where the physical meeting was held.
2. Release at the venue where the physical meeting was held, and transmit in electronic file to the videoconference platform if videoconferencing was simultaneously held.

3. Transmit in electronic file to the videoconference platform is the session is held via videoconferencing.

The notice shall specify the reason for the convening; if the notice is approved by the counterparty, it may be prepared in electronic formats.

Issues that involve election or dismissal of directors, changes to the Articles of Incorporation, capital reduction, application for suspension of a public offering, director's permission to compete, surplus capital increase, capital reserve conversion, corporate liquidation, merger, divestment, or any matters listed in Paragraph 1 of Article 185 of the Company Act, Article 26-1 or Article 43-6 of the Securities and Exchange Act, or Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers must be raised and have the main content explained as part of the regular motions (it cannot be raised in the form of extempore motions). The main content may be placed on websites designated by the competent securities authorities or the Company, and the website addresses shall be specified in the notice.

If the reasons for convening the general shareholders' meeting have stated the general re-election of directors and independent directors and the date of their inauguration, after the re-election by the shareholders' meeting is completed, the same meeting shall not reach any resolution to change the date of the directors' inauguration by extempore motions or any other means.

Shareholders holding over 1% of the Company's outstanding shares are entitled to propose written motions for discussion at Annual General Meetings. Each shareholder may only propose one motion. Proposals exceeding this limit shall be excluded from the discussion. In addition, when the circumstances of any subparagraph of Article 172-1, Paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Shareholders may submit a suggestive proposal to urge the Company to promote public interests or fulfill social responsibilities. The procedures shall be provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda subject to the relevant provisions of Article 172-1 of the Company Act.

Before the book closure date of the annual shareholders' meeting, the Company shall announce the conditions, places, written or electronic acceptance method, and time within which the shareholders' proposals are accepted. The timing of acceptance must not be less than 10 days.

The content of any of the proposals proposed by shareholders shall not exceed 300 words. If the number exceeds 300 words, the proposal will not be included for discussion; the proposing shareholder shall attend the annual shareholders' meeting in person or by proxy, and participate in the discussion of the proposal.

Before the date of notice for the shareholders' meeting, the Company shall advise the proposing shareholder of the handling results and list the proposals according to the provision of this Article in the meeting notice. For shareholders' proposals that are not included for discussion, the board of directors shall explain the reasons for rejection at the shareholders' meeting.

Article 4. A shareholder may appoint a proxy to attend the shareholders' meeting by presenting a power of attorney issued by the Company, stating the scope of authority.

A shareholder may only issue one power of attorney to appoint one person, which shall be delivered to the Company five days prior to the shareholders' meeting. In case the power of attorney is repeated, the first copy delivered shall prevail. However, this shall not apply if the former power of attorney is revoked.

If the power of attorney has been delivered to the Company, and the shareholders concerned intend to attend the shareholders' meeting in person or exercise the voting right in written or electronic form, they shall notify the Company in writing to revoke the previous power of attorney 2 days prior to the scheduled date of the meeting. Shareholders who cannot revoke the previous power of attorney beyond the deadline may only attend the meeting by the proxy and vote by the proxy.

If the power of attorney has been delivered to the Company, and the shareholders concerned intend to attend the shareholders' meeting via videoconferencing, they shall notify the Company in writing to revoke the previous authorization of agent 2 days prior to the scheduled date of the meeting. Shareholders who cannot revoke the previous authorization of agent beyond the deadline may only attend the meeting by the proxy and vote by the proxy.

Article 5. The shareholders' meeting shall be held at the location of the Company or at a place convenient for the shareholders to attend and suitable for convening the shareholders' meeting. The meeting shall commence no earlier than 9 a.m. or later than 3 p.m. The opinions of the independent directors shall be fully considered when determining the place and time of the meeting.

Shareholders' meeting of the Company convenes via videoconferencing shall not be governed by the aforementioned restriction.

Article 6. The Company shall specify, in the meeting notice, acceptance shareholder, solicitor, the sign-in time of a proxy (hereinafter referred to as shareholder), sign-in place, and other matters for attention.

The processing of shareholder registration for the meeting shall be started 30 minutes before the scheduled time of the meeting. The registration desk shall be properly marked and staffed with sufficient service personnel. Shareholders shall register for attendance at the videoconference platform 30 minutes prior to the scheduled meeting time if the shareholders' meeting is held via videoconferencing. Shareholders who completed the registration shall be deemed attending the meeting in person.

Shareholders shall attend a shareholders' meeting based on attendance cards, sign-in cards, or other certificates of attendance. The Company shall not arbitrarily raise additional requirements for other certifying documents beyond those showing eligibility to attend as presented by shareholders. A solicitor soliciting a Power of Attorney shall also take identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the Procedure Handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. If a juristic person is entrusted to attend the shareholders' meeting, it may appoint only one representative to attend.

If the shareholders' meeting convenes via videoconferencing, and the shareholders elect to attend the videoconference, they shall register with the Company 2 days prior to the scheduled date of meeting.

If shareholders' meeting is held by videoconference, the Company shall upload the Procedure Handbook, annual report, and other related information to the videoconference platform of Shareholders' Meeting at least 30 minutes prior to the commencement of the meeting until the conclusion.

Article 6-1. If the Company elects to hold the shareholders' meeting via videoconferencing, specify the following in the Shareholders' Meeting Notice:

1. Shareholders participating in videoconferencing and the exercise of rights.
2. Handling method for video conference platform or participation obstacles caused by natural disasters, incidents, or other force majeure circumstances shall include at least the following:
 - (1) The aforementioned interruption continued and cannot be eliminated that the videoconference has to be postponed or extended. Specify the date of the postponed meeting or the extended meeting.
 - (2) Shareholders who did not register for the videoconference in the first place are not entitled to participate in the deferred or extended videoconference.
 - (3) If the shareholders' meeting convenes in physical meeting and supported by videoconferencing but the videoconference cannot be continued, and the total quantity of shares represented by the shareholders in both the physical session and videoconference net of the quantity of shares represented by shareholders in videoconference is sufficient to qualify for a quorum, the shareholders' meeting shall continue. The quantity of shares represented by shareholders participating in videoconference of the session shall be counted as an integral

part of the total quantity of shares represented in the meeting. However, these shareholders shall be deemed abstained from participating in all the motions presented in the session.

(4) If all the motions were resolved and the results were announced pending on the presentation of extempore motions, the Company shall proceed with the following.

3. Appropriate substitution plan shall be provided to shareholders participating in videoconferencing when encountering problems and should be explicitly stated.

Article 7. If the shareholders' meeting convenes to the call of the Board, the Chairman shall be the chair. In the absence of the Chairman due to leave or for other reasons, the Vice President shall act on behalf of the Chairman. If there is no Vice Chairman or in the absence of the Vice Chairman due to leave or other reasons, the Chairman shall appoint an Executive Director to act as the presiding officer. If there is no Executive Directors, a Director shall be appointed for this purpose. If the Chairman did not appoint any Director to preside over the meeting, the Directors shall nominate one among themselves to act as the presiding officer.

The chairman of the preceding Paragraph shall be an executive director or a director who has served for more than six months and who has a proper understanding of the Company's financial and business status. The same applies if the chairman is the representative of the legal person directors.

If a shareholders' meeting is convened by the board of directors, the meeting shall be presided over by the chairman in person, and there shall be over half of the directors from the board of directors and at least one member of various functional committees attending the meeting on behalf of these committees, and the attendance status shall be recorded in the minutes of the shareholders' meeting.

If the shareholders' meeting convenes to the call of a third party other than the Board who is entitled to call for the meeting, this party shall act as the chairman in the meeting. If there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.

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

Article 8. The Company shall record the entire process of registration, the discussion, and voting of the shareholders, meeting continuously and uninterruptedly starting from the time of acceptance of shareholders, registration.

The audio-visual materials in the preceding Paragraph shall be kept for at least one year. If there is legal proceeds instated by shareholders under Article 189 of the Company Act, the said document shall be kept until the final ruling of the proceedings.

If the meeting of shareholders convenes via videoconferencing, the Company shall keep

the information on the enrollment, registration, sign-in, query, voting and the vote count result on record and the entire course of meeting shall be voice recorded and videotaped without interruption.

The Company shall properly keep the aforementioned information and voice record and videotape in its perpetuity, and refer the voice record and the videotape to the commissioned professional videoconference service provider for safekeeping.

For shareholders' meeting convenes via videoconferencing, the Company should conduct voice recording and videotaping on the back-end operation interface of the videoconference.

Article 9. The attendance of shareholders in shareholders' meeting shall be accounted for by the quantity of shareholding represented. The number of shares being represented in the meeting is based on the record of the sign-in register or the attendance card being submitted, and the number of shares represented by shareholders registered for videoconferencing, plus the number of voting shares exercised in writing or through electronic voting.

The chairman shall call the meeting to order immediately upon expiration of the meeting time, and shall announce the number of share without voting rights and the number of shares present.

However, when shareholders representing more than half of the total number of issued shares are not present, the chairman may announce that the meeting to be postponed. The times of postponements shall not exceed two, and the total postponement time shall not exceed one hour. If the session has been adjourned twice but the shareholders present in session represents less than one-third of the total outstanding votes, the chairman shall announce failure to convene for the lack of quorum; if the shareholders' meeting convenes via videoconferencing, the Company shall also announce failure to convene for the lack of quorum on the videoconference platform.

If session is delayed twice as previously mentioned and the total quantity of shares represented by the attending shareholders falls below one-third of the total outstanding shares, provisional resolution may be made pursuant to Paragraph 1 under Article 175 of the Company Act and inform all shareholders of the provision resolution and call for the session of the shareholders' meeting again within 1 month thereafter. If the Shareholders' Meeting convenes via videoconferencing, and the shareholders desire to attend via videoconferencing, register again with the Company pursuant to Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairman may resubmit the provisional resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on the proposals on the agenda

one by one (including extempore motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution by the shareholders' meeting.

If the shareholders' meeting is convened by a person other than the board of directors who has the right to convene, the provisions of the preceding Paragraph shall apply *mutatis mutandis*.

Before the meeting(including extempore motions) is adjourned, the chairman shall not declare the meeting adjourned without resolution; if the chairman violates the Regulations and announces the adjournment of the meeting, the other members of the board of directors shall promptly assist the shareholders present in accordance with legal procedures to elect a person to be the chairman with the consent of more than half of the voting rights of the shareholders present to continue the meeting process.

The chairman shall provide sufficient explanations and opportunities for discussion on the proposals and the amendments or extempore motions proposed by shareholders. When the chairman deems that the voting has reached a sufficient level, he/she may announce the suspension of the discussion for voting and arrange a suitable time for voting.

Article 11. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her/its shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairman.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Each shareholder's speech on the same proposal shall not exceed two times (each time shall not exceed five minutes) without the consent of the chairman. However, if the shareholder's speech violates the regulations or exceeds the scope of the agenda, the chairman may stop such shareholder from making a speech.

When an attending shareholder makes a speech, other shareholders shall not interfere with his/her speech unless having obtained the consent of the chairman and the speaking shareholder, and the chairman shall stop anyone violating such provision.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond.

If the shareholders' meeting convenes via videoconferencing, shareholders entitled to participate by videoconferencing may raise questions in text form at the videoconference platform of the shareholders' meeting from the commencement to the conclusion of the

meeting. No more than 2 questions could be raised on the same motion and the length of each question is no more than 200 words where the rules under Paragraph 1 to Paragraph 5 could be exempted.

If the aforementioned questions fall within the allowable scope and the scope of the motion, they will be disclosed at the videoconference platform of the shareholders' meeting to the attention of all.

Article 12. The voting of shareholders in shareholders' meeting shall be accounted for by the quantity of shareholding represented.

The shares held by shareholders having no voting right shall not be counted in the total number of issued shares while adopting a resolution at a shareholders' meeting.

Shareholders shall recuse from voting on motions that may relate to their private interest that would prejudice the interests of the Company and cannot act on behalf of other shareholders in voting.

In the preceding, shares for which voting rights cannot be exercised shall not be counted in the number of votes of shareholders present at the meeting.

Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the company, otherwise, the portion of excessive voting power shall not be counted.

Article 13. Shareholders have one voting right per share, except for those restricted or have no voting rights pursuant to Paragraph 2, Article 179 of the Company Act.

When the Company convenes a shareholders' meeting, it may adopt electronic or written manners to exercise the voting rights; when exercising voting rights in writing or electronically, the method for exercising rights shall be specified in the notice of convening of the shareholders' meeting. A shareholder who exercises his/her/its voting power at a shareholders' meeting in writing or by way of electronic transmission shall be deemed to have attended the said shareholders' meeting in person. However, such shareholder shall be deemed to have abstained from proposing extempore motions and amendments to original motions at that shareholders' meeting, therefore, the Company shall refrain from proposing extempore motions and amendments to original motions.

For those who exercise their voting rights in the form of correspondence or electronic means, their declaration of intention shall be delivered to the Company two days before the date of the shareholders' meeting; in case of repeated intention, the first copy delivered shall prevail. However, this shall not apply if the former declaration of intention is revoked.

If a shareholder wishes to attend the shareholders' meeting in person or by video after exercising his or her voting rights in the form of correspondence or electronic means, he or she shall revoke his or her previous declaration of intention to exercise his or her

voting rights in the same manner as he or she exercises his or her voting rights two days prior to the shareholders' meeting; if the revocation is made after that time, the voting rights exercised in the form of correspondence or electronic means shall prevail. If a shareholder exercises his or her voting rights in the form of correspondence or electronic means and entrusts a proxy to attend the shareholders' meeting with a power of attorney, the voting rights exercised by the proxy present at the meeting shall prevail.

Unless otherwise provided in the Company Act and the Company's Articles of Incorporation, a motion shall be approved with the consent of a majority of the voting rights represented by the shareholders present. If it is due for voting, the chairman or the designated personnel shall announce the total quantity of voting rights represented by the shareholders in session. Shareholders shall cast their votes on the motions one-by-one. On the day after the adjournment of the shareholders' meeting, the result of the yes and no votes, and the abstention, shall be entered into MOPS.

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

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairman, provided that all monitoring personnel shall be shareholders of the Company.

The counting of votes for voting on proposals or election at the shareholders' meeting shall be done at a public place at the venue of the meeting, and after the votes are fully counted, the results shall be announced on the spot, including the weight for statistics, and a record shall be made.

If the shareholders' meeting convenes via videoconferencing, shareholders attending the meeting via videoconferencing may cast votes on the motions and election through the videoconference platform after the chairman has announced the meeting in session, and complete the voting before the chairman announce for the adjournment of the meeting or shall be taken as abstention.

Votes cast in shareholders' meeting convenes in via videoconferencing shall be counted at one time after the chairman has announced for the end of voting. The voting and election result shall be announced at the same time.

If the shareholders' meeting convenes in physical session and supported by videoconferencing, and the shareholders who have previously registered for attending the meeting through videoconferencing under the Article 6, but later intend to attend the physical session in person, they may cancel the registration in the same manner as registration for attending the meeting through videoconference two days prior to the schedule date of the meeting. Shareholders who cancel the previous registration for attending the meeting through videoconference before the deadline may only attend the

shareholders' meeting via videoconferencing.

Shareholders who cast votes cast in writing or electronic mean without revoking the previous expression of intent cannot vote on the previous motion for a second time, propose amendment to the previous motion, or vote again on the amendment to the previous motion except for extempore motion.

Article 14. Election of directors at a shareholders' meeting, if any, shall be subject to the related election rules formulated by the Company, and the election results shall be announced on the spot, including the list of those elected as directors and the list of those lose the election as directors and the numbers of votes they gained.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If there is legal proceeds instated by shareholders under Article 189 of the Company Act, the said document shall be kept until the final ruling of the proceedings.

Article 15. Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the Company within 20 days after the close of the meeting. The production and distribution of meeting minutes may be conducted electronically.

The distribution of the minute of the meeting on record as mentioned may be made by the Company through an announcement by entry into MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of votes won by each candidate in the event of an election of directors. The minutes of meeting shall be kept during the existence of the Company.

If the shareholders' meeting convenes via videoconferencing, information on the starting and ending time of the meeting, how the meeting is unfolded, the names of the chairman and the record clerk should be inscribed in the minutes of meeting on record further to the particulars to be inscribed as mentioned in the preceding paragraph. In addition, the plan in response to the interruption of the videoconference platform or participation via videoconferencing due to natural disaster, specific incidents or other forms of force majeure, and the status of the response.

Further to the aforementioned requirement, if the shareholders' meeting is to be convened via videoconferencing, a substitution plan should be provided for the shareholders who participate via videoconferencing have problems in participating in the meeting, which should be inscribed as an integral part of the minute of meeting on record.

Article 16. The Company shall expressly disclose the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies, and the number of shares represented by the shareholders attending the meeting in writing or electronically, in the meeting place, by using the statistical statement prepared in the stipulated format, on the current day of the shareholders' meeting. If a Shareholders' Meeting will be held by videoconference, the Company shall upload the preceding materials to the videoconference platform of shareholders' meeting at least 30 minutes before the meeting, and shall continue to disclose them, until the end of the meeting.

When a Company convenes a shareholders' meeting with videoconferencing, when the meeting is called to order, the total number of shares represented by shareholders attending the meeting shall be disclosed on the videoconferencing platform. The same shall apply whenever a new tally of the total number of shares represented at the meeting and the number of voting rights thereof is made during the meeting.

If a shareholders' meeting resolution involves significant information required by the laws and regulations or by the Taiwan Stock Exchange Corporation (Taipei Exchange), the Company shall transmit the content to the Market Observation Post System within a certain deadline.

Article 17. Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The chairman of the meeting shall direct the inspector or security personnel to assist in maintaining the order of the venue. The chairman may stop the shareholders from speaking with equipment other than those provided by the Company.

When a shareholder violates the rules of procedure and defies the chairman's correction, obstructing the proceedings and refusing to heed calls to stop, the chairman may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18. When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue cannot continue to be used before the agendas (including extempore motions) set by the shareholders' meeting are concluded, the shareholders' meeting may decide to find another venue to continue the meeting.

The shareholders' meeting may decide to postpone or continue the meeting within 5 days pursuant to Article 182 of the Company Act.

Article 19. If the shareholders' meeting convenes via videoconferencing, the Company shall disclose the result of voting on each motion and election at the videoconference platform of the shareholders' meeting after the voting is concluded, and shall continue the disclosure for at least 15 minutes after the chairman has announced for the adjournment

of the meeting.

Article 20. If the shareholders' meeting is in session, the chairman and the record clerk shall be at the same location in Taiwan, and the chairman shall announce the meeting in session at the same address.

Article 21. If a shareholders' meeting is held via video conferencing, the Company may provide a simple connection test for shareholders before the meeting and provide relevant services immediately before and during the meeting to help resolve any technical communication problems.

If the shareholders' meeting is to be convened via videoconferencing, and there is the occurrence of natural disasters, specific incidents or other forms of force majeure from the time the chairman announces the meeting in session to the time the chairman announces for the adjournment of the meeting, to the effect that the videoconference platform or the mean of participation in videoconferencing for the meeting is interrupted for more than 30 minutes consecutively, the meeting shall be postponed or extended within 5 days thereafter except under Paragraph 4 under Article 44-20 of the "Regulations Governing the Administration of Shareholder Services of Public Companies" that postponement or extension of the meeting is not required thereby Article 182 of the "Company Act" shall not be applicable to this context.

Shareholders who have not registered for participation in the original shareholders' meeting via videoconferencing cannot participate in the postponed or extended meeting if the meeting is to be postponed or extended.

If the shareholders' meeting is to be postponed or extended under Paragraph 2, shareholders who have registered to participate through videoconference and have completed the registration for the meeting but are absent for the postponed or extended part of the meeting, the quantity of shares they represented, the voting rights and election rights being exercised in the meeting before postponement or extension shall be included in the total quantity of shares, the voting rights and election rights represented by shareholders attending the postponed or extended part of the meeting.

If the shareholders' meeting is extended or continued according to the provisions provided by Paragraph 2, the voting and vote counting that has been completed, the voting results declared the list of elected directors need not be re-discussed or resolved again.

If the shareholders' meeting of the Company convenes in physical session supported by videoconferencing at the same time, and the videoconference was interrupted as stated in Paragraph 2, if the quantity of shares represented by the shareholders participating via videoconferencing were deducted and the quantity of shares represented by the shareholders in the physical session can still qualify for a quorum, the meeting shall be continued and the postponement or extension of meeting as stated in Paragraph 2 will not be necessary.

If the shareholders' meeting is to be continued as stated in the previous paragraph, the quantity of shares represented by shareholders participating in the meeting via videoconferencing shall be counted as a part of the total quantity of shares represented by shareholders in session. However, these shareholders shall be deemed abstained from the voting in the motions presented to this session of the Shareholders' Meeting.

In postponing or extending the shareholders' meeting under Paragraph 2, the Company shall proceed with Paragraph 7 under Article 44-20 of the "Regulations Governing the Administration of Shareholder Services of Public Companies" thereby proceed to preparatory work on the basis of the original date scheduled for the meeting and others as set forth in the article.

For public companies attending shareholders' meeting under the rear section of Article 12 and Paragraph 3 under Article 13 of the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies", Paragraph 2 under Article 44-5, Article 44-15, Paragraph 1 under Article 44-17 of the "Regulations Governing the Administration of Shareholder Services of Public Companies", the Company shall hold the meeting on the date of the postponement or extension under Paragraph 2.

Article 22. If the shareholders' meeting of the Company is to be convened via videoconferencing and the shareholders participating in the meeting have problems in accessing to videoconferencing, the Company shall provide a substitute.

Article 23. These Rules shall be approved by the Company's Board of Directors and submitted to the shareholders' meeting for approval before implementation. The same shall apply to its amendments.

Article 24. Article 24: These Rules were established on August 26, 2021.

The 1st amendment was made on June 20, 2022.

[Appendix 3] Rules for Election of Directors

Wellell Inc.

Rules for Election of Directors

1. The directors of the Company shall be elected in accordance with the provisions of these Rules, unless otherwise specified in the Company Act and the Company's Articles of Incorporation.
2. The cumulative voting method shall be used for election of the Company's directors. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates. The directors (including independent directors) of the Company shall be elected according to the candidate nomination system.
3. The Board of Directors or the authorized convener shall prepare ballots equal to the number of directors to be elected, fill in the number of their rights, and distribute them to the shareholders attending the shareholders' meeting. The names of the electors may be substituted by the attendance card numbers printed on the ballots.
4. For the election of independent directors and non-independent directors of the Company, the person who receives the greater number of election ballots representing the greater number of voting rights shall be elected in the order in which they are presented. In the event that two or more persons receive the same number of votes and the required number of seats is exceeded, the persons who receive the same number of votes shall draw lots to determine the winner, and the chairman shall draw lots on behalf of those who are not present at the meeting. The independent directors and non-independent directors shall be elected together in accordance with the quotas set forth in the Company's Articles of Incorporation, while the voting rights of independent directors and non-independent directors shall be counted separately.
5. Prior to the commencement of the election, the chairman shall designate a number of scrutineers and tellers, each of whom shall have the status of a shareholder, to perform the related duties.
6. Ballot boxes shall be prepared by the Board of Directors or the authorized convener and publicly checked by the scrutineers before the voting.
7. The elector shall fill in the name of the electee or the account name in the electee column of the ballot and put the ballot into the ballot box; however, if the shareholder is a juristic person, the name of the juristic person or the name of the juristic person and the name of its representative may be filled in the electee column of the ballot.
8. The ballot shall be invalid if any of the following circumstances occurs:
 - (1) The ballot prepared by the Board of Directors or the authorized convener is not used.
 - (2) A blank ballot is inserted into the ballot box.

- (3) The handwriting is illegible or altered.
 - (4) The name of the electee filled in does not match with the list of director candidates.
 - (5) In addition to the name of the electee and the number of voting rights allocated, other words are written on the ballot.
- 9. After all the ballots have been inserted, the scrutineers will open the ballot box.
 - 10. If there is any doubt about the ballot, the scrutineer shall first check whether the ballot is invalid or not, and the invalid ballot shall be placed in a separate place. After the counting of the ballots is completed, the number of ballots and the number of voting rights shall be counted, and the scrutineers shall invalidate the ballots and stamp on them.
 - 11. After the scrutineers have verified that the total number of valid ballots and invalid ballots is correct, they shall fill the number of valid votes and their voting rights and the number of invalid votes and their voting rights into the record sheet respectively. The voting results shall be announced by the chairman or his/her designee on site, including the list of the elected directors and the number of their voting rights.
 - 12. Matters not covered in these Rules shall be handled in accordance with the provisions of the Company Act and other relevant laws and regulations.
 - 13. These Rules, and any amendment hereto, shall be implemented after being approved by the shareholders' meeting.

[Appendix 4] Shareholding Status of All Directors of the Company

Shareholding status of all directors of the Company

- As of the book closure date of this Annual Shareholders' Meeting, the shareholder roster has recorded the number of shares held by all directors of the Company as follows:

Date of Annual Shareholders' Meeting: June 24, 2025

Title	Name	Date of election	Term	Shares held when elected		Shares held currently	
				Number of shares	%	Number of shares	%
Chairman	Representative of Yasheng Investment Development Co., Ltd.: Li, Yong-Chuan	June 20, 2022	3 years	10,566,760	10.47%	10,566,760	10.47%
Director	Representative of Yasheng Investment Development Co., Ltd.: Liu, Chang-Qi	June 20, 2022	3 years	10,566,760	10.47%	10,566,760	10.47%
Director	Representative of CDIB Advantage Venture Capital Investment Limited Partnership: Wei, Hong-Zheng	June 20, 2022	3 years	11,526,000	11.42%	11,526,000	11.42%
Director	Representative of National Development Fund, Executive Yuan: He, Qi-Gong	June 20, 2022	3 years	6,000,000	5.94%	6,000,000	5.94%
Independent Director	Lin, Wan-Ying	June 20, 2022	3 years	—	—	—	—
Independent Director	Wang, Guo-Cheng	June 20, 2022	3 years	—	—	—	—
Independent Director	Wang, Wei	June 20, 2022	3 years	—	—	—	—
Independent Director	Lin, Tian-Fa	June 20, 2022	3 years	6,000	0.005%	6,000	0.005%
Independent Director	Li, Xiong-Qing	June 20, 2022	3 years	—	—	—	—
Total				28,098,760	27.84%	28,098,760	27.84%

Note 1: The book closure period of this Annual Shareholders' Meeting is from April 26, 2025 to June 24, 2025.

Note 2: Since the number of independent directors exceeds one-half of all directors and an audit committee has been established, there is no statutory shareholding for all directors and supervisors.

[Appendix 5] Information on the Proposals of Shareholders Holding Over 1% of the Company's Outstanding Shares

1. In accordance with Article 172-1 of the Company Act, the shareholder proposal acceptance period for the Company's 2025 Annual Shareholders' Meeting is from April 14, 2025 to April 24, 2025.
2. Beyond the above period, there was no proposal from any shareholder holding over 1% of the Company's outstanding shares.